# GUJARAT AMBUJA EXPORTS LIMITED

**CIN - L15140GJ1991PLC016151**
**Regd. Off.: "Ambuja Tower", Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. Thaltej, Ahmedabad - 380 059. Phone: +91 79 - 61556677, Fax: +91 79 – 61556678**
**Email Id: info@ambujagroup.com, Website: www.ambujagroup.com**

REF : GAEL\STOCK29\2017\81
Date : 11th September, 2017

**BY E-FILING**

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

**Sub.:- Submission of Annual Report of the Company for the Financial Year 2016-17**

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of Annual Report for the Financial Year 2016-17 as approved and adopted by the members at the 26th Annual General Meeting of the Company as per provisions of the Companies Act, 2013.

Kindly take the same on your records.

Thanking you.

Yours faithfully,

**For, GUJARAT AMBUJA EXPORTS LIMITED**

**CHETNA DHARAJIYA**
**COMPANY SECRETARY**

GUJARAT AMBUJA EXPORTS LTD. AHMEDABAD

Encl: As above

# GUJARAT AMBUJA EXPORTS LIMITED

"Committed to Growth"



Scaling New Milestone







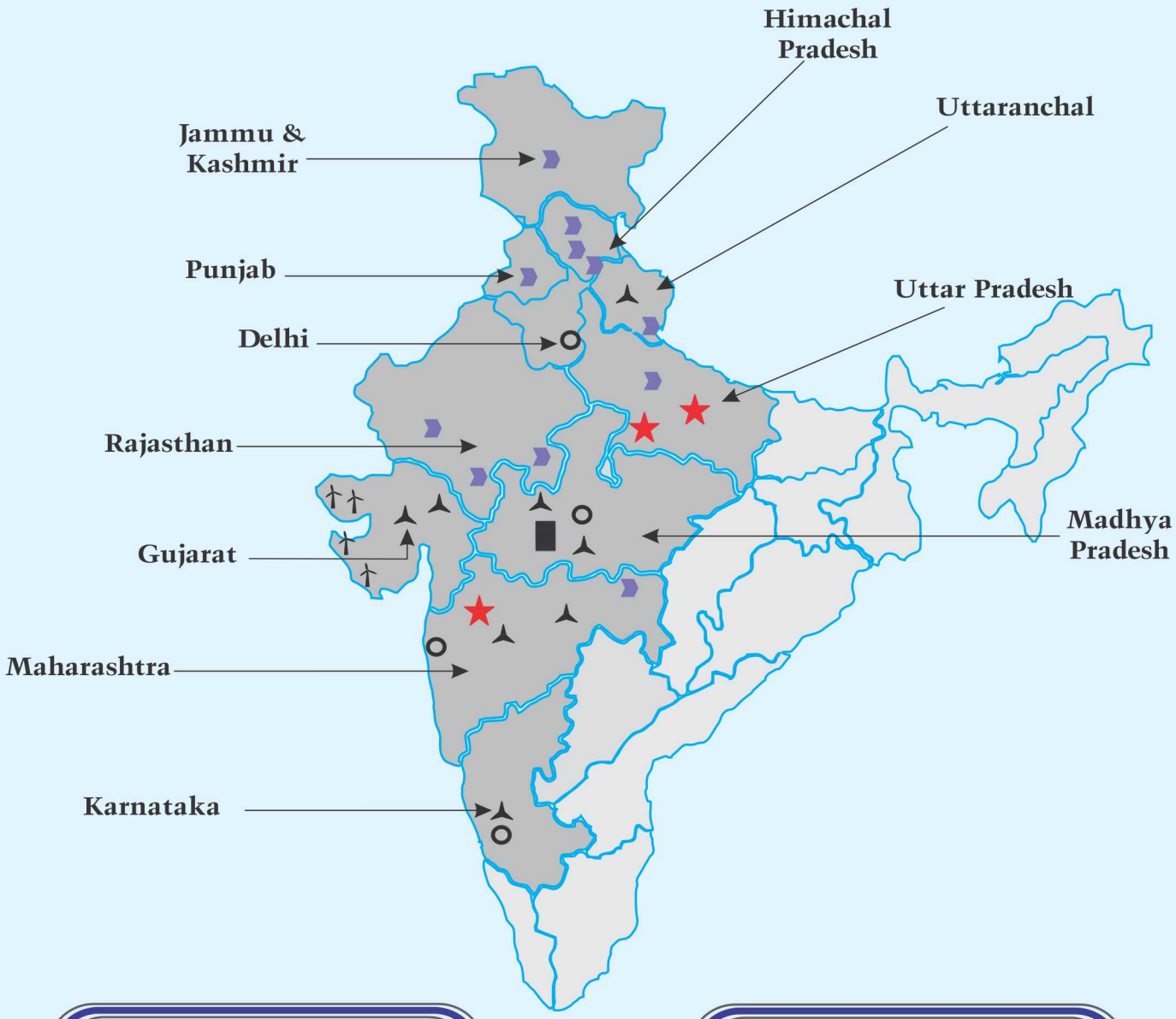




# 26th ANNUAL REPORT 2016-17

Chalisgaon Project

# Network Across India




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- Plants
- Branch Office
- Clearing & Forwarding Agent
- Company Own Depots
- Wind Mills
- Solar Plant

## FORWARD-LOOKING STATEMENT

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

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**Mission**

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

**Vision**

*"Committed to growth and to become largest corn wet milling Company in India by 2018"*

**26TH ANNUAL REPORT 2016-17**

## SCHEDULE OF ANNUAL GENERAL MEETING

**Day : Saturday**

**Date : 9th September, 2017**

**Time : 11:00 a.m.**

**Venue : H. T. Parekh Hall, 1st Floor, Ahmedabad Management Association (AMA), AMA Complex, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad – 380 015**

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

**This Annual Report can be viewed/downloaded from the 'Investor Relation' section on the Company's website www.ambujagroup.com**

**F.Y. 2016-17 : Last 10 (Ten) Years Highest Annual Performance**

- ₹ 3379.07 crores Revenue
  - 22% Y-o-Y Growth
- ₹ 293.58 crores EBITDA
  - 50% Y-o-Y Growth
- ₹ 270.79 crores Cash Profit
  - 46% Y-o-Y Growth
- ₹ 199.37 crores PBT
  - 67% Y-o-Y Growth
- ₹ 158.55 crores PAT
  - 58% Y-o-Y Growth

# CORPORATE INFORMATION

**BOARD OF DIRECTORS**
Shri Vijaykumar Gupta
*Chairman & Managing Director*
Shri Manish Gupta
*Managing Director*
Shri Mohit Gupta#
*Joint Managing Director*
Shri Sandeep Agrawal
*Whole-Time Director*
Smt. Sulochana Gupta
*Non-Executive Director*
Shri Rohit Patel
Shri Sudhin Choksey
Shri Rashmikant Joshi
Shri Vishwavir Saran Das*
Shri Sandeep Singhi$

**AUDIT COMMITTEE**
Shri Sudhin Choksey
*Chairman*
Shri Rohit Patel
Shri Rashmikant Joshi (w.e.f. 1st April, 2016)

**NOMINATION AND REMUNERATION COMMITTEE**
Shri Rashmikant Joshi
*Chairman* (w.e.f. 1st April, 2016)
Shri Rohit Patel
Shri Vishwavir Saran Das (w.e.f. 1st April, 2016)

**STAKEHOLDERS RELATIONSHIP COMMITTEE**
Shri Rohit Patel
*Chairman* (w.e.f. 1st April, 2016)
Shri Vijaykumar Gupta
Smt. Sulochana Gupta

**SHARE TRANSFER COMMITTEE**
Shri Vijaykumar Gupta
*Chairman*
Smt. Sulochana Gupta
Shri Manish Gupta
Shri Rashmikant Joshi (w.e.f. 1st April, 2016)

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**
Shri Vijaykumar Gupta
*Chairman*
Shri Manish Gupta
Shri Rohit Patel

**RISK MANAGEMENT COMMITTEE**
Shri Manish Gupta
*Chairman*
Shri Mohit Gupta (upto 31st May, 2017)
Shri Sandeep Agrawal
Chief Financial Officer
Company Secretary

**INVESTMENT COMMITTEE**
Shri Vijaykumar Gupta
*Chairman*
Shri Manish Gupta

**INTERNAL COMMITTEE OF DIRECTORS**
Shri Vijaykumar Gupta
*Chairman*
Shri Manish Gupta

**CHIEF FINANCIAL OFFICER**
Shri N. Giridhar (upto 31st May, 2016)
Shri Dinesh Shah (w.e.f. 30th July, 2016)

**COMPANY SECRETARY**
Ms. Chetna Dharajiya

**AUDITORS**
M/s. Kantilal Patel & Co.
Chartered Accountants
(A member firm of Prime Global, U.S.A.)

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

**LISTED AT**
BSE Limited
National Stock Exchange of India Limited

**WEBSITE**
www.ambujagroup.com

**SHARE TRANSFER AGENT**
Jupiter Corporate Services Limited
"Ambuja Tower",
Opp. Sindhu Bhavan, Sindhu Bhavan Road,
Bodakdev, P.O. Thaltej,
Ahmedabad - 380 059
Phone: 079-61556677
Fax: 079-61556678
Email Id: jayvijay@ambujagroup.com

**INVESTOR SERVICES EMAIL ID**
investor-jcsl@ambujagroup.com

**CORPORATE IDENTIFICATION NUMBER**
L15140GJ1991PLC016151

**BANKERS**
Bank of India
State Bank of India
Union Bank of India
HDFC Bank Limited
Yes Bank Limited

# Ceased to be Joint Managing Director & Director w.e.f. the close of business hours of 31st May, 2017
* Appointed as an Independent Director w.e.f. 1st April, 2016
$ Appointed as an Independent Director w.e.f. 30th April, 2016

# FROM THE DESK OF CHAIRMAN & MANAGING DIRECTOR



*Dear Members,*

On behalf of the Board of Directors and Management, it gives me immense pleasure in sharing your Company's progress and performance highlights for the F.Y. 2016-17 that was outstanding and reflecting in record of net profit. I would like to express my gratitude to everyone for their hard work they have put in to achieve this.

This year has been a highly eventful with external headwinds that impacted on business performance. The global economy faced uncertainties and adverse impact in the form of geopolitical events like Brexit, US Presidential elections. Further, in the second half of the year, the Government's demonetization initiative adversely impacted on the cash-based Indian Economy and further overall market showed signs of recovery in the latter half of the year but faced a temporary slowdown in November.

Despite these macro uncertainties and challenging business environment, your Company has delivered outstanding and excellent performance in F.Y. 2016-17 and achieved a highest and remarkable profit since last 10 years because of the core values developed by the Company i.e. integrity, excellence, teamwork, social commitment, consistent, competitive and responsible growth. We will continue to strengthen our core values to build a rich legacy of corporate governance & transparency and create value for all stakeholders. We believe that these core values, particular in times of uncertainties, is the best long term interest of all our stakeholders and a good indication of robust strategy.

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

During the year, Ministry of Corporate Affairs (MCA) made an announcement to conduct a "Swachh Bharat Abhiyan" under the theme of **"Corporate volunteering by private organizations and corporate entities"** which is an integral part of "Swachh Bharat" mass movement proposed by Hon'ble Prime Minister Shri Narendra Modi wherein all the employees of Head office and different units of the Company voluntary participated to carry out "Swachh Bharat Abhiyan" under the aforesaid theme during the period from 16th June, 2016 to 30th June, 2017.

**Financial and Operational Performance of Business:**

Your Company is operating in multiple areas and historically one area takes care of other operating areas in case of negative factors, if any. This multiplicity of operations is thus minimizing the operating eventualities.

In F.Y. 2016-17, your Company posted strong performance, with a Revenue of ₹ 3379.07 crores, EBITDA ₹ 293.58 crores and Cash Profit after tax ₹ 229.97 crores. Your Company continues to be the most profitable Company in the agro based and manufacturing industry during its last ten years performance, with a net profit of ₹ 158.55 crores.

Further, I am pleased to inform you that, the Cotton Yarn Division had the maximum negatives in past few years. But during the F.Y. 2016-17, this segment has performed extremely well and generated revenue growth of about 26%. The top line growth of this segment is further applauded as the domestic as well as international prices of yarn have rationalized down as per the input cost and the Company has managed huge jump in revenue by better capacity utilization and higher yield with advanced technology.

In keeping with our tradition of directing surplus cash and consistently rewarding the shareholders, the Board has recommended a final dividend @ 40% i.e. ₹ 0.80/- per equity shares of ₹ 2/- each subject to the approval of shareholders at the ensuing Annual General Meeting for the F.Y. 2016-17.

In addition to this, your Company had also rewarded shareholders by taking the decision of capital allocation by way of buyback of equity shares up to 2,36,84,210 of ₹ 2/- each at a price of ₹ 95/- per equity share through Tender Offer route, with an objective to return surplus cash to the shareholders, achieve long term benefits viz. optimize the capital structure resulting into improved ratio reduction in outstanding shares, improvement in earnings per share and enhanced return on invested capital. As a result, the market share price of your Company increased and reached to highest price level of 52 weeks for the F.Y. 2016-17.

**New Project:**

Your Company is glad to share with you that the corn milling unit of the Company at Chalisgoan is under final stage of implementation and the commercial production is expected to commence soon in near future.

**Outlook:**

Overall, your Company remains confident and continues to see several opportunities in the agro based product and manufacturing activities and also expecting good monsoon during this current year. Thus your Company is confident of growth from each one its segment on the back of improving market conditions. Therefore the management has put in plans to enhance operating efficiencies, which will allow your Company to scale new heights in performance.

On behalf of the Board of Directors, I would like to take this opportunity to acknowledge the entire team of your Company for their contribution and commitment. Lastly, I am deeply thankful to our customers, business associates, suppliers, bankers and legal authorities for their loyalty and trust in us. Also my sincere appreciation to all our shareholders for continued support in our journey to create long-term value.

*With best wishes,*
*Sincerely,*

*Vijaykumar Gupta*

## NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Members of **GUJARAT AMBUJA EXPORTS LIMITED** will be held on Saturday, 9th September, 2017 at 11.00 a.m. at H. T. Parekh Hall, 1st Floor, Ahmedabad Management Association (AMA), AMA Complex, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad – 380 015 to transact following businesses:

**ORDINARY BUSINESS:**

**1.** To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2017 and the Reports of the Board of Directors and the Auditors thereon for the financial year ended 31st March, 2017.

**2.** To declare Final Dividend on equity shares for the financial year 2016-17.

**3.** To appoint a Director in place of Shri Vijaykumar Gupta (holding DIN 00028173), who retires by rotation and being eligible, offers himself for re-appointment.

**4.** To appoint a Director in place of Smt. Sulochana Gupta (holding DIN 00028225), who retires by rotation and being eligible, offers herself for re-appointment.

**5.** To consider and approve appointment of Statutory Auditors and to fix their remuneration and in this regards pass with or without modification(s), the following resolutions as **Ordinary Resolutions:**

"**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and all 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) and other applicable provisions if any, pursuant to recommendation of the Audit Committee and the Board of Directors, M/s. Arpit Patel & Associates, Chartered Accountants, (Firm Registration No. 144032W) be and is hereby appointed as Statutory Auditors of the Company in place of M/s. Kantilal Patel & Co., Chartered Accountants, (Firm Registration No. 104744W) the retiring auditors, on completion of their term under Section 139(2) of the Companies Act, 2013, to hold office for a term of 5 (five) years from the conclusion of this 26th (Twenty Sixth) Annual General Meeting till the conclusion of the 31st (Thirty First) Annual General Meeting to be held in the year 2022 (subject to ratification of their appointment by the members at every Annual General Meeting), at such remuneration plus applicable Goods and Service Tax (GST) and out of pocket expenses incurred by them for the purpose of audit to be decided by the Board of Directors in consultation with the Statutory Auditors."

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

**SPECIAL BUSINESS:**

**6. Ratification of remuneration of Cost Auditors for the Financial Year 2017-18**

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other Rules framed there under, payment of remuneration of ₹ 2,20,000/- plus out of pocket expenses and applicable taxes to M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad (Membership No. 7907), appointed by the Board of Directors of the Company for carrying out Cost Audit of the Company for financial year 2017-18, be and is hereby approved and ratified."

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

**7. Revision in terms of remuneration of Shri Manish Gupta, Managing Director of the Company**

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

"**RESOLVED THAT** in partial modification of earlier Ordinary Resolution passed by the Members at the 22nd Annual General Meeting held on 14th September, 2013 for re-appointment of Shri Manish Gupta as Managing Director of the Company read with Ordinary Resolution passed by the Members at the 23rd Annual General Meeting held on 13th September, 2014 for variation in the terms of appointment of Shri Manish Gupta and pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with Schedule V of the Companies Act, 2013, the approval of the Members of the Company be and is hereby accorded for the revision in terms of remuneration of Shri Manish Gupta (DIN 00028196), Managing Director of the Company w.e.f. 1st April, 2016 for the remaining period of his present term of re-appointment i.e. upto 27th December, 2018, on such remuneration as set out below and also as set out in the draft supplemental agreement to be entered into between the Company and Shri Manish Gupta, as placed before this meeting and initialed by the Chairman of the meeting for the purpose of identification, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, subject to approval of the Members and subject to the same not exceeding the limits of total managerial remuneration payable to all Managing Director / Whole-Time Director / Manager in aggregate under Section 197 read with Schedule V of the Companies Act, 2013, or any statutory modification(s) or re-enactment thereof:

| Particulars | Existing | Proposed |
|---|---|---|
| Name | Shri Manish Gupta | Shri Manish Gupta |
| Designation | Managing Director | Managing Director |
| Period | 28th December, 2013 to 27th December, 2018 | 1st April, 2016 to 27th December, 2018 |
| Remuneration | The aggregate of salary, perquisites, allowances and commission in any one financial year shall not exceed the limits prescribed under Sections 196, 197 and other applicable provisions read with Schedule V of the Companies Act, 2013 | The aggregate of salary, perquisites, allowances and commission in any one financial year, as may be decided by the Board of Directors, i.e. total remuneration may exceed 5% of the net profits of the Company as calculated under Section 198 of the Companies Act, 2013, however the remuneration payable by the Company shall be within the prescribed limits of total managerial remuneration payable to all Managing Director / Whole-Time Director / Manager in aggregate under Section 197 read with Schedule V of the Companies Act, 2013 |

"**RESOLVED FURTHER THAT** except for the aforesaid revision in the remuneration, all other terms and conditions as mentioned in the Ordinary Resolution passed by the Members at the 22nd Annual General Meeting held on 14th September, 2013, in relation to the re-appointment of Shri Manish Gupta as Managing Director of the Company read with Ordinary Resolution passed by the Members at the 23rd Annual General Meeting held on 13th September, 2014 for variation in the terms of appointment of Shri Manish Gupta as Managing Director of the Company, shall remain unchanged."

"**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to enter into an Agreement on behalf of the Company with Shri Manish Gupta, in terms of the aforesaid draft supplemental agreement."

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

**By Order of the Board**

**Vijaykumar Gupta**
**Chairman & Managing Director**
**(DIN: 00028173)**

**Place : Ahmedabad**
**Date : 29th July, 2017**

**Registered Office:**
"Ambuja Tower",
Opp. Sindhu Bhavan, Sindhu Bhavan Road,
Bodakdev, P.O. Thaltej,
Ahmedabad - 380 059
CIN: L15140GJ1991PLC016151
Phone: 079-61556677
Fax: 079-61556678
Website: www.ambujagroup.com
Email Id: info@ambujagroup.com

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 26TH ANNUAL GENERAL MEETING (MEETING) IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER. THE PROXY HOLDER SHALL PROVE HIS/HER IDENTITY AT THE TIME OF ATTENDING THE MEETING.

2. Relevant Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013, in respect of Special Business i.e. item nos. 6 and 7, as set out above is annexed hereto.

3. Pursuant to the provisions of Section 91 of the Companies Act, 2013, read with Rule 10 of Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 42 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Register of members and share transfer books of the Company will remain closed from Friday, 1st September, 2017 to Saturday, 9th September, 2017 (both days inclusive) for determining the entitlement of the shareholders to the payment of dividend.

4. Final dividend on equity shares, as recommended by the Board of Directors, if declared at the ensuing Annual General Meeting, payment of such dividend will be credited/dispatched to the members on or after 13th September, 2017:

   a. to all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Thursday, 31st August, 2017; and

   b. to all Members in respect of shares held in physical form, after giving effect to all the valid transfers in respect of transfer requests lodged with the Company/Registrar and Transfer Agent as of the close of business hours on Thursday, 31st August, 2017.

5. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

6. Members who hold shares in physical form in multiple folios, in identical names or joint holding in the same order of names are requested to send share certificates to Share Transfer Agent of the Company, for consolidation into a single folio.

7. To support the 'Green Initiative', we request the Members of the Company to register their Email Ids with their DP or with the Share Transfer Agent of the Company, to receive documents/notices electronically from the Company in lieu of physical copies. Please note that, in case you have already registered your Email Id, you are not required to re-register unless there is any change in your Email Id. Members holding shares in physical form are requested to send email at jayvijay@ambujagroup.com to update their Email Ids.

8. Members are requested to bring their attendance slip along with their copy of Annual Report at the Meeting. Route Map along with landmark is forming part of this Annual Report.

9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

10. Unclaimed dividends upto the financial year 2009-2010 (Interim Dividend) have been deposited with the Central Government and/or Investors Education and Protection Fund (IEPF), as the case may be. Unclaimed dividend for the financial year 2010-2011 (Interim Dividend) & onwards will be deposited with the IEPF as per following chart. Those Members, who have not encashed the dividend warrant for these years are requested to immediately forward the same, duly discharged to the Company's Share Transfer Agent to facilitate payment of the dividend:

| Financial Year | Date of AGM | Date of Dividend Warrant | Due Date of Transfer to Unpaid Account | Due Date of accepting claim by the Company | Due date for Transfer to Investors Education and Protection Fund |
|---|---|---|---|---|---|
| 2010-11 | 11th August, 2011 Interim : Note:a | 21st February, 2011 | 8th March, 2011 | 1st February, 2018 | 8th March, 2018 |
| 2011-12 | 29th September, 2012 Interim : Note:b | 27th February, 2012 | 12th March, 2012 | 6th February, 2019 | 12th March, 2019 |
| 2012-13 | 14th September, 2013 Interim : Note:c | 7th August, 2012 | 25th August, 2012 | 21st July, 2019 | 25th August, 2019 |
| 2013-14 | 13th September, 2014 Interim : Note:d | 15th November, 2013 | 30th November, 2013 | 26th October, 2020 | 30th November, 2020 |
| 2014-15 | 12th September, 2015 Interim : Note:e | 24th September, 2014 | 11th October, 2014 | 6th September, 2021 | 11th October, 2021 |
| 2015-16 | 10th September, 2016 Interim : Note:f | 20th February, 2016 | 5th March, 2016 | 30th January, 2023 | 5th March, 2023 |

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

Note:

a. For F.Y. 2010-11, Interim Dividend @ 30% p.a. was approved at the meeting of Board of Directors held on 1st February, 2011 and was paid as interim dividend and the same was approved/ confirmed by the Members at the 20th Annual General Meeting held on 11th August, 2011.

b. For F.Y. 2011-12, Interim Dividend @ 30% p.a. was approved at the meeting of Board of Directors held on 6th February, 2012 and was paid as interim dividend and the same was approved/ confirmed by the Members at the 21st Annual General Meeting held on 29th September, 2012.

c. For F.Y. 2012-13, Interim Dividend @ 40% p.a. was approved at the meeting of Board of Directors held on 21st July, 2012 and was paid as interim dividend and the same was approved/ confirmed by the Members at the 22nd Annual General Meeting held on 14th September, 2013.

d. For F.Y. 2013-14, Interim Dividend @ 35% p.a. was approved at the meeting of Board of Directors held on 26th October, 2013 and was paid as interim dividend and the same was approved/ confirmed by the Members at the 23rd Annual General Meeting held on 13th September, 2014.

e. For F.Y. 2014-15, Interim Dividend @ 42% p.a. was approved at the meeting of Board of Directors held on 6th September, 2014 and was paid as interim dividend and the same was approved/ confirmed by the Members at the 24th Annual General Meeting held on 12th September, 2015.

f. For F.Y. 2015-16, Interim Dividend @ 40% p.a. was approved at the meeting of Board of Directors held on 30th January, 2016 and was paid as interim dividend and the same was approved/ confirmed by the Members at the 25th Annual General Meeting held on 10th September, 2016.

11. In terms of the provisions of Sections 124, 125 and other applicable provisions of the Companies Act, 2013, the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("Principle Rules, 2016") was notified on 5th September, 2016, further amended by the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, ("Principle Rules along with IEPF Rules") which was notified on 28th February, 2017. The Principle Rules along with IEPF Rules provides that the amount of dividend remaining unpaid or unclaimed for a period of 7 (seven) years from the due date is required to be transferred to the IEPF, constituted by the Central Government. Further it also provides the manner of transfer of shares in respect of which dividend has remained unpaid or unclaimed for 7 (seven) consecutive years by the shareholders, to Demat Account of the IEPF Authority.

12. In compliance with Principle Rules along with IEPF Rules, the Company had sent reminder letters to those shareholders who have not encashed dividend for a period of 7 (seven) years and whose shares are liable to be transferred to IEPF and simultaneously published advertisements in newspapers on 29th October, 2016 and also on 1st May, 2017, to enable the shareholders to make a valid claim for encashment of dividend. In absence of any valid claim, the respective shares are liable to be transferred to Demat Account of the IEPF Authority.

13. The Ministry of Corporate Affairs (MCA) on 27th April, 2017, came up with clarification on "Transfer of Shares to IEPF Authority", wherein amongst other matters, National Securities Depository Limited (NSDL) will prescribe the file formats and operational procedures for transfer of shares to special demat account of the IEPF Authority by 30th April, 2017 and 15th May, 2017 respectively and the due date for transfer of such shares by your Company was 31st May, 2017.

14. However, MCA came up with another circular on 16th May, 2017 and notified that the aforementioned circular on 27th April, 2017 stands withdrawn with immediate effect and further stated that fresh instructions on the matter shall be issued in due course of time. Accordingly, the Company has provided time to all the shareholders who have not claimed any unclaimed / unpaid dividends for the last 7 (seven) years and to whom the Company had given intimation earlier in the manner prescribed under Rule 6 of the Principle Rules along with IEPF Rules and to all other shareholders who have not encashed any unpaid / unclaimed dividends. In case of non receipt of valid claim, the respective shares need to be transferred to the 'IEPF Demat Account' of the IEPF Authority.

15. In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF by submitting an online application in the prescribed e-Form IEPF-5 available on the website (www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the e-Form IEPF-5. It is advised to read the instructions given in the help-kit carefully before filling the form. Members can file only one consolidated claim in a financial year as per the Principle Rules along with IEPF Rules.

16. Pursuant to the provisions of the Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts of dividend lying with the Company as on 10th September, 2016 (date of last Annual General Meeting) on the website of the Company (www.ambujagroup.com) and also on the website of Ministry of Corporate Affairs (www.iepf.gov.in).

17. All documents referred to in the Notice are available for inspection at the Registered Office of the Company during office hours on all working days between 11.00 a.m. to 1.00 p.m., except Sundays and holidays, upto the date of Meeting and will also be available at the venue of the Meeting. Copies shall be also available for inspection in electronic form on request during the time mentioned above.

18. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of the Companies Act, 2013 will be made available for inspection at the venue of the Meeting by the Members attending the Meeting.

19. The Register of contracts or arrangements, in which Directors are interested shall be produced at the commencement of the Meeting of the Company and shall remain open and accessible during the continuance of the Meeting to any person having the right to attend the Meeting.

20. Members who hold shares in dematerialised form are requested to bring their DP ID and Client ID numbers for easy identification of attendance at the Meeting.

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

At the Meeting, Shri Vijaykumar Gupta and Smt. Sulochana Gupta retires by rotation and being eligible, offer themselves for re-appointment. The Board of Directors of the Company recommends their re-appointment. The information or details to be provided for the aforesaid Directors are as under:

a. Shri Vijaykumar Gupta, aged 68 years, holds BDS degree and managerial experience of 46 years. He joined the Company as Director w.e.f. 21st August, 1991. He had setup industrial empire in Gujarat in the name of Gujarat Ambuja Exports Limited

("the Company"). He is one of the promoter, industrialist and Chairman & Managing Director and main contributory to the growth and development of the Company having a net worth of more than ₹ 853 crores with a turnover of ₹ 3379 crores (financial year 2016-17). Shri Vijaykumar Gupta, with his vision and sheer dedication, has set up diversified divisions in Gujarat and has varied interest in Oil Seed Processing, Maize Based Starch & Other Products, Wheat Flour, Ring Spinning of Cotton Yarn, Windmills & Cattle Feed. Shri Vijaykumar Gupta, who is well-versed in understanding Agro products markets, is also equally excellent in ensuring growth by improving productivity, cost control, large size operations & consistently improving quality. His other Directorships includes Maharashtra Ambuja Exports Limited, Maharashtra Ambuja Biotech Limited, Jay Agriculture & Horticulture Products Private Limited, Jay Ambe Infra Projects Private Limited, Esveegee Realty (Gujarat) Private Limited and Esveegee Starch and Chemicals Private Limited. He is Chairman of Corporate Social Responsibility Committeee, Share Transfer Committee, Investment Committee and Internal Committee. He is also a member in Stakeholders Relationship Committee. He is father of Shri Manish Gupta and husband of Smt. Sulochana Gupta, the Directors of the Company and Shri Mohit Gupta, being a relative. As on 31st March, 2017, he holds 2,65,23,083 equity shares of ₹ 2/- each of the Company.

b. Smt. Sulochana Gupta, aged 63 years, is an industrialist and promoter of the Company and possesses rich experience of more than 40 years. She joined the Company as Director w.e.f. 21st August, 1991. She supervises and monitors administrative functions of the Company. She also actively contributes in the policy decisions of the Company. Her other Directorships includes Maharashtra Ambuja Exports Limited, Maharashtra Ambuja Biotech Limited, Esveegee Realty (Gujarat) Private Limited and Esveegee Starch and Chemicals Private Limited. She is member of Share Transfer Committee and Stakeholders relationship Committee. She is a Non-Executive Director, wife of Shri Vijaykumar Gupta and mother of Shri Manish Gupta, the Director of the Company and Shri Mohit Gupta being a relative. As on 31st March, 2017, she holds 44,85,385 equity shares of ₹ 2/- each of the Company.

22. Electronic copy of the Annual Report for 2016-17 is being sent to all the Members whose Email Ids are registered with the Company/ Depository Participants(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their Email Ids, physical copies of the Annual Report for 2016-17 are being sent in the permitted mode.

23. Members may also note that the Notice of the 26th Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website www.ambujagroup.com for download. The physical copies of the aforesaid documents will also be available at the Registered Office of the Company during office hours on all working days between 11.00 a.m. to 1.00 p.m., except Sundays and holidays. Even after registering for e-communication, Members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the Members may also send requests to the Company's investor Email Id: investor-jcsl@ambujagroup.com

24. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the 26th Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the Meeting ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).

25. The facility for voting through ballot paper shall be made available at the Meeting and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting through ballot paper.

26. The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

27. **Voting Process and other instructions regarding remote e-voting:**

The remote e-voting period shall commence on Wednesday, 6th September, 2017 at 9.00 a.m. and ends on Friday, 8th September, 2017 at 5:00 p.m. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Saturday, 2nd September, 2017, may cast their votes electronically. The e-voting module shall be disabled for voting thereafter.

**Section A: Voting Process**

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

Step 1 : Open your web browser during the voting period and log on to the e-voting website: www.evotingindia.com

Step 2 : Click on "Shareholders" to cast your vote(s).

Step 3 : Please enter User ID –

a. For account holders in CDSL: Your 16 digits beneficiary ID.

b. For account holders in NSDL: Your 8 Character DP ID followed by 8 digits Client ID.

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

Step 4 : Enter the Image Verification as displayed and click on "LOGIN".

Step 5 : If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you have forgotten the password, then enter the User ID and the image verification code and click on "FORGOT PASSWORD" and enter the details as prompted by the system.

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

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

| | |
|---|---|
| PAN | Enter your 10 digit alpha-numeric PAN* issued by Income Tax Department (applicable for both demat Members as well as physical Members).<br>* Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on the address sticker at the back of the Annual Report copy through physical mode and mentioned in the covering E-mail in case of dispatch of soft copy. |
| DOB# | Enter the Date of Birth (DOB) as recorded in your demat account or registered with the Company for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details# | Enter the Dividend Bank Details (account number) as recorded in your demat account or registered with the Company for the said demat account or folio. |

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

6.2 After entering these details appropriately, click on "SUBMIT" tab.

6.3 For Demat holding:

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

For Physical holding:

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

Step 7 : Click on the EVSN of the Company i.e. 170720008 to vote.

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

Step 9 : Click on "RESOLUTION FILE LINK" if you wish to view the Notice.

Step10 : After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

Step 11 : Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote. You can also take print-out of the voting done by you by clicking on "CLICK HERE TO PRINT" option on the Voting page.

Step 12 : If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

❖ Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. i Phone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

**Section B: Other instructions regarding remote e-voting**

i. Non-Individual Members (i.e. Members other than Individuals, HUF, NRI, etc.) are additionally requested to note and follow the instructions mentioned below, if they are first time user:

- Non-Individual Members and Custodians are required to log on to **www.evotingindia.com** and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**
- After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which user wishes to vote on.
- The list of accounts linked in the login should be emailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.

ii. Non-Individual Members (i.e. Members other than Individuals, HUF, NRI, etc.) are required to upload the following in PDF format in the system for the scrutinizer to verify the same:

a. Copy of the Board Resolution (where institution itself is voting);

b. Power of Attorney (PoA) issued in favour of the Custodian (if PoA is not uploaded earlier) as well as Board Resolution of Custodian.

iii. **Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently or cast the vote again**.

iv. Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

v. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

vi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or call on 18002005533 or write an email to **helpdesk.evoting@cdslindia.com**

28. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Saturday, 2nd September, 2017, may obtain the login ID and password by sending a request at **helpdesk.evoting@cdslindia.com** or Share Transfer Agent's Email Id at **jayvijay@ambujagroup.com**

29. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting / voting at the Meeting through ballot paper.

30. Shri Niraj Trivedi, Practicing Company Secretary (Membership No. FCS 3844) has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

31. The Chairman shall, at the Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Ballot Paper" / "Polling Paper" for all those Members who are present at the Meeting but have not cast their votes by availing the remote e-voting facility.

32. The Scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and shall provide, not later than forty eight (48) hours of the conclusion of the Meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

33. The results shall be declared forthwith by the Chairman or a person so authorised by him in writing on receipt of consolidated report from the Scrutinizer. The Results declared along with Scrutinizer's Report shall be placed on the Company's website www.ambujagroup.com and on the website of CDSL and shall also be communicated to the BSE Limited and National Stock Exchange of India Limited. Members may contact at Email Id **helpdesk.evoting@cdslindia.com** for any grievances connected with voting by electronic means.

34. The resolutions shall be deemed to be passed on the date of the Meeting, subject to the same being passed with requisite majority.

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## ANNEXURE TO NOTICE

**EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT")**

**ITEM NO. 6**

**Ratification of remuneration of Cost Auditors for the Financial Year 2017-18**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad (Membership No. 7907) as a Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2018.

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

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in this Item of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2017-18.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in this resolution. The Board of Directors recommends the resolution for Member's approval.

**ITEM NO. 7**

**Revision in terms of remuneration of Shri Manish Gupta, Managing Director of the Company**

Shri Manish Gupta, aged 45 years, with graduation in commerce and managerial experience of 26 years, is young and dynamic entrepreneur. He joined the Company as Director w.e.f. 21st August, 1991. He is one of the promoter and main contributory to the growth and development of Gujarat Ambuja Exports Limited ("the Company"), having net worth of more than ₹ 853 crores with a turnover of ₹ 3379 crores (financial year 2016-17). He is a perfect executionist of the mission and vision of the Company. Shri Manish Gupta who is well-versed in understanding Agri products markets as well international market, is equally excellent in ensuring growth by improving productivity, cost control, large size operations & consistently improving quality. His vision on development of Export - Import trade, increasing presence of the Company and its products worldwide and thorough competence in EXIM Policy, Forex and Monitoring Manufacturing operations are unmatched. Shri Manish Gupta has developed a core team to head all the strategic business units and has hands on approach to manage the business. Shri Manish Gupta is overseeing the day-to-day functioning of the Company at all levels. He also holds Directorships in other companies namely Maharashtra Ambuja Exports Limited, Maharashtra Ambuja Biotech Limited, Royale Exports Limited (Srilanka), Jay Agriculture and Horticulture Products Private Limited and Jay Ambe Infra Projects Private Limited. He is Chairman of Risk Management Committee of the Company. He is also a member in Share Transfer Committee, Corporate Social Responsibility Committee, Investment Committee and Internal Committee of the Company. He is related with Shri Vijaykumar Gupta

and Smt. Sulochana Gupta, the Directors of the Company and Shri Mohit Gupta being a relative. As on 31st March, 2017, he holds 3,75,85,230 equity shares of ₹ 2/- each of the Company.

Shri Manish Gupta, Managing Director of the Company was re-appointed pursuant to provisions of Sections 196, 197, 203 read with Schedule V to the Companies Act, 2013 {corresponding Sections 198, 269, 309 & 310 read with Schedule XIII of the erstwhile Companies Act, 1956} by the Members in the 22nd Annual General Meeting held on 14th September, 2013 for a period of 5 (five) years with effect from 28th December, 2013 to 27th December, 2018. Further, variation in the terms of appointment of Shri Manish Gupta was considered and approved by the Members in the 23rd Annual General Meeting held on 13th September, 2014.

Further in terms of point (i) of second proviso of Section 197 of Comapnies Act, 2013, a Company having profit in a financial year, may pay remuneration to any one managing director or whole-time director or manager by way of salary, perquisites, commission and other allowances which shall not exceed 5% of the net profits of the Company and if there is more than one such director, remuneration shall not exceed 10% of the net profits to all such directors and manager taken together.

As recommended by the Nomination and Remuneration Committee and the Board of Directors in their respective meetings held on 13th May, 2017 and considering the strategic role being played and in recognition of the key initiatives taken by Shri Manish Gupta in enhancing the competitiveness of the Company's operations, the amount of remuneration payable for the financial year 2016-17 to Shri Manish Gupta exceeds 5% of net profits of the Company. Accordingly, pursuant to the provisions of Sections 196, 197, read with Schedule V and other applicable provisions of the Companies Act, 2013, the approval of the Members in General Meeting is required to be obtained for payment beyond 5% of net profits as specified under the Companies Act, 2013. However, the remuneration payable by the Company shall be within the perscribed limits of total managerial remuneration payable to all such Managing Director / Whole-Time Director / Manager in aggregate under Section 197 read with Schedule V of the Companies Act, 2013.

Further, Nomination and Remuneration Committee and the Board of Directors in their respective meetings held on 29th July, 2017, have approved excess remuneration beyond 5% payable to Shri Manish Gupta, Managing Director of the Company w.e.f. 1st April, 2016 for the remaining period of his present term of re-appointment upto 27th December, 2018, subject to the approval of Members at this ensuing Annual General Meeting. Managerial Remuneration payable to Shri Manish Gupta is in excess of limits requiring Members' approval in terms of point (i) of second proviso of Section 197 of the Companies Act, 2013, however this is within the prescribed limits of total managerial remuneration payable to all Managing Director/Whole-Time Director/Manager in aggregate under Section 197 of the Companies Act, 2013.

Except for the aforesaid revision in remuneration as set out in the Notice, all other terms and conditions of his re-appointment as the Managing Director of the Company, as mentioned in the Ordinary Resolution passed at the 22nd Annual General Meeting held on 14th September, 2013 and variation in the terms of his appointment, as mentioned in the Ordinary Resolution passed by the Members at the 23rd Annual General Meeting held on 13th September, 2014, shall remain unchanged.

Details of remuneration paid to Shri Manish Gupta during the financial year 2016-17 have been disclosed in the Annexure to the Directors' Report and in the Corporate Governance Report. Disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for revision in terms of remuneration of Shri Manish Gupta, Managing Director of the Company.

The draft Supplemental Agreement to be entered into between the Company and Shri Manish Gupta for revision in terms of remuneration is available for inspection between 11.00 a.m. to 1.00 p.m. during office hours on all working days except Sundays and Holidays at the Registered Office of the Company.

Shri Manish Gupta, Managing Director of the Company may be considered to be concerned or interested in the said resolution as also in the draft Supplemental Agreement since it relates to his own revision in terms of remuneration. Shri Vijaykumar Gupta and Smt. Sulochana Gupta may also be considered as concerned or interested in the same, being relatives of Shri Manish Gupta. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

**By Order of the Board**

**Vijaykumar Gupta**
**Chairman & Managing Director**
**(DIN: 00028173)**

**Place : Ahmedabad**
**Date : 29th July, 2017**

**Registered Office:**
"Ambuja Tower",
Opp. Sindhu Bhavan, Sindhu Bhavan Road,
Bodakdev, P.O. Thaltej, Ahmedabad - 380 059
CIN: L15140GJ1991PLC016151
Phone: 079-61556677
Fax: 079-61556678
Website: www.ambujagroup.com
Email Id: info@ambujagroup.com

## ANNEXURE TO THE EXPLANATORY STATEMENT

**PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED/VARIATION OF THE TERMS OF REMUNERATION IS FURNISHED BELOW:**

| Name of Director | Shri Vijaykumar Gupta | Smt. Sulochana Gupta | Shri Manish Gupta |
|---|---|---|---|
| **Directors Identification Number (DIN)** | 00028173 | 00028225 | 00028196 |
| **Age** | 68 Years | 63 Years | 45 Years |
| **Qualification** | BDS | Undergraduate | B. Com. |
| **Experience and expertise** | 46 Years, expertise in Business Management | 40 Years, expertise in Business Management | 26 Years, expertise in Business Management |
| **Date of first Appointment on the Board of the Company** | 21st August, 1991 | 21st August, 1991 | 21st August, 1991 |
| **Shareholding in Gujarat Ambuja Exports Limited** | 2,65,23,083 equity shares | 44,85,385 equity shares | 3,75,85,230 equity shares |
| **Terms and conditions of re-appointment** | Shri Vijaykumar Gupta retires by rotation at the ensuing AGM and being eligible, seeks re-appointment.<br><br>The terms and conditions of Shri Vijaykumar Gupta are in accordance with the provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, as may be applicable. | Smt. Sulochana Gupta retires by rotation at the ensuing AGM and being eligible, seeks re-appointment.<br><br>The terms and conditions of Smt. Sulochana Gupta are in accordance with the provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, as may be applicable. | The terms and conditions for revision in terms of remuneration of Shri Manish Gupta are in accordance with the provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, as may be applicable. |
| **Details of remuneration sought to be paid** | – | – | Refer Item No. 7 of the Notice |
| **Remuneration last drawn** | Refer to Report on CORPORATE GOVERNANCE | Refer to Report on CORPORATE GOVERNANCE | Refer to Report on CORPORATE GOVERNANCE |
| **List of Directorship held in other companies** | • Maharashtra Ambuja Exports Limited<br>• Maharashtra Ambuja Biotech Limited<br>• Jay Agriculture and Horticulture Products Private Limited<br>• Jay Ambe Infra Projects Private Limited<br>• Esveegee Realty (Gujarat) Private Limited<br>• Esveegee Starch and Chemicals Private Limited | • Maharashtra Ambuja Exports Limited<br>• Maharashtra Ambuja Biotech Limited<br>• Esveegee Realty (Gujarat) Private Limited<br>• Esveegee Starch and Chemicals Private Limited | • Maharashtra Ambuja Exports Limited<br>• Maharashtra Ambuja Biotech Limited<br>• Royale Exports Limited (Srilanka)<br>• Jay Agriculture and Horticulture Products Private Limited<br>• Jay Ambe Infra Projects Private Limited |
| **Membership / Chairmanship in Committees of other companies as on date** | Refer to Report on CORPORATE GOVERNANCE | Refer to Report on CORPORATE GOVERNANCE | Refer to Report on CORPORATE GOVERNANCE |
| **Relationships between Directors inter-se** | Refer to Report on CORPORATE GOVERNANCE | Refer to Report on CORPORATE GOVERNANCE | Refer to Report on CORPORATE GOVERNANCE |

## DIRECTORS' REPORT

To,
The Members,
Gujarat Ambuja Exports Limited

Your Directors have pleasure in presenting the 26th Annual Report of the Company together with the Standalone Audited Financial Statements for the year ended 31st March, 2017.

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

**FINANCIAL HIGHLIGHTS**

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

(₹ in crores)

| PARTICULARS | STANDALONE | |
|---|---|---|
| | **2016-17** | **2015-16** |
| Net Revenue from Operations & Other Income (Including Exports - FOB Value) | **3397.23** | 2786.69 |
| Profit Before Interest, Depreciation & Taxes | **293.58** | 195.49 |
| Less: | | |
| a. Finance Costs | **22.79** | 9.91 |
| b. Depreciation & Amortization Expenses | **71.42** | 66.17 |
| c. Provision For Taxation (including Deferred Tax) | **40.82** | 18.98 |
| Net Profit for the Year | **158.55** | 100.43 |
| Other Comprehensive Income and other adjustments | **(0.05)** | 0.47 |
| Total Comprehensive Income for the year | **158.50** | 100.90 |
| Appropriated as under: | | |
| a. Interim Dividend | --- | 11.07 |
| b. Dividend Distribution Tax on Interim Dividend | --- | 2.25 |
| Earnings Per Share (Face Value of ₹ 2 each) - Basic & Diluted | **11.50** | 7.26 |

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

**BUYBACK OF EQUITY SHARES**

Pursuant to approval of the Board of Directors at its meeting held on 13th December, 2016 and pursuant to provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI (Buy Back of Securities) Regulations, 1998 and pursuant to approval of the shareholders of the Company by way of special resolution passed through postal ballot, the Company through its letter of offer dated 21st February, 2017 had offered to buyback 2,36,84,210 equity shares of ₹ 2/- each to the shareholders of the Company (representing 17.12% of the total number of the equity share capital of the Company) at the price of ₹ 95/- per equity share aggregating to ₹ 225 crores by way of "Tender Offer" route through stock exchange mechanism. The Buyback offer size represents 24.77% of the aggregate of the fully paid up share capital and free reserves of the Company and was within the limit of 25% of the total fully paid up share capital and free reserves of the Company. The offer was kept open from 2nd March, 2017 to 16th March, 2017. Your Company bought back 2,36,84,210 equity shares at a price of ₹ 95/- per equity share, which were extinguished by 31st March, 2017. The paid up equity shares of the Company post buyback is 11,46,67,665 equity shares of ₹ 2/- each.

The buyback was capital allocation decision taken with the objective to return surplus cash to the members holding equity shares, help the Company to achieve long term benefits viz. optimize the capital structure resulting into improved ratio, reduction in outstanding shares, improvement in earning per share and enhanced return on invested capital.

**CHANGE IN SHARE CAPITAL**

During the year under review, the paid-up share capital of the Company had reduced from ₹ 27.67 crores to ₹ 22.93 crores on account of buyback of 2,36,84,210 equity shares of ₹ 2/- each at a price of ₹ 95/- per equity shares, on proportionate basis through Tender Offer mechanism. As on 31st March, 2017, the equity share capital stood at ₹ 22,93,35,330 divided into 11,46,67,665 equity shares of ₹ 2/- each. During the year under review, the Company has not issued shares with differential voting rights or granted stock options or issued sweat equity.

**TRANSFER TO RESERVE**

The Company has not transferred any amount in the general reserve for the financial year under review, however, transferred ₹ 4.74 crores from Surplus in the Statement of Profit and Loss to Capital Redemption Reserve (CRR) in respect of buyback of 2,36,84,210 equity shares of face value of ₹ 2/- each of the Company.

**DIVIDEND**

The Company has a consistent track record of dividend payment. Based on Company's performance, the Board of Directors, at its meeting, held on 13th May, 2017 recommended final dividend of ₹ 0.80 (40%) per equity share of ₹ 2/- each for the financial year 2016-17 amounting to ₹ 9.17 crores, subject to the approval of Members. The Corporate Dividend Tax, on such dividend if approved by the Members, will be ₹ 1.87 crores (previous year ₹ 2.25 crores).

**BUSINESS OPERATIONS/ STATE OF THE COMPANY'S AFFAIRS**

**a. Operational Performance**

The Company recorded operational revenue of ₹ 3379.07 crores as compared to ₹ 2776.44 crores during the previous financial year. The various profit parameters have significant growth during the year. The Company achieved EBIDTA margin of 8.69% in F.Y. 2016-17 against the same at the level of 7.04% in F.Y. 2015-16.

Export Sales for the F.Y. 2016-17 was ₹ 259 crores as compared to ₹ 279.42 crores for the F.Y. 2015-16 mainly due to availability of more remunerative prices in domestic market. The Company achieved Earnings before Interest, Depreciation and Tax (EBIDTA) of ₹ 293.58 crores for the F.Y. 2016-17 against that of ₹ 195.49 crores for the F.Y. 2015-16.

The cash profit before tax, profit after tax and earning per share for the year remained at ₹ 270.79 crores, ₹ 158.55 crores and ₹ 11.50 per share respectively.

**b. Capital Projects for the year 2016-17**

The Company has undertaken a comprehensive review of the manufacturing capacities and is under the process of setting up of corn milling unit of the Company at Chalisgaon, Maharashtra which is under final stage of commencement of commercial production. The Company has also carried out routine modernization and improvements at all of its manufacturing Units. The Board of Directors is proud to inform that the Company is ploughing back the retained earnings for the future growth and expansion of the Company.

**CORPORATE MATTERS**

**a. Corporate Governance**

The Company makes due compliance of Corporate Governance guidelines and requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations"). In compliance with Regulations 17 to 22 and Regulation 34 of the Listing Regulations, a separate report on Corporate Governance, along with a certificate from the Statutory Auditors confirming the compliance of Corporate Governance requirements is annexed as **Annexure-A** to this report.

**b. Management Discussion and Analysis**

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

**SUBSIDIARY COMPANY**

The Company does not have any subsidiary company as on 31st March, 2017. Hence, requirement of consolidated financial statement is not applicable to the Company.

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

**FINANCE AND INSURANCE**

**a. Working Capital**

The working capital requirements of the Company during the year have been in line with the standard trends of previous financial years. The utilization of limits has picked up in second half largely due to better business opportunity than F.Y. 2015-16 in soya processing segment and maize processing segment.

During the F.Y. 2016-17, the Company has also placed Commercial Paper ("CP") of ₹ 100 crores. The better rating of CP by CARE has helped the Company to place CP at decent pricing. The Company also has received fresh sanction of ₹ 50 crores from ICICI Bank on unsecured terms. CITI Bank has also increased its unsecured exposure to ₹ 60 crores.

The Company has decent rating of A+ with stable outlook for short term working capital facilities including the unsecured limits for CITI Bank & ICICI Bank from CRISIL as per the applicable regulatory norms.

**b. Term Loans**

During the F.Y. 2016-17, the Company has not availed any fresh term loan. The Company has received the pending interest subsidy from Central as well as State Government. The Company is regular in making payment of term loan installments to HDFC Bank Limited for the term loan. The term loan is reaffirmed rating of A+ from CARE as per regulatory norms.

**c. Insurance**

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

**PUBLIC DEPOSITS**

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

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Company is well supported by the knowledge and experience of its Directors and Executives. Pursuant to provisions of the Companies Act, 2013 and Articles of Association of the Company, Shri Vijaykumar Gupta, the Chairman & Managing Director of the Company and Smt. Sulochana Gupta, the Non-Executive Director of the Company are liable to retire by rotation and being eligible, have offered themselves for re-appointment.

**Key Managerial Personnel:**

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

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

During the year under review, Shri N. Giridhar resigned as Chief Financial Officer-Key Managerial Personnel of the Company w.e.f. 31st May, 2016. The directors placed on record their appreciation for the contribution made by him during his tenure. The Board of Director at its meeting held on 30th July, 2016 has appointed Shri Dinesh Shah as a Chief Financial Officer-Key Managerial Personnel of the Company w.e.f. 30th July, 2016.

**After the balance sheet date:**

Shri Mohit Gupta has resigned from the position of Directorship as well as from the designation of Joint Managing Director (Key Managerial Personnel) of the Company w.e.f. close of business hours of 31st May, 2017. The Board of Directors placed on record their appreciation of the valuable services and guidance rendered by Shri Mohit Gupta during his tenure at their Meeting held on 13th May, 2017.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 134(3)(c) of the Companies Act, 2013 (Act), in relation to financial statements of the Company for the year ended 31st March, 2017, the Board of Directors states that:

a. in the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the Company for the year ended 31st March, 2017;

c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the annual accounts/financial statements have been prepared on a 'going concern' basis;

e. proper internal financial controls are in place and are operating effectively; and

f. proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

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

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

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

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

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

**RELATED PARTY TRANSACTIONS**

During the F.Y. 2016-17, the Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, all of which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013 read with the Rules issued thereunder and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Further, there were no transactions with related parties which qualify as material transactions under the Listing Regulations.

All transactions with related parties were reviewed and approved by the Audit Committee. The details of the related party transactions as per Indian Accounting Standard (Ind AS) - 24 are set out in Note No. 42 to the Standalone Financial Statements forming part of this Annual Report.

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

**AUDITORS**

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

In terms of the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, an audit firm can hold office as statutory auditor for two terms of five consecutive years i.e. for a maximum period of ten years. Further, as per the provisions of the Companies Act, 2013, Company is required to comply with these provisions within three years from the commencement of the Companies Act, 2013.

As per the provisions of Section 139 of the Companies Act, 2013, the current Statutory Auditors, M/s. Kantilal Patel & Co., Chartered Accountants (Firm Registration No. 104744W), hold office up to the conclusion of 26th Annual General Meeting. As they have been in office for more than ten years, in compliance with the provisions of the Companies Act, 2013, the Company is required to appoint a new auditor in their place. The Board of Directors placed on record its appreciation for the services rendered by M/s. Kantilal Patel & Co., Chartered Accountants during their tenure as Statutory Auditors of the Company.

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on 29th July, 2017, has considered and recommended the appointment of M/s. Arpit Patel & Associates, Chartered Accountants (Firm Registration No. 144032W) as Statutory Auditors of the Company to hold office for one term of 5 (five) years commencing from the conclusion of the 26th Annual General Meeting till the conclusion of the 31st Annual General Meeting to be held in the year 2022 subject to approval of members at the ensuing Annual General Meeting. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Statutory Auditors is required to be ratified by Members at every Annual General Meeting.

As required under Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, M/s. Arpit Patel & Associates, Chartered Accountants, have confirmed and issued a certificate that their appointment, if made as aforesaid, will be in accordance with the limits specified and they meet the criteria for appointment as stated under Section 141 of the Companies Act, 2013 and they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has also received a certificate from M/s. Arpit Patel & Associates, Chartered Accountants, certifying the compliance of provisions of Section 139(2) of the Companies Act 2013, read with Rule 6(3)(ii) of the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors recommends to the Members, the appointment of M/s. Arpit Patel & Associates, Chartered Accountants, as Statutory Auditors of the Company.

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

**b. Cost Auditors**

The Company has appointed M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad (Membership No. 7907) as the Cost Auditors of the Company for audit of Cost Accounting records of its activities for the F.Y. 2016-17. Pursuant to Section 148 of the Companies Act, 2013 read with the Rules issued thereunder, the Board of Directors of the Company, on the recommendations made by the Audit Committee, at its meeting held on 4th February, 2017 has approved the appointment of M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad (Membership No. 7907) as a Cost Auditor of the Company to conduct the audit of cost records for the F.Y. 2017-18. The remuneration proposed to be paid to the Cost Auditors, subject to ratification of members at the ensuing 26th Annual General Meeting, would not exceed ₹ 2,20,000/- (Rupees Two Lacs Twenty Thousand only) excluding taxes and out of pocket expenses, if any.

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

**c. Secretarial Auditors**

Pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Shri Niraj Trivedi, Practicing Company Secretary, Vadodara as Secretarial Auditor of the Company for the F.Y. 2016-17 to conduct Secretarial Audit and Company was furnished Secretarial Audit Report in Form MR-3 by him. The Secretarial Audit Report is annexed herewith as **Annexure-E** to this report. In the said report, it has been observed by the Auditor, that managerial remuneration payable to one of the Managing Director for the F.Y. 2016-17 is in excess of the prescribed limit of 5% of net profit of that year in respect to point (i) of second proviso of Section 197 of the Companies Act, 2013 (Act). However overall managerial remuneration payable to all the managerial personnel under Section 197 of the Act is well within the prescribed limit. The Company proposes to ratify the payment of total remuneration in excess of 5% being paid to the said Managing Director in the forthcoming Annual General Meeting.

**Board's Response to the observations in the Secretarial Audit Report**

The Company is seeking requisite approvals in terms of point (i) of second proviso of Section 197 of the Companies Act, 2013 from members at this 26th Annual General Meeting for revision in terms of managerial remuneration payable to Shri Manish Gupta in excess of 5% of net profits of the Company.

**VIGIL MECHANISM/WHISTLE BLOWER POLICY**

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

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

With core business interest of the Company in agro-processing and its exports, the Company plays an important role in strengthening the fabric of society by generating employment and business opportunities. The Company is committed to conduct its business in a socially responsible, ethical and environment friendly manner and to continuously work towards improving quality of life of the communities in its operational areas. We believe that the sustainable development of our businesses is dependent on sustainable, long lasting and mutually beneficial relationships with our stakeholders, especially the communities we work with. The Company has framed a policy for the Corporate Social Responsibility laying down the guidelines for sustainable development of the society. During the year, the Company has undertaken directly and indirectly various initiatives contributing to the environment including reduced waste generation, tree plantation, contribution towards the Swachh Bharat Abhiyan, improved waste management, implementing environmental plan through power generation, etc. The Company also developed comprehensive plan for carrying out activities focusing on promoting education, health programmes and skill development and supporting various community development projects in locations, where the Company operates.

The Board of Directors at its meeting held on 24th May, 2014 approved and adopted the Corporate Social Responsibility Policy of the Company pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, on the recommendations of the CSR Committee. The initiatives undertaken by the Company during the F.Y. 2016-17 in Corporate Social Responsibility activities have been detailed in this Annual Report. The Annual Report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, is set out herewith as **Annexure-F** to this report.

**MEETINGS OF THE BOARD**

6 (Six) meetings of the Board of Directors were held during the F.Y. 2016-17. The details of the meetings of the Board/Committees of the Board, are given in the Report on Corporate Governance, which forms part of this report.

**AUDIT COMMITTEE**

During the F.Y. 2016-17, the Committee consisted of Shri Sudhin Choksey (Chairman), Shri Rohit Patel and Shri Rashmikant Joshi, the Directors of the Company. As per Section 177(8) of the Companies Act, 2013, the Board has accepted all the recommendations of the Audit Committee during the F.Y. 2016-17.

**RISK MANAGEMENT**

The Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. The Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans. The Company through its risk management process, strives to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors. As per Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has voluntarily constituted a Risk Management Committee to oversee the risk management efforts in the Company under the Chairmanship of Shri Manish Gupta, Managing Director and other Members being Shri Sandeep Agrawal, Whole-Time Director, the Chief Financial Officer and the Company Secretary of the Company. The Committee reports to the Board of Directors of the Company. At plants/units level, Internal Committees have been formed, headed by plants/units heads of respective plants/units and functional departmental heads. Such Committees report to the Risk Management Committee from time to time. The Board of Directors has developed and implemented Risk Management Policy for the Company. There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis Report, which forms part of this report.

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

In accordance with Section 178 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules issued thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors at its meeting held on 30th July, 2016 revised and adopted the Nomination and Remuneration Policy of the Company on the recommendations of the Nomination and Remuneration Committee. The salient aspects covered in the Nomination and Remuneration Policy, covering the Policy on appointment and remuneration of Directors and other matters have been set out in **Annexure-G** to this report.

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

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

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Executive and Non-Executive Directors of the Company as per Section 178 of the Companies Act, 2013 and as per Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The criteria was set based on various attributes, inter alia profile, experience, contribution dedication, knowledge, sharing of information with the Board, regularity of attendance, aptitude & effectiveness, preparedness & participation, team work, decision making process, their roles, rights, responsibilities in the Company, monitoring & managing potential conflict of interest of management, providing fair and constructive feedback & stratetic guidance and contribution of each Director to the growth of the Company.

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

Separate meeting of Independent Directors was held on 4th February, 2017 and it reviewed the performance of Non-Independent Directors & the Board as a whole and also reviewed the performance of Chairman of the Company. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed.

**LISTING**

The Equity Shares of the Company continue to remain listed on BSE Limited and National Stock Exchange of India Limited. The annual listing fees for the F.Y. 2017-18 has been paid to these Stock Exchanges.

**INTERNAL COMPLAINTS COMMITTEE**

The Board of Directors of the Company at its meeting held on 30th January, 2016, has approved and revised the Policy for Prevention of Sexual Harassment of Women as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (as amended from time to time). As per the provisions of the said Act, the Company has constituted Committees in the name of "Internal Complaints Committee" for the Registered Office & Units of the Company. During the F.Y. 2016-17, there was no case filed under the said Act.

**DECLARATION OF INDEPENDENCE**

The Company has received necessary declarations from each of the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulations 16(1)(b) & 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also in the opinion of the Board and as confirmed by these Directors, they fulfil the conditions specified in Section 149 of the Companies Act, 2013 and the Rules made thereunder about their status as Independent Directors of the Company.

**EXTRACTS OF ANNUAL RETURN**

As required under the provisions of Section 134 (3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of Annual Return in Form No. MGT-9 is annexed herewith as **Annexure-I** to this report.

**INTERNAL FINANCIAL CONTROLS AND LEGAL COMPLIANCE REVIEW**

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

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

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

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

**HEALTH, SAFETY AND ENVIRONMENT**

The Company places utmost importance on ensuring safety of its employees, visitors to the premises of the Company and the communities we operate in. Structured monitoring & review and a system of positive compliance reporting are in place. There is a strong focus on safety with adequate thrust on employees' safety. The Company is implementing programmes to eliminate fatalities and injuries at work place. Quarterly reports on health, safety and environment from each plants/units of the Company are received by the Company and the same are placed before the Board of Directors for their review.

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

**HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The industrial relations of the Company with its personnel has continued to be cordial and amicable. Your Directors acknowledge and appreciate the efforts and dedication of employees towards the Company. Your Directors wish to place on record the co-operation received from the staff and workers at all levels and at all plants/units.

**ENHANCING SHAREHOLDERS VALUE**

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

**APPRECIATION & ACKNOWLEDGEMENT**

The Board of Directors would like to express their sincere thanks to the Shareholders & Investors of the Company for the trust reposed on us over the past several years. Your Directors would like to express their appreciation for the assistance and co-operation received from the Banks, Departments of Central Government & State Governments, other Government Departments, Members, Esteemed Customers and Suppliers during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services, support and contribution by the Executives, Staff and Workers of the Company.

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

**Vijaykumar Gupta**
**Chairman & Managing Director**
**(DIN: 00028173)**

**Place: Ahmedabad**
**Date : 29th July, 2017**

## ANNEXURE-A TO DIRECTORS' REPORT: REPORT ON CORPORATE GOVERNANCE

Corporate Governance refers to mechanisms, processes and relations by which corporations are controlled and directed. It is a systematic process driven by the ethical conduct of the business and affairs of an organisation aimed at promoting sustainable business and enhancing shareholders value in long term. It brings direction and control to the affairs of the Company in a fashion that ensures optimum return for stakeholders. It is the broad framework which defines the way the Company functions and interacts with its environment. Implementation of good governance indicates not only the compliance of the laws and regulations of the land but also indicates the values, practices and culture of your organization. As a result, it brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organisation towards creating wealth and stakeholder value. Good Governance ensures that the best corporate practices are followed by a Company.

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

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

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

In line with this philosophy, the Company continuously strives for excellence through adoption of best governance and disclosure practices. The Company has adopted the Code of Conduct and Business Ethics for Employees, Board Members and Senior Managerial Personnel and also the Whistle Blower Policy in due compliance of Regulations 17 and 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and in pursuit of excellence in Corporate Governance. These codes are available on the Company's website. The Company's corporate governance philosophy has been further strengthened through the code of practices and procedures for fair disclosures of unpublished price sensitive information and code of conduct to regulate, monitor and report trading by insiders pursuant to SEBI (Prohibition of Insiders Trading) Regulations, 2015. The Company believes in timely and adequate information and protection to minority shareholders.

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

**2. Board of Directors**

During the F.Y. 2016-17, the Board of Directors of the Company comprised of 10 (ten) Members and Chairman being Executive Director. Out of 10 (ten) Directors on the Board, 6 (six) were Non-Executive Directors and out of 6 (six) Non-Executive Directors, 5 (five) Directors (50% of total) were Independent Directors.

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

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

| Name of Director | Category & Inter personal relationship as on 31st March, 2017 | Attendance Particulars | | As on 31st March, 2017 | | |
|---|---|---|---|---|---|---|
| | | | | Directorship in other Companies | Membership and Chairpersonship of the Committees* | |
| | | Board meeting | Last AGM | | Member | Chairperson |
| Shri Vijaykumar Gupta | Executive Director & Promoter, Husband of Smt. Sulochana Gupta and father of Shri Manish Gupta and Shri Mohit Gupta | 5 | Yes | 6 (including 4 private limited) | 1 | Nil |
| Shri Manish Gupta | Executive Director & Promoter, Son of Shri Vijaykumar Gupta and Smt. Sulochana Gupta and brother of Shri Mohit Gupta | 6 | Yes | 5 (including 2 private limited) | Nil | Nil |
| Smt. Sulochana Gupta | Non-Executive Director & Promoter, Wife of Shri Vijaykumar Gupta and mother of Shri Manish Gupta and Shri Mohit Gupta | 5 | Yes | 4 (including 2 private limited) | 1 | Nil |

| Name of Director | Category & Inter personal relationship as on 31st March, 2017 | Attendance Particulars | | As on 31st March, 2017 | | |
|---|---|---|---|---|---|---|
| | | | | Directorship in other Companies | Membership and Chairpersonship of the Committees* | |
| | | Board meeting | Last AGM | | Member | Chairperson |
| Shri Mohit Gupta | Executive Director & Promoter, Son of Shri Vijaykumar Gupta and Smt. Sulochana Gupta and brother of Shri Manish Gupta | 6 | Yes | 1 private limited | Nil | Nil |
| Shri Sandeep Agrawal | Executive & Non Independent Director Not related | 6 | Yes | 1 public company | Nil | Nil |
| Shri Rohit Patel | Non-Executive & Independent Director Not related | 5 | Yes | 1 public company | 2 | 2 |
| Shri Sudhin Choksey | Non-Executive & Independent Director Not related | 6 | Yes | 4 (including 2 private limited) | 1 | 2 |
| Shri Rashmikant Joshi | Non-Executive & Independent Director Not related | 6 | Yes | Nil | 1 | Nil |
| Shri Vishwavir Saran Das | Non-Executive & Independent Director Not related | 5 | No | 2 public companies | 1 | 1 |
| Shri Sandeep Singhi | Non-Executive & Independent Director Not related | 5 | Yes | 1 public company | 2 | Nil |

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

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

During the F.Y. 2016-17, 6 (six) meetings of the Board of Directors were held on 30th April, 2016, 30th July, 2016, 12th November, 2016, 13th December, 2016, 23rd January, 2017 and 4th February, 2017.

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

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

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

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

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

During F.Y. 2016-17, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors, except for the commission payable to them annually in accordance with the applicable laws and with the approval of the members.

**3. Audit Committee**

(i) The Audit Committee of the Company is constituted in alignment with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

(ii) The terms of reference of the Committee are in accordance with Part C of Schedule-II of Regulation 18(3) of the Listing Regulations and Section 177 of the Companies Act, 2013 and major terms of reference, inter alia, includes the following:

- Reviewing Company's Financial Reporting Process;
- Reviewing the Internal Audit Systems, the adequacy of Internal Control Systems;
- Reviewing the Company's Financial and Risk Management Policies;
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Review and monitor the Auditor's independence and performance and effectiveness of audit process;
- Examination of the financial statement and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever necessary;
- Evaluation of internal financial controls and risk management systems.

(iii) The composition of the Audit Committee meets with the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The details of members, their category and number of meetings attended by them during the F.Y. 2016-17 are given below:

| Name of the Committee Member & Designation in Committee | Category in the Board | No. of meetings held | No. of meetings attended |
|---|---|---|---|
| Shri Sudhin Choksey, Chairman | Independent Director | 4 | 4 |
| Shri Rohit Patel, Member | Independent Director | 4 | 3 |
| Shri Rashmikant Joshi, Member | Independent Director | 4 | 4 |

(iv) During the F.Y. 2016-17, 4 (four) meetings of the Audit Committee were held on 30th April, 2016, 30th July, 2016, 12th November, 2016 and 4th February, 2017.

(v) The previous Annual General Meeting of the Company was held on 10th September, 2016 and the same was attended by the Chairman of the Audit Committee.

(vi) The Audit Committee Meetings are usually held at the Registered Office of the Company and are normally attended by Managing Director, Executive Director, Chief Financial Officer, Representative of Statutory Auditors, Internal Auditors and Cost Auditors. The Company Secretary of the Company acts as the Secretary of the Audit Committee.

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

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

None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the website of the Company (URL: http://www.ambujagroup.com/wp-content/uploads/2016/09/Vigil-Mechanism-Policy.pdf).

**5. Nomination and Remuneration Committee**

(i) The Nomination and Remuneration Committee of the Company is constituted in alignment with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations and terms of reference, including role & powers of the Committee, has been modified accordingly.

(ii) The terms of reference of the said Committee is broad based so as to include and to decide, review and recommend to the Board of Directors of the Company about the recruitment, selection, appointment and remuneration of relative of Director or of Key Managerial Personnel of the Company and to decide the increase/modification in the terms of appointment and/or remuneration of any such person. The Committee was constituted on 30th March, 2002 and was re-constituted from time to time. The Company Secretary of the Company acts as the Secretary of the Committee.

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

a) To decide, review and recommend to the Board of Directors of the Company about the recruitment, selection, appointment and remuneration of a relative of Director or of Key Managerial Personnel of the Company and to decide the increase/modification in the terms of appointment and/or remuneration of any such person.

b) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee, recommend to the Board their appointment and removal and to carry out evaluation of every Director's performance.

c) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

d) To ensure that as per the policy—

(i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

e) To formulate criteria for evaluation of performance of Independent Directors and the Board.

f) To devise a policy on Board diversity.

g) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

h) To decide on whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

(iii) The details of members, their category and number of meetings attended by them during the F.Y. 2016-17 are given below:

| Name of the Committee Member & Designation in Committee | Category in the Board | No. of meetings held | No. of meetings attended |
|---|---|---|---|
| Shri Rashmikant Joshi, Chairman | Independent Director | 3 | 3 |
| Shri Rohit Patel, Member | Independent Director | 3 | 2 |
| Shri Vishwavir Saran Das, Member | Independent Director | 3 | 3 |

(iv) During the F.Y. 2016-17, 3 (three) meetings of Nomination and Remuneration Committee were held on 30th April, 2016, 30th July, 2016 and 4th February, 2017.

(v) The previous Annual General Meeting of the Company was held on 10th September, 2016 and the same was attended by the Chairman of the Nomination and Remuneration Committee.

(vi) The Committee while deciding the remuneration package of the Managing Directors/ Executive Directors and recruitment, selection, appointment and remuneration of relative of Director or of Key Managerial Personnel of the Company, takes into consideration various factors, *inter alia*, contribution, remuneration package of the industry, knowledge and experience etc.

(vii) The Board considered and approved the criteria for performance evaluation of itself, that of its Committees and Individual Directors as follows:

- Criteria for Board Evaluation
  - Attendance at meetings
  - Regularity of attendance
  - Responsibilities and accuracy of information in timely manner
  - Level and quality of participation
  - Involvement in deliberation
  - Commitment to responsibilities
- Criteria for Committee Evaluation
  - Level and quality of participation
  - Effectiveness to the responsibilities
  - Aptitude and effectiveness
  - Overall contribution
- Criteria for Evaluation of Individual Directors (including Independent and Non-Independent Directors)
  - Dedication
  - Attendance
  - Preparedness & Participation
  - Team work
  - Contribution
  - Time and Efforts
  - Response
  - Commitment
  - Knowledge/Sharing information
  - Responsibilities
  - Suggestions during discussion

(viii) Criteria for making payment to Non-Executive Directors has been disseminated on the website of the Company i.e. www.ambujagroup.com

(ix) Payment to Non-Executive Directors:

The Non-Executive Directors are paid remuneration by way of sitting fees for attending meetings of Board of Directors and Committees of the Board. At the Annual General Meeting held on 22nd September, 2005, Members approved payment of sitting fees upto ₹ 20,000/- or as may be amended by the Central Government to be paid to Non-Executive Directors for attending each meeting of the Board of Directors and Committees thereof. During F.Y. 2016-17, Non-Executive Directors were paid Sitting Fees of ₹ 17,500/- for attending each meeting of the Board and Committees of the Board.

The Members at their 23rd Annual General Meeting held on 13th September, 2014 pursuant to Sections 149, 197 and other applicable provisions, if any, of the Companies Act, 2013 and Regulation 17(6) of the Listing Regulations, approved the payment of remuneration to the Non-Executive Directors of the Company by way of commission not exceeding one (1) percent of the net profits of the Company, provided that the overall remuneration shall not be exceeding ₹ 25 lacs in a financial year.

(x) There are no stock options issued by the Company.

(xi) The details of remuneration (including salary, allowances, commission, monetary value of perquisites & Company's contribution to Provident Fund but excluding gratuity, insurance coverage for personal accident and balance of unavailed encashable leave) and sitting fees paid for attending meetings of the Board of Directors and Committees thereof during the F.Y. 2016-17 to all the Directors are furnished hereunder:

(₹ in crores)

| Sr. No. | Name of Director | Salary & Allowances | Perquisites | Commission | Sitting Fees | Total | Service Contract | Notice Period (in months) & severance fees |
|---|---|---|---|---|---|---|---|---|
| 1 | Shri Vijaykumar Gupta, Chairman & Managing Director | 0.76 | 0.08 | 4.44 | Nil | 5.28 | 1st April, 2013 to 31st March, 2018 | 3 months Nil |
| 2 | Shri Manish Gupta, Managing Director | 0.78 | 0.06 | 13.31 | Nil | 14.15* | 28th December, 2013 to 27th December, 2018 | 3 months Nil |
| 3 | Smt. Sulochana Gupta, Non-Executive Director | Nil | Nil | 0.02 | 0.01 | 0.03 | - | - |
| 4 | Shri Mohit Gupta, Joint Managing Director | 0.48 | Nil | Nil | Nil | 0.48 | 1st August, 2013 to 31st July, 2018 | 3 months Nil |
| 5 | Shri Sandeep Agrawal, Whole-Time Director | 0.54 | Nil | Nil | Nil | 0.54 | 1st August, 2014 to 31st July, 2019 | 3 months Nil |
| 6 | Shri Rohit Patel, Independent Director | Nil | Nil | 0.02 | 0.02 | 0.04 | - | - |
| 7 | Shri Sudhin Choksey, Independent Director | Nil | Nil | 0.03 | 0.02 | 0.05 | - | - |
| 8 | Shri Rashmikant Joshi, Independent Director | Nil | Nil | 0.02 | 0.03 | 0.05 | - | - |
| 9 | Shri Vishwavir Saran Das, Independent Director | Nil | Nil | 0.02 | 0.02 | 0.04 | - | - |
| 10 | Shri Sandeep Singhi, Independent Director | Nil | Nil | 0.02 | 0.01 | 0.03 | - | - |

*Managerial remuneration payable works out to be in excess of limits requiring shareholders' approval in terms of point (i) of second proviso of Section 197 of the Companies Act, 2013 (Act), however this is within the prescribed limits of total managerial remuneration payable to all Managing Director/Whole-Time Director/Manager in aggregate u/s 197 of the Act. The Company proposes to ratify such managerial remuneration in excess of 5% being paid, in the ensuing Annual General Meeting.

**6. Corporate Social Responsibility Committee:**

Pursuant to Section 135 of the Companies Act, 2013, the Company has constituted Corporate Social Responsibility Committee, interalia, to formulate and recommend to the Board of Directors, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made thereunder, to recommend the amount of expenditure to be incurred on the CSR activities and to monitor the implementation of the CSR Policy of the Company from time to time. The Policy on Corporate Social Responsibility is available on the website of the Company (URL : http://www.ambujagroup.com/wp-content/uploads/2017/05/CSRPolicy.pdf).

During the F.Y. 2016-17, 5 (five) meetings of the Committee were held on 9th April, 2016, 9th July, 2016, 3rd September, 2016, 8th October, 2016 and 17th January, 2017.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the F.Y. 2016-17 and other related details are given below:

| Name of the Committee Member & Designation in Committee | Category in the Board | No. of meetings held | No. of meetings attended |
|---|---|---|---|
| Shri Vijaykumar Gupta, Chairman | Executive Director | 5 | 5 |
| Shri Manish Gupta, Member | Executive Director | 5 | 5 |
| Shri Rohit Patel, Member | Independent Director | 5 | 3 |

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

**7. Independent Directors' Meeting:**

A separate meeting of Independent Directors was held on 4th February, 2017, without the attendance of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors, the Board as a whole and its Chairperson and assess the quality, quantity and timeliness of flow of information between the Company Management and the Board. Details of attendance of the members at the said meeting are given below:

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

**8. Board Sub-Committees:**

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

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

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

To expedite the process and for effective resolution of grievances/complaints, the Committee has delegated powers to the Share Transfer Agent and its officials to redress all complaints/grievances/inquires of the Members/Investors. Ms. Chetna Dharajiya, Company Secretary of the Company acts as the Secretary of the Stakeholders Relationship Committee and under her supervision Committee redresses the grievances/complaints of Members/Investors.

The Committee meets at regular intervals to review the status of redressal of Members'/Investors' Grievances.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the F.Y. 2016-17 and other related details are given below:

| Name of the Committee Member & Designation in Committee | Category in the Board | No. of meetings attended |
|---|---|---|
| Shri Rohit Patel, Chairman | Independent Director | 16 |
| Shri Vijaykumar Gupta, Member | Executive Director | 26 |
| Smt. Sulochana Gupta, Member | Non-Executive Director | 26 |

**(b) Details of complaints received and redressed during the F.Y. 2016-17:**

| Sr. No. | Particulars | Opening balance as on 1st April, 2016 | Received during the year | Redressed during the year | Pending as on 31st March, 2017 |
|---|---|---|---|---|---|
| 1 | Non-receipt of Dividend/ Interest, Revalidation etc. | Nil | 9 | 9 | Nil |
| 2 | Non-receipt of Share Certificate, etc. | Nil | 6 | 6 | Nil |
| 3 | Non-receipt of Annual Report, Interest on delayed refund, etc. | Nil | Nil | Nil | Nil |
| 4 | Others | Nil | Nil | Nil | Nil |
| | **Total** | **Nil** | **15** | **15** | **Nil** |

**(c) Share Transfer Committee:**

Share Transfer Committee consisting of Shri Vijaykumar Gupta, Chairman & Managing Director, Shri Manish Gupta, Managing Director, Smt. Sulochana Gupta and Shri Rashmikant Joshi, the Directors of the Company has been constituted with the scope and ambit to consider and approve the following actions related to the shareholders/members of the Company:

a) Transfer of Shares
b) Transmission of Shares
c) Issue of Duplicate Share Certificates
d) Change of Status
e) Change of Marital Status
f) Change of Name
g) Transposition of shares
h) Sub-division of shares
i) Consolidation of Folios
j) Shareholders requests for Dematerialisation/Rematerialisation of Shares

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

**(d) Share Transfer Details:**

The number of shares transferred / transmitted, split request processed, duplicate shares issued, folio consolidation, demat and remat request approved during the F.Y. 2016-17 are as under:

| Sr. No. | Particulars | No. of cases | No. of shares involved (₹ 2/- each) |
|---|---|---|---|
| 1 | Transfer | 93 | 66000 |
| 2 | Transmission | 94 | 69440 |
| 3 | Split | 3 | 2700 |
| 4 | Duplicate | 5 | 2500 |
| 5 | Demat request approved-NSDL | 353 | 302485 |
| 6 | Demat request approved-CDSL | 214 | 170220 |
| 7 | Remat request approved-NSDL | 2 | 120 |
| 8 | Remat request approved-CDSL | Nil | Nil |

As on 31st March, 2017, out of the total 11,46,67,665 Issued, Subscribed and Paid up Equity shares of ₹ 2/- each of the Company, 85.28% are in dematerialised form (net of remat) through NSDL and CDSL.

With a view to expedite the process of transfer, the Committee normally meets twice a month to approve transfer, transmission, split, duplicate etc. There was no instrument pending for transfer as on 31st March, 2017.

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

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

**(f) Code of Conduct:**

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

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

The Company has obtained confirmations for the compliance with the said code from all its Board members and Senior Management Personnel for the year ended 31st March, 2017. The declaration by the Chairman & Managing Director of the Company confirming the same is annexed to this report.

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

The Independent Directors are provided with necessary documents, reports and other relevant information to enable them to familiarise with the Company's procedures and practices. The Independent Directors are taken for visit to Company's various plants/units, to enable them to have full understanding of manufacturing operations & processes of the Company and the industry in which it operates. Periodic presentations are made at the Board meetings on business and performance updates of the Company, business strategy and risks involved. At the time of induction of the newly appointed Independent Director, he/she is apprised adequately about the Company, latest financial statements with business model, industry scenario, competition, significant recent developments and also the Board processes which is apprised by the Chairman and Managing Director, the Chief Financial Officer, the Company Secretary and the Senior Management of the Company. Details of the familiarization programme for the Independent Directors are available on the website of the Company:
(URL: http://www.ambujagroup.com/wp-content/uploads/2017/05/Details_of_familiarization_programmes-1.pdf).

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

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

**9. General Body Meetings**

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

| Year | Date | Time | Venue |
|---|---|---|---|
| 2013-14 | 13th September, 2014 | 11.00 a.m. | H. T. Parekh Hall, 1st Floor, Ahmedabad Management Association (AMA), AMA Complex, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad – 380 015 |
| 2014-15 | 12th September, 2015 | 11.00 a.m. | |
| 2015-16 | 10th September, 2016 | 11.00 a.m. | |

**b) Extra Ordinary General Meeting:**

There was no Extra Ordinary General Meeting held during the F.Y. 2016-17.

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

| Special Resolution | Date of Meeting |
|---|---|
| Borrowing powers of the Board of Directors of the Company under Section 180(1)(c) of the Companies Act, 2013 upto ₹ 2500 crores | 13th September, 2014 |
| Authority to charge/mortgage Assets of the Company both present and future | 13th September, 2014 |
| Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 | 13th September, 2014 |
| To consider payment of Commission to Independent/Non-Executive Directors of the Company | 13th September, 2014 |
| Offer and Issue Non-Convertible Securities/Commercial Papers under Private Placement | 12th September, 2015 |
| Revision in terms of remuneration of Shri Siddharth Agrawal, the Vice President (Works) of the Company | 12th September, 2015 |

**d) Postal Ballot:**

i. Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern.

During the year, the Company sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated 13th December, 2016 for Buyback of Equity Shares of the Company, the results of which were announced on 30th January, 2017. Shri Niraj Trivedi, a Practicing Company Secretary (CP No. - 3123) was appointed as the Scrutinizer for conduct the postal ballot and remote e-voting process in a fair and transparent manner.

**Details of Voting Pattern were as under:**

| Description of the Resolution | Votes in favour of the resolution | | | Votes against the resolution | | | Invalid Votes | |
|---|---|---|---|---|---|---|---|---|
| | Number of members voted through electronic voting system and through physical ballot form | Number of valid votes cast (Shares) | % of total number of valid votes cast | Number of members voted through electronic voting system and through physical ballot form | Number of valid votes cast (Shares) | % of total number of valid votescast | Total number of members whose votes were declared invalid* | Total number of invalid votes cast (Shares) |
| Approval for Buyback of EquityShares | 537 | 93,376,476 | 67.49 | 39 | 1,21,414 | 0.09 | 112 | 70,025 |

*One Shareholder has casted vote partially and for balance shares abstained from voting

**Procedure for postal ballot:**

The Company conducted the postal ballot in accordance with the provisions of Sections 108 and 110 of the Companies Act, 2013, read with Rules 20 and 22 of the Companies (Management & Administration) Rules, 2014 ("Rules"). The Company had completed the dispatch of the Postal Ballot Notice dated 29th December, 2016, along with the Explanatory Statement, postal ballot form and self-addressed business reply envelopes on 29th December, 2016 to all the members who had not registered their E-mail IDs with the Company/Depositories and also sent by E-mail the said documents to all the members whose E-mail IDs were registered with the Company/ Depositories. The Company also published a notice in the newspapers declaring the details of completion of dispatch and other requirements as mandated under the provisions of the Act and Rules framed thereunder. In compliance with the provisions of Sections 108 and 110 of the Companies Act, 2013 and Rules 20 and 22 of the Rules read with Regulation 44 of the Listing Regulations, the Company had offered the facility of e-voting to its members to enable them to cast their vote electronically. The voting under the postal ballot was kept open from Friday, 30th December, 2016 (09.00 a.m. IST) to Saturday, 28th January, 2017 (05.00 p.m. IST). Upon completion of scrutiny of the postal ballot forms and votes cast through e-voting in a fair and transparent manner, the scrutinizer i.e. Shri Niraj Trivedi, Practicing Company Secretary submitted his report to the Company and the results of the postal ballot were announced by the Company on 30th January, 2017. The voting results were sent to the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and also displayed on the Company's website www.ambujagroup.com and on the website of Central Depository Services (India) Limited www.evotingindia.com, the e-voting agency for conducting the postal ballot.

ii. Details of special resolution proposed to be conducted through postal ballot: No special resolution requiring postal ballot is being proposed for the ensuing Annual General Meeting.

**10. a) Disclosures**

i. The Board has received disclosures from Key Managerial Personnel/Senior Management that they have no material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. Related Party transactions have been included in the Notes to the Annual Accounts of the Company for the year ended 31st March, 2017.

ii. The Company has complied with the requirements of the Stock Exchanges, SEBI and other authorities on the matters relating to capital markets during the last three years, and hence, no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities relating to the above.

iii. The Company has adopted a Whistle Blower Policy/Vigil Mechanism and has established the necessary mechanism in line with requirement of the Companies Act, 2013 and Regulation 22 of the Listing Regulations for employees to report violations of applicable laws and regulations and the Code of Conduct. During the year under review, no personnel have been denied access to the Audit Committee.

iv. The Company has complied with all mandatory applicable corporate governance requirements of the Listing Regulations.

v. The Company has complied with following non-mandatory requirements as prescribed in Part E of Schedule-II to Regulation 27(1) of the Listing Regulations:

- The Company is in the regime of financial statements with unmodified audit opinion.
- The Internal Auditors directly reports to the Audit Committee.

vi. The Company has formulated and adopted Policy on determining Material Subsidiaries as required under Regulation 16(1)(c) of the Listing Regulations. A copy of the Policy on determining Material Subsidiaries is available on the website of the Company (URL: http://www.ambujagroup.com/wp-content/uploads/2016/09/Policy-for-determining-Material-subsidiaries.pdf).

vii. In line with the requirements of the Companies Act, 2013 and Listing Regulations, the Company has formulated and adopted a Policy on Related Party Transactions which is also available on the website of the Company (URL: http://www.ambujagroup.com/wp-content/uploads/2017/05/Policy-on-Related-Party-Transactions.pdf). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

viii. Disclosure on commodity price risks and commodity hedging activities:

Factors that can affect commodity prices include political and regulatory changes, seasonal variations, weather, technology and market conditions. Commodity price risk is often hedged by major consumers. Unexpected changes in commodity prices can reduce a producer's profit margin and make budgeting difficult. Futures and options are two financial instruments commonly used to hedge against commodity price risk. The Company operates in a market in which commodity/raw materials/finished goods prices are fluctuating. The Company tries to mitigate the risk by covering position through hedging at commodities exchanges like CBOT, REFCO, NCDEX, NMCEX and such other commodity exchange. The Company has entered into agreement with one of the member of NCDEX, having Company as its sole client, who acts as broker for carrying out commodity hedging activities in order to mitigate Company's risk due to fluctuation in commodity prices.

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

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

**d) Reconciliation of Share Capital**

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

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

**11. Means of Communication**

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

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

**b) Website:**

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

**c) Annual Report:**

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

**d) Reminder to Investors:**

Pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund), Rules 2016 and subsequently amended by the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendments Rules, 2017, the Company has published notice in leading newspapers on 29th October, 2016 and 1st May, 2017 and also sent reminder letters on 27th October, 2016 to all the concerned shareholders to encash dividend warrants which are unclaimed / unpaid for 7 (seven) consecutive years, shares of such unclaimed/unpaid dividend warrants are further liable to be transferred to Demat Account of IEPF Authority.

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

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

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

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

**12. General Shareholders' Information**

**a) Annual General Meeting:**

| | |
|---|---|
| Day & Date | Saturday, 9th September, 2017 |
| Time | 11.00 a.m. |
| Venue | H. T. Parekh Hall, 1st Floor, Ahmedabad Management Association (AMA), AMA Complex, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad – 380 015 |

**b) Tentative Financial Calendar (F.Y. 2017-2018):**

| | |
|---|---|
| Financial year | 1st April, 2017 - 31st March, 2018 |
| Annual General Meeting | On or before 30th September, 2018 |
| First quarter results (Audited or Un-audited) | On or before 14th August, 2017 |
| Second quarter results (Audited or Un-audited) | On or before 14th November, 2017 |
| Third quarter results (Audited or Un-audited) | On or before 14th February, 2018 |
| Results for the Financial Year (Audited) | On or before 30th May, 2018 |

**c) Book Closure Date:**

Closure of Register of Members and Share Transfer Books Friday, 1st September, 2017 to Saturday, 9th September, 2017 (both days inclusive)

**d) Dividend Payment Date:**

The Board of Directors at its Meeting held on 13th May, 2017, recommended final dividend @ 40% i.e. ₹ 0.80/- per equity shares of ₹ 2/- each for F.Y. 2016-17, subject to approval of the shareholders at the ensuing Annual General Meeting. The Dividend shall be paid to the members whose names appear on Company's Register of Members as on 31st August, 2017 in respect of physical shareholders and whose name appear in the list of Beneficial Owner on as 31st August, 2017 furnished by NSDL and CDSL for this purpose. The final dividend if declared at the Annual General Meeting shall be paid on or after 13th September, 2017.

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

The Equity Shares of the Company are listed at BSE Limited and National Stock Exchange of India Limited. The Annual Listing Fees for the F.Y. 2017-18 has been paid to both the above Stock Exchanges. Addresses of the Stock Exchanges, where equity shares of the Company are presently listed are given below:

**BSE Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

**National Stock Exchange of India Limited**
Exchange Plaza, 5th Floor, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051

**f) Stock Code:**

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

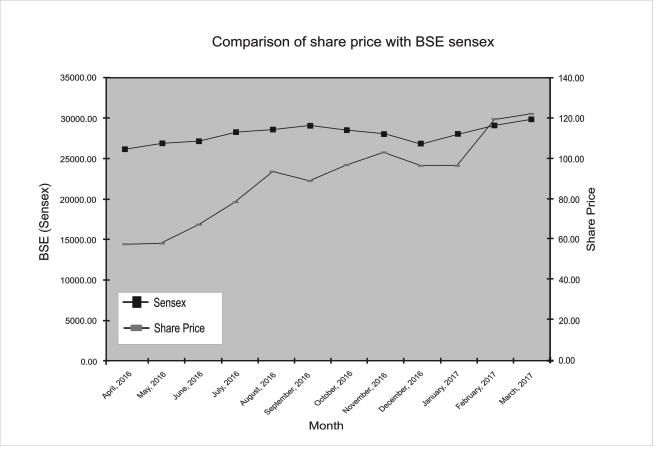
**g) Stock Market Price Data and comparison to broad-based indices:**

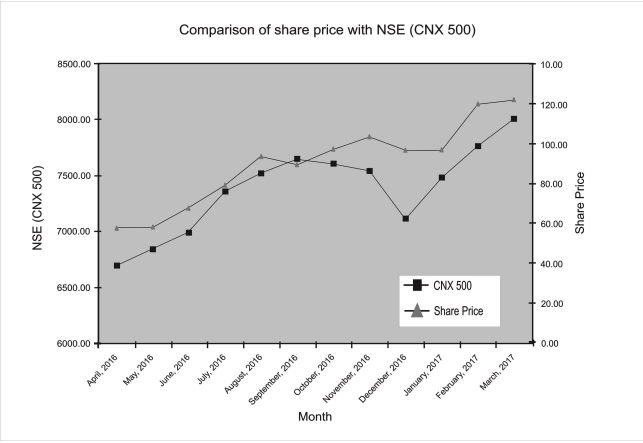
**(i) Monthly Share price movement during F.Y. 2016-17 on BSE and NSE**

| Month | BSE Limited (BSE) (in ₹ per share) | | National Stock Exchange of India Limited (NSE) (in ₹ per share) | |
|---|---|---|---|---|
| | Highest | Lowest | Highest | Lowest |
| April, 2016 | 57.80 | 39.10 | 57.70 | 38.00 |
| May, 2016 | 58.00 | 48.55 | 58.20 | 48.35 |
| June, 2016 | 67.40 | 51.30 | 67.45 | 51.40 |
| July, 2016 | 78.50 | 60.60 | 79.00 | 60.35 |
| August, 2016 | 93.50 | 70.80 | 93.50 | 70.50 |
| September, 2016 | 89.00 | 74.20 | 89.40 | 69.50 |
| October, 2016 | 96.90 | 80.00 | 97.10 | 79.20 |
| November, 2016 | 103.00 | 77.50 | 103.30 | 75.80 |
| December, 2016 | 96.45 | 82.40 | 96.50 | 81.80 |
| January, 2017 | 96.40 | 88.00 | 96.70 | 88.30 |
| February, 2017 | 119.45 | 93.10 | 119.70 | 92.70 |
| March, 2017 | 122.00 | 100.00 | 121.90 | 99.50 |

Source: BSE and NSE website

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




**h) Share Transfer Agent:**

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

Details of Jupiter Corporate Services Limited is as under:

"Ambuja Tower", Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. Thaltej, Ahmedabad - 380 059
Phone: 079-61556677, Fax: 079-61556678, Email Id: jayvijay@ambujagroup.com

**i) Share Transfer System:**

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

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

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

**j) (i) Distribution of shareholding as on 31st March, 2017 (including demat):**

| No. of shares held | No. of shareholders | % of shareholders | No. of shares held | % of shareholding |
|---|---|---|---|---|
| 1 to 2500 | 49516 | 97.61 | 23815906 | 20.77 |
| 2501 to 5000 | 658 | 1.30 | 2371675 | 2.07 |
| 5001 to 10000 | 294 | 0.58 | 2180856 | 1.90 |
| 10001 to 15000 | 81 | 0.16 | 1013290 | 0.88 |
| 15001 to 20000 | 43 | 0.08 | 754744 | 0.66 |
| 20001 to 25000 | 28 | 0.06 | 637702 | 0.56 |
| 25001 to 50000 | 55 | 0.11 | 1935962 | 1.69 |
| 50001 & above | 53 | 0.10 | 81957530 | 71.47 |
| **Total** | **50728** | **100.00** | **114667665** | **100.00** |

**(ii) Shareholding Pattern of the Company as on 31st March, 2017 (including demat):**

| Category of Holders | No. of shares | % to total shares |
|---|---|---|
| Promoters/Directors & Relatives | 75884225 | 66.18 |
| Financial Institutions/Mutual Fund/Banks | 175804 | 0.15 |
| Non-Residents/FIIs/OCBs/FPI | 1652835 | 1.44 |
| Other Corporate Bodies/LLP | 3579530 | 3.12 |
| Indian Public/Trust | 33375271 | 29.11 |
| **Total** | **114667665** | **100.00** |

**(iii) Shareholding of Non-Executive Directors as on 31st March, 2017:**

| Name of Non-Executive Director | No. of shares | % to total shares |
|---|---|---|
| Smt. Sulochana Gupta | 4485385 | 3.91 |
| Shri Rohit Patel | Nil | Nil |
| Shri Sudhin Choksey | Nil | Nil |
| Shri Rashmikant Joshi | Nil | Nil |
| Shri Vishwavir Saran Das | Nil | Nil |
| Shri Sandeep Singhi | Nil | Nil |
| **Total** | **4485385** | **3.91** |

There were no convertible instruments pending conversion into Equity Shares as on 31st March, 2017.

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

On 31st March, 2017 out of 11,46,67,665 Issued, Subscribed and Paid up Capital of Equity Shares of ₹ 2/- each, 85.28% Equity Shares (net of remat) have been dematerialised. As per notification issued by SEBI with effect from 24th July, 2000, the trading in the equity shares of the Company is permitted only in dematerialised form. The Company has entered into agreements, with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through Jupiter Corporate Services Limited to facilitate the members to demat their shares with any of the depositories.

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

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

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

Company has approved and adopted Risk Management Policy and accordingly, during the year ended 31st March, 2017, the Company has managed the foreign exchange risk and hedged to the extent considered necessary. The details of foreign currency exposure and hedging are disclosed in notes to the financial statements (Note No. 40(B)(i)) forming part of this Annual Report.

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

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

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

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

**p) Plant Locations:**

| Agro Processing Division | Power Division |
|---|---|
| 1. Solvent Extraction Unit, Edible Oil Refinery & Vanaspati Ghee Unit, Kadi, District Mehsana, Gujarat<br>2. Solvent Extraction & Edible Oil Refinery, Pithampur, District Dhar, Madhya Pradesh<br>3. Solvent Extraction & Edible Oil Refinery, Village Kanheri-Gawali, Taluka Balapur, District Akola, Maharashtra<br>4. Solvent Extraction & Edible Oil Refinery, District Mandsaur, Madhya Pradesh<br>5. Wheat Processing Unit, Kadi, District Mehsana, Gujarat<br>6. Cattle Feed Unit, Kadi, District Mehsana, Gujarat<br>7. Wheat Processing Unit, Pithampur, District Dhar, Madhya Pradesh | 1. Wind Mills (in the State of Gujarat)<br>a. B-87, R S No. 471/P, Village Lamba, Taluka Kalyanpur, District Jamnagar<br>b. WTG No. 1, Machine No. 1, Survey No. 400, Village Kuranga, Taluka Dwarka, District Jamnagar<br>c. WTG No. 2, Machine No. 2, Survey No. 400, Village Kuranga, Taluka Dwarka, District Jamnagar<br>d. WTG No. 3, Machine No. 6, Survey No. 400, Village Kuranga, Taluka Dwarka, District Jamnagar<br>e. Survey No. 213/2, Village Satapar, Taluka Kalyanpur, District Jamnagar<br>f. WTG No. 1, V-4, Survey No. 43/1/P, Village Motisindhodi, Taluka Abdasa, District Kutch<br>g. WTG No. 2, V-7, Survey No. 36/2/P, Village Motisindhodi, Taluka Abdasa, District Kutch<br>h. Survey No. 115/P, Village Mindiyali, Taluka Anjar, District Kutch<br>2. Power Plants (11 MW, 2.5MW & 6 MW Cogeneration Plant) Himmatnagar, Sitarganj & Shiggaon<br>3. Biogas Power Plants - Himmatnagar, Sitarganj & Shiggaon |
| **Maize Processing Division** | |
| 1. Bio-Chemical Division, Village Dalpur, Himmatnagar, District Sabarkantha, Gujarat<br>2. Sitarganj, District Udham Singh Nagar, Uttarakhand<br>3. Village Hulsoggi, P.O. Manakatti, Taluka Shiggoan, District Haveri, Karnataka<br>4. Chalisgaon<br>Plot No. A 04 MIDC, Taluka Chalisgaon, District Jalgaon City, Maharashtra (under final stage of commencement of commercial production) | |
| **Cotton Yarn Division** | |
| Cotton Spinning Division<br>Village Dalpur, Himmatnagar, District Sabarkantha, Gujarat | |

**q) Investors' Correspondence:**

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

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

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

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

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

I confirm that in respect of the Financial Year ended 31st March, 2017, the Company has received from the Senior Management Team of the Company and the Members of the Board, declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Executive Directors including all functional heads as on 31st March, 2017.

**Place: Ahmedabad**
**Date: 29th July, 2017**

**Vijaykumar Gupta**
**Chairman & Managing Director**

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

To,
The Board of Directors,
Gujarat Ambuja Exports Limited

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

1. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2017 and that to the best of our knowledge and belief:
   (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, there were no transactions entered into by the Company during the year which were fraudulent, illegal or which violated the Company's Code of Conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and we have:
   (a) evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting;
   (b) not found any deficiencies in the design or operation of internal controls.
4. We have indicated to the Company's Auditors and the Audit Committee of the Board of Directors that:
   (a) there is no significant changes that have occurred in the internal control over financial reporting during the year;
   (b) there have been no significant changes in accounting policies during the year;
   (c) there have been no instances of significant fraud nor there was any involvement of the management or an employee having a significant role in the Company's internal control system over financial reporting; and
   (d) there were no deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data nor there were any material weaknesses in internal controls over financial reporting nor any corrective actions with regards to deficiencies, as there were none.
5. We declare that all Board members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct for the current year.

**Place: Ahmedabad**
**Date : 13th May, 2017**

**Manish Gupta**
**Managing Director**

**Dinesh Shah**
**Chief Financial Officer**

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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

We have examined the compliance of conditions of Corporate Governance by Gujarat Ambuja Exports Limited ('the Company') for the year ended 31st March, 2017 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with stock exchanges.

**Management's Responsibility**

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

**Auditors' Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance stipulated in the Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2017.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

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

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

**Restriction on use**

This Certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**For KANTILAL PATEL & CO.**
**CHARTERED ACCOUNTANTS**
**(Firm Reg. No. 104744W)**

**Jinal Patel**
**Partner**
**[Membership No.: 153599]**

**Date : 29th July, 2017**
**Place : Ahmedabad**

# ANNEXURE-B TO DIRECTORS' REPORT: MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## CAUTIONARY STATEMENT

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

## OVERVIEW OF GLOBAL BUSINESS ENVIRONMENT

The year 2016-17 marked another challenging and eventful year for the world economy owing to sluggish global trade, subdued investment, heightened geopolitical uncertainty, regional protectionism and change of leadership in some of the leading global economies. There have been several impacting events like – election of new President in the USA, UK's protectionism through BREXIT, potential political insulation of other EU economies, entry of Iran in global oil supply, missile and nuclear testing by North Korea, tension in Indo-Pak border – all these are expected to have serious impact on world trade and commerce. Amidst all these, global growth was subdued in 2016, which is projected to improve only marginally in 2017 largely on the back of recovery in emerging markets and select developing economies. Growth in these markets, as well as some developed economies, is expected to pick up in 2017 on the back of improved commodity prices, resumption in investments, improved consumer confidence and increasing consumption on the back of pent up demand.

Emerging markets and developing economies account for more than one-third of the global GDP and about three-quarters of the world's population. Any slowdown in these economies can have a consequent effect on the developed nations. Weak investments in these economies pose a significant challenge. While policy priorities depend on country circumstances, policy makers are progressively employing full range of cyclical and structural policies to accelerate investment growth in these countries.

Expected steady revival in global trade in 2017 will be driven by likely rebound in import demand from large emerging economies. The pace of the recovery will, however, be slower than expected due to downward revisions of growth prospects in major advanced economies, persistent weakness in global investment and slower trade liberalisation amid uncertainty about trade policy in the United States and Europe. While the overall trend for growth in the global economy continues to point upwards, the pace of growth is likely to be moderate in the immediate term.

## INDIAN ECONOMY, INDUSTRY & SCENARIO

The F.Y. 2016-17 was marked by a variety of institutional reforms such as the implementation of the Insolvency and Bankruptcy Code, creation of Monetary Policy Committee, redesigning of the Fiscal Responsibility and Budget Management (FRBM) framework, passage of Goods and Service Tax (GST) and finally, the policy thrust towards a less-cash formal economy. In addition, the trend of benign inflation and continued improvement in twin deficits further bolstered the country's macroeconomic parameters.

In November 2016, the Government of India announced a bold step of withdrawing INR 500 & INR 1000 denomination notes with immediate effect. This step was targeted at the unaccounted money in the economy. The step initially had lots of criticism from various fronts. However the intentions, commitments and integrity of Government to move forward with this step have been supported by public at large and industry considering it a short term pain for long term gain. The economy at large have have come to terms with the Government move and performed well without any significant downward growth.

With a GDP at US$ 2 trillion, India's economy ranks as the seventh largest in the world. Economy experts and opinion makers are optimistic of India's economic resurgence and expect the nation's GDP growth to rebound in the range of 6.75-7.5% in 2017-18 catalysed by two important triggers – the GST rollout and thrust on infrastructure creation through a large allocation in Union Budget 2017-18.

The other factors affecting the economy have played the balancing role to stimulate it. The domestic interest rates remained favorable to industry with downward trends. The Indian rupee was also less volatile compared to other global currencies. The Indian rupee also largely remained stable during the BREXIT period from June to February.

The Government of India remained supportive to industry and various steps announced has the short term positive impact and would have long term positive outcome. The Government commitment to go as per schedule for GST implementation would also have positive impact in widening the tax base by higher level of tax compliance.

## INDUSTRY STRUCTURE AND DEVELOPMENTS & COMPANY'S PERFORMANCE

The Company has inherent strength to have multiple operating segments under its roof. Maize Processing segment is gaining further strength as the Company sees robust growth opportunities. It has proved to cash cow which is fueling further capex with the help of internal accruals which in turn keeps the interest costs in check.

The agro processing segment is consistently helping Company to maintain the level of revenue growth of the Company.

The cotton yarn segment is helping to maintain its presence in the textile sector with well accepted products profile in Indian and global markets. These three segments are pillar of the Company and using the respective strength to overcome the weakness due to global conditions.

The three base pillars are supported ably by power generation at each location of the Company. The Company is generating power by using non conventional sources of energy and thus contributing towards generating clean energy. This pillar is using wind, sun and industrial waste to the maximum extent and supporting aggressively to the national agenda of keeping the country environmental friendly.

During the year, the Company has also successfully completed buyback of equity shares.

**Maize Processing Segment**

The segment maintained its growth in last financial year. The growth in production is about 10% and in top line the growth is about 14% the steady growth also helped the segment to sustain its earning level at around 15%.

During the year the Company has focused on more derivative production across all the plants. The Company also added the dextrose anhydrous derivative at the Karnataka plant. The Company is also planning to other derivative products at Uttaranchal and Himmatnagar manufacturing locations.

The fourth corn milling unit of the Company at Chalisgaon is under final stage of implementation and the commercial production is slated to commence by September/October, 2017.

The segment is also contributing to sustain the export revenue of the Company. In future we shall endeavor to explore new market for corn starch derivatives.

The future of the segment is good and would achieve steady growth.

**Agro Processing Segment**

The segment is operating with twin activities, which by nature are complementing each other. During the year, the solvent extraction operations returned to normal traditional mode and performed with huge improvement. The growth for this operation is by around 99% in top line. The operation also has sizable growth in capacity utilization level. Bumper crop of soya seed increased the procurement for crushing. Also Government action of demonetization proved to be blessing in disguise since it provided opportunity of procuring the soya seeds directly from the farmers.

The refining activity managed its position and worked in tandem with solvent extraction. The outlook for both the operations is expected to be better in current financial year. The positive forecast of monsoon, continued lower international prices of crude edible oil, better parity in soya bean processing and other traditional factors would have end results in enhanced performance for the segment.

**Cotton Yarn Segment**

The segment had the maximum negatives in past few years. However this segment has earned operational profits during the year reaping the fruits of modernization of its machineries form blow room to winding.

The top line growth of this segment is supported by favourable domestic as well as international prices of yarn the Company could achieve jump in revenue by better capacity utilization and higher yield with advanced technology. Outlook for the segment is steady and positive for the current year also.

**Power division and contribution to Renewable Energy**

Over a period of past few years, this segment is working as a pillar to core segments. At all the locations of the Company, the captive generation of power is now integral part of respective project. This has helped the Company to minimize the power cost and also reduced the dependence of state power.

The Company is also very much committed on use of non conventional source of energy. More than 60% of power generation of the Company is by using non conventional source of energy. The Company is committed to put this technology in future projects also.

**Financial performance and overall analysis**

The Company recorded operational revenue of ₹ 3379.07 crores as compared to ₹ 2776.44 crores during the previous financial year. The various profit parameters have significant growth during the year. The Company achieved EBIDTA margin of 8.69% in F.Y. 2016-17 against 7.04% in F.Y. 2015-16.

The Company achieved Earnings before Interest, Depreciation and Tax (EBIDTA) of ₹ 293.58 crores for the F.Y. 2016-17 against that of ₹ 195.49 crores for the F.Y. 2015-16.

The EPS for the year increased to ₹ 11.50 per share as compared to ₹ 7.26 of last year. The above performance during the year was at its historic high in all fronts.

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

The need of hour is proper appraisal of OTRC. The Company is aware of the same and doing its best to use the Opportunities at its best and the same time to try to its best to mitigate the RTC

**Opportunities**

1. The inclination to develop and enhance value added product profile for end use in domestic as well as international markets
2. Commitment to add more capacity and timely use of it
3. The commitment of Government to serve industry with highest efficiencies
4. Better technology and its implementation
5. Health consciousness

**Risks & Threats**

The opportunities also have other end of RTC :

1. Fast change in business cycle
2. Political scenario
3. Dependency on monsoon
4. Tough competition
5. Challenges from emerging economies

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

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

**OUTLOOK FOR THE YEAR 2017-18**

The year started with a subdued demand situation due to expected change in the business environment on account of implementation of GST, however, the year holds better prospects ahead due to better tax compliance and a level playing field for the organized sector. The Company appreciates the efforts of Government for GST implementation, more digitalization and its resolve to play the role of facilitator rather than controller. The Company would be benefited on GST implementation. The onset of good monsoon is also one more positive for the Company. With a focus on developing value added products, we hope for a better time ahead.

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

The Company recognizes human capital as an extremely important and strategic resource and honors the dignity of each employee irrespective of position and highly values the cultural diversities of employees. Your Company believes in employee empowerment across the entire organization in order to achieve organizational effectiveness. Further, special efforts are made to identify specific training needs to hone the skills of the employees. Human Resources continue to get primary focus of the management and the Company regards its human resources amongst its most valuable assets. The Company has invested in people during the course of the year through various training programmes in order to keep its employees competent and updated in the changing business environment. Employees at all levels are exposed to continuous training and development. Industrial relations continue to be cordial. As at the financial year ended 31st March, 2017, there were total 3008 number of employees and workers on the roll of the Company.

# ANNEXURE C-TO THE DIRECTORS' REPORT

**Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014**

**A. Conservation of Energy**

**(i) The steps taken or impact on conservation of energy:**

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

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

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

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

The Company has spent ₹ 1.29 crores as capital investment on energy conservation during the F.Y. 2016-17.

**B. Technology Absorption**

**(i) The efforts made towards technology absorption:**

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

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

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

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

a. The details of technology imported: N.A.

b. The year of import: N.A.

c. Whether the technology been fully absorbed: N.A.

d. If not fully absorbed, areas where absorption has not taken place and the reasons thereof: N.A.

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

| Sr. No. | Particulars | 2016-17 | 2015-16 |
|---|---|---|---|
| a) | Capital | **Nil** | Nil |
| b) | Recurring (in ₹) | **Nil** | Nil |
| c) | Total | **Nil** | Nil |
| d) | Total R&D Expenditure as % of total turnover | **Nil** | Nil |

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

(₹ in crores)

| Particulars | 2016-17 | 2015-16 |
|---|---|---|
| Foreign Exchange earned in terms of Actual Inflows | **217.15** | 290.50 |
| Foreign Exchange outgo in terms of Actual Outflows | **785.08** | 801.60 |

## ANNEXURE-D TO DIRECTORS' REPORT

### Form No. AOC-2

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

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

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

(a) Name(s) of the related party and nature of relationship : **NA**

(b) Nature of contracts/arrangements/transactions : **NA**

(c) Duration of the contracts / arrangements/ transactions : **NA**

(d) Salient terms of the contracts or arrangements or transactions including the value, if any : **NA**

(e) Justification for entering into such contracts or arrangements or transactions : **NA**

(f) Date(s) of approval by the Board : **NA**

(g) Amount paid as advances, if any : **NA**

(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 : **NA**

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

(a) Name(s) of the related party and nature of relationship : **NA**

(b) Nature of contracts / arrangements / transactions : **NA**

(c) Duration of the contracts / arrangements / transactions : **NA**

(d) Salient terms of the contracts or arrangements or transactions including the value, if any : **NA**

(e) Date(s) of approval by the Board, if any : **NA**

(f) Amount paid as advances, if any : **NA**

Notes:

1. As defined under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Related Party Transactions Policy adopted by the Board of Directors of the Company, there were no Material Related Party Transaction entered during the F.Y. 2016-17.
2. All transactions with related parties were in the Ordinary Course of Business and at arm's length basis and were specifically approved by the Audit Committee and the Board of Directors of the Company.

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

**Vijaykumar Gupta**
**Chairman & Managing Director**
**(DIN: 00028173)**

**Place: Ahmedabad**
**Date : 29th July, 2017**

## ANNEXURE E-TO THE DIRECTORS' REPORT : SECRETARIAL AUDIT REPORT

**FORM NO. MR-3**

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2017

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on **31st March, 2017**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2017 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not applicable to the Company during the Audit Period**

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - **Not applicable to the Company during the Audit Period**

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not applicable to the Company during the Audit Period**

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not applicable to the Company during the Audit Period**

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

(vi) Other applicable laws: We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company as given below:

  i. The Apprentices Act, 1961
  ii. The Building and Other Construction Workers Act, 1996 (Regulation Of Employment and Conditions of Service) Act, 1996
  iii. The Child Labour (Prohibition and Regulation) Act, 1986
  iv. The Contract Labour (Regulation & Abolition) Act, 1970
  v. The Employees' Compensation Act, 1923
  vi. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
  vii. The Factories Act, 1948
  viii. The Maternity Benefit Act, 1961
  ix. The Minimum Wages Act, 1948
  x. The Payment of Wages Act, 1936
  xi. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
  xii. The Labour Welfare Fund Act
  xiii. The Payment of Bonus Act, 1965
  xiv. The Payment of Gratuity Act, 1972
  xv. The Professional Tax Act, 1976

xvi. The Equal Remuneration Act, 1976
xvii. The Employees State Insurance Act, 1948
xviii. The Industrial Disputes Act, 1947
xix. The Industrial Employment (Standing Orders) Act, 1946
xx. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Further the remuneration payable to one of the Managing Directors works out to be in excess of limits requiring shareholders' approval in terms of point (i) of second proviso of Section 197 of the Companies Act, 2013 (Act), however this is within the prescribed limits of total managerial remuneration payable to all Managing Director/Whole-Time Director/Manager in aggregate u/s 197 of the Act.

**We further report that:**

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

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

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

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

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

1. Bought back 2,36,84,210 fully paid up equity shares of face value of ₹ 2/- each at a price of ₹ 95/- (Rupees Ninety Five only) per equity share through Tender Offer route.

| | | | |
|---|---|---|---|
| **Place: Ahmedabad** | **Name of Company Secretary in Practice** | **:** | **NIRAJ TRIVEDI** |
| **Date: 29th July, 2017** | **C. P. No.** | **:** | **3123** |
| | **FCS** | **:** | **3844** |

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

## 'Annexure A'

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

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

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

| | | | |
|---|---|---|---|
| **Place: Ahmedabad** | **Name of Company Secretary in Practice** | **:** | **NIRAJ TRIVEDI** |
| **Date: 29th July, 2017** | **C. P. No.** | **:** | **3123** |
| | **FCS** | **:** | **3844** |

# ANNEXURE-F TO THE DIRECTORS' REPORT

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[As prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014]

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

**INTRODUCTION**

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

**APPLICABILITY**

The Company's CSR Policy has been prepared in accordance with Section 135 of the Companies Act, 2013 (referred to as the Act in this policy) on CSR and in accordance with the CSR Rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India, in 2014.

**ROLES AND RESPONSIBILITIES OF THE CSR COMMITTEE**

The roles and responsibilities of the CSR Committee shall be as under:

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

**POLICY REVIEW**

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

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

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

**2. Composition of the CSR Committee:** Shri Vijaykumar Gupta (Chairman), Shri Manish Gupta and Shri Rohit Patel

**3. Average net profit of the Company for last three financial years (2013-14 to 2015-16):** ₹ 128.53 crores

**4. Prescribed CSR expenditure (two per cent of the amount as in item 3 above) (2013-14 to 2015-16):** ₹ 2.57 crores

**5. Details of CSR spend during the F.Y. 2016-17:**

**(a) Total amount to be spent for the F.Y. 2016-17:** ₹ 2.57 Crores

**(b) Amount unspent, if any:** Refer Note 6

**(c) Manner in which the amount spent during the F.Y. 2016-17 is detailed below:**

(Amount in ₹)

| Sr. No. | CSR project or activity identified | Sector in which the project is covered | Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken | Amount outlay (Budget) project or programs wise | Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads: 2016-17 | Cumulative expenditure upto to the reporting period | Amount spent : Direct or through implementing agency |
|---|---|---|---|---|---|---|---|
| 1. | Tree plantation in Government School premises | Environmental sustainability | Haveri (Karnataka) | N.A. | 6,000 | 6,000 | Direct |
| 2. | Tree plantation in Government School premises | Environmental sustainability | Haveri (Karnataka) | N.A. | 3,800 | 9,800 | Direct |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 3. | Tree plantation in Government School premises | Environmental sustainability | Haveri (Karnataka) | N.A. | 3,700 | 13,500 | Direct |
| 4. | Tree plantation in Government School premises | Environmental sustainability | Haveri (Karnataka) | N.A. | 3,500 | 17,000 | Direct |
| 5. | Tree plantation in Residential School premises | Environmental sustainability | Haveri (Karnataka) | N.A. | 5,200 | 22,200 | Direct |
| 6. | Tree plantation in Government School premises | Environmental sustainability | Haveri (Karnataka) | N.A. | 9,500 | 31,700 | Direct |
| 7. | Tree plantation in Government School premises | Environmental sustainability | Haveri (Karnataka) | N.A. | 5,700 | 37,400 | Direct |
| 8. | Contribution towards Government Primary School for purchase of books and stationery | Education | Sitarganj (Uttarakhand) | N.A. | 38,103 | 75,503 | Direct |
| 9. | Contribution of steel desks to Local School for students | Education | Haveri (Karnataka) | N.A. | 1,35,000 | 2,10,503 | Direct |
| 10. | Contribution towards the equipments given to ICU and NICU units at Taluka General Hospital | Promoting healthcare | Haveri (Karnataka) | N.A. | 11,77,817 | 13,88,320 | Direct |
| 11. | Tree plantation in Residential School premises | Environmental sustainability | Haveri (Karnataka) | N.A. | 7,700 | 13,96,020 | Direct |
| 12. | Contribution towards School and College Building Construction | Education | Haveri (Karnataka) | N.A. | 2,00,000 | 15,96,020 | Direct |
| 13. | Contribution towards the Swachh Bharat Abhiyan | Environmental sustainability | Ahmedabad (Gujarat) | N.A. | 7,680 | 16,03,700 | Direct |
| 14. | Contribution towards construction of Education hall at Local School | Education | Akola (Maharashtra) | N.A. | 2,00,000 | 18,03,700 | Direct |
| 15. | Contribution towards tree plantation under Local Municipal Tree Plantation program | Environmental sustainability | Kadi (Gujarat) | N.A. | 2,00,000 | 20,03,700 | Direct |
| 16. | Contribution towards development of part of Motipura Garden, Motipura | Environmental Sustainability | Himmatnagar (Gujarat) | N.A. | 60,530 | 20,64,230 | Direct |
| 17. | Contribution towards construction of classrooms for educational purposes | Education | Sitarganj (Uttarakhand) | N.A. | 2,41,079 | 23,05,309 | Direct |
| 18. | Contribution towards ceiling fans to local intermediate college | Education | Sitarganj (Uttarakhand) | N.A. | 17,025 | 23,22,334 | Direct |
| 19. | Contribution of steel desks to Kendriya Vidyalaya | Education | Haveri (Karnataka) | N.A. | 2,34,825 | 25,57,159 | Direct |
| 20. | Contribution towards installation and erection of drinking water RO Plant for Residential School | Making available safe drinking water | Shiggaon, Dist: Haveri (Karnataka) | N.A. | 1,30,000 | 26,87,159 | Direct |
| 21. | Contribution towards State Voter Fest | Promoting education | Sitarganj (Uttarakhand) | N.A. | 50,000 | 27,37,159 | Direct |
| 22. | Construction of two class room with corridor | Education | Sitarganj (Uttarakhand) | N.A. | 4,72,127 | 32,09,286 | Direct |
| 23. | Contribution of zinc coated roof sheet shade for primary schools | Education | Sabarkantha (Gujarat) | N.A. | 2,89,360 | 34,98,646 | Direct |
| 24. | Contribution towards development of part of Motipura Garden, Motipura | Education | Himmatnagar (Gujarat) | N.A. | 36,228 | 35,34,874 | Direct |
| 25. | Contribution towards medicines for medical camps in local villages | Promoting health care including preventive health care | Sitarganj (Uttarakhand) | N.A. | 8,099 | 35,42,973 | Direct |
| 26. | Contribution for supply of lunch plates and drinking water glasses to local school students | Education | Haveri (Karnataka) | N.A. | 8,000 | 35,50,973 | Direct |
| 27. | Contribution towards drinking water equipments, dustbin, floor mats and sports items to local school students | Education | Dist: Udham Singh Nagar, (Uttarakhand) | N.A. | 8,395 | 35,59,368 | Direct |
| 28. | Contribution towards conducting school level cultural activities forming part of Education Programme | Education | Sitarganj (Uttarakhand) | N.A. | 11,000 | 35,70,368 | Direct |
| 29. | Contribution towards school level competition forming part of Education Programme | Education | Sitarganj (Uttarakhand) | N.A. | 12,500 | 35,82,868 | Direct |
| 30. | Contribution for prosthetic hand project | Promoting health care including preventive health care | Akola (Maharashtra) | N.A. | 2,00,000 | 37,82,868 | Direct |
| | **TOTAL** | | | | **37,82,868** | | |

CSR Policy and details of amount spent during the F.Y. 2016-17 are available on the website of the Company (URL: http://www.ambujagroup.com/wp-content/uploads/2017/07/CSR_Spending_16-17.pdf).

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

The Company's core objective under CSR is to provide Education, Employment and Employability through skill development and training which is mainstream to eradicate poverty, promotion of education, employment enhancing vocational skills, all of which are covered under the Act/Schedule as CSR activities. The Company also undertakes some small projects annually, the requirement of which is recognized due to an immediate need of a particular section of the society. However, in all major initiatives pursued by the Company, the underlying objective is to ensure that funds are allocated and utilized in a planned manner, so as to derive sustainable long term benefits to the community at large. The overall CSR spent was ₹ 0.38 crores during the F.Y. 2016-17 as against gross amount required to be spent of ₹ 2.57 crores during the F.Y. 2016-17. During the F.Y. 2016-17, the Company endeavored to meet the budgeted expenditure by contributing in various eligible CSR activities and has committed to incur expenditure for CSR initiatives in the coming years through structured events or programs and projects. The Company has taken steps in the right direction and going forward is committed to actively engage with the partners/NGOs to execute the said events or projects and programs and incur expenditure in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company is under process of identification of key projects for execution, to meet the objectives of its CSR policy, during the F.Y. 2017-18.

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

**Place : Ahmedabad**
**Date : 29th July, 2017**

**Vijaykumar Gupta**
**Chairman CSR Committee**

**Manish Gupta**
**Managing Director**

## ANNEXURE-G TO THE DIRECTORS' REPORT : NOMINATION AND REMUNERATION POLICY

**1. Introduction:**

Pursuant to provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to define general guidelines for the Company's incentive pay to the Board of Directors, Key Managerial Personnel and other Employees of the Company.

The Policy is divided into separate sections for Executive and Non-Executive Directors, Key Managerial Personnel and other Employees of the Company. The remuneration of the Directors and Key Managerial Personnel is considered and recommended by the Nomination and Remuneration Committee under delegated powers from the Board of Directors of Gujarat Ambuja Exports Limited ("Company").

Company's underlying objective is to ensure that individuals are appropriately rewarded relative to their responsibility, experience and value to the Company. This objective has been and continues to be applied as consistently and fairly as possible to all Company's personnel over a prolonged period of time. Only in this way, the Company will be able to attract, retain and motivate high caliber executives and employees, who can perform to the highest levels of expectations.

The Board of Directors of the Company at its meeting held on 26th July, 2014, based on recommendation of Nomination and Remuneration Committee of the Board at its meeting held on 24th May, 2014, has approved the Remuneration Policy of the Company. This revised Policy includes the role of the Nomination and Remuneration Committee to formulate the criteria for determining qualifications, positive attributes and independence of a Director while recommending the remuneration of Directors, KMPs and Senior Management Personnels of the Company and recommend such appointment and assist the Board in ensuring the nomination process.

**2. Definitions:**

**"Listing Regulations"** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

**"Act"** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

**"Board"** means Board of Directors of the Company.

**"Directors"** means Directors of the Company.

**"Key Managerial Personnel (KMP)"** means

i. Managing Director or Chief Executive Officer or Manager and in their absence Whole-Time Director;

ii. Chief Financial Officer;

iii. Company Secretary.

**"Senior Management Personnel"** means personnel of the Company who are members of its core management team excluding the Board of Directors including Functional Heads.

**3. Objectives and purpose of this Policy**

- The purpose of this Policy is to ensure that Directors, KMPs and Senior Management Personnels are remunerated in a way that reflects the Company's long-term strategy. Consistent with this, a high proportion of Directors' total potential remuneration has been, and will be, strongly linked to the Company's long-term performance;
- To align individual and team reward with business performance in both the short term and long term;
- To encourage executives to perform to their fullest capacity;
- To be competitive and cost effective;
- To formulate the criteria for identification and selection of the suitable candidates for the various positions in Senior Management and also candidates who are qualified to be appointed as Director on the Board of Directors of the Company;
- To recommend a Policy, relating to the remuneration for the Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the Company;
- To make recommendations to the Board on appropriate performance criteria for the Directors and carry on the performance evaluation of the Directors;
- To identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with the adequate information regarding the options of the business, the industry and their legal responsibilities and duties;
- To assist the Board in ensuring Board nomination process with the diversity of gender, thought, experience, knowledge and perspective in the Board, in accordance with the Board Diversity policy.

**4. Nomination and Remuneration Committee** ("the Committee") - The Committee comprises of Non-Executive, Independent Directors on the Board of the Company duly constituted under the provisions of the Act and the Listing Regulations.

The Committee at its meeting shall formulate the criteria for determining qualifications, positive attributes and independence of a Director while recommending the remuneration of Directors, KMPs and Senior Management Personnels of the Company. The Committee shall recommend the remuneration after having regard to the below criteria/principles—

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to Directors, KMPs and Senior Management Personnels involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

**5. Criteria for selection of members on the Board of Directors and candidates for KMP and Senior Management Personnel**

The Committee has adopted the following criteria for selection of member on the Board of Directors of the Company and also candidates eligible to be appointed as KMPs and Senior Management Personnels of the Company:

**A) Criteria for selection of Directors**

Before making any recommendation to the Board for appointment of any Director, the Committee shall ensure that:

a) the candidate possesses positive attributes / qualities such as Leadership, Industrialist, Business Advisor or such other attributes which in the opinion of the Committee the candidate possess and are in the interest of the Company;

b) the candidate shall be free from any disqualifications as provided under Sections 164 and 167 of the Act and other applicable provisions, as may be amended from time to time;

c) the candidate meet the conditions of being independent as stipulated under the Act and Listing Regulations in case of appointment of an Independent Director;

d) the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, infrastructure or such other areas or disciplines which are relevant for the Company's business.

**Term / Tenure**

**a) Managing Director/Whole-Time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**b) Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Directors' Report. No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-Time Director of a listed company or such other number as may be prescribed under the Act.

**Removal**

Due to reasons for any disqualification mentioned in the Act and rules made thereunder or under any other applicable Act, rules and / or Listing Regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Act and Listing Regulations and the Policy of the Company.

**Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**B) Criteria for selection of KMPs and Senior Management Personnel**

The Committee shall, before making any recommendation to the Board for appointment, should ensure that the candidate has the attributes set forth below:

a) A person to be appointed as KMP or at Senior Management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position;

b) The candidate should possesses qualities that demonstrate leadership skills, decision making skills, effective communication, hard work, commitment and such other attributes which in the opinion of the Committee the candidate possess and are in the interest of the Company.

If the Committee finds fit and is of opinion that the candidate meets the above criteria for appointment (as Director on the Board or in Senior Management), the Committee shall make its recommendation to the Board.

**6. Remuneration Policy for Directors, KMPs and other Employees**

**A) Remuneration of Managing Director, Whole-Time Director and Manager:**

The Committee may consider various factors while considering the remuneration of the Managing Director, the Whole Time Director and Manager (wherein there is no Managing Director), provided that any remuneration considered by the Committee shall be in accordance and within the limits stipulated under the Act.

**B) Remuneration of Non-Executive Directors and Independent Directors:**

i. The remuneration payable to each Non-Executive Director (including Independent Directors) is based on the remuneration structure as determined by the Board and is revised from time to time, depending on individual contribution, the Company's performance and the provisions of the Act and the rules made thereunder;

ii. The remuneration to the Non-Executive Directors (including Independent Directors) may be restricted to the sitting fees for attending meetings of the Board of Directors and meetings of Audit Committee and Nomination and Remuneration Committee, provided that any sitting fees paid to the Independent Director shall not be less the sitting fees paid to Non-Executive Directors;

iii. The remuneration to the Non-executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act;

iv. Independent Directors shall not be eligible for stock options of the Company, if any.

Any incidental expense incurred by the Directors with relation to the participation in the meetings of the Board and Committees of the Board shall be reimbursed.

**C) Remuneration of KMPs and other Employees:**

i. The Company assesses the remuneration policy, to ensure that the remunerations offered are reasonable, well balanced, competitive and match with industry norms.

ii. The fixed basic salary forms the base for the assessment of various additional benefits as parts of the managers' total remuneration.

iii. The Company's further growth and profitability depend on the employees' efforts to ensure the continuous development of the operations and improvement in profitability.

iv. Benefits in kind and other special schemes:

Senior executives will normally be given the benefits in kind that are common market practice, i.e. telephone expenses, a laptop, free broadband connection and use, newspapers, Company car or car allowance and free parking. There are no special restrictions on the type of other benefits that can be agreed upon.

v. Performance Appraisal:

Annual Performance Appraisal of Senior Management and Employees of the Company shall be assessed by respective functional heads and approved by the Management of the Company based on performance and contribution of Senior Management and Employees to the Company. Performance Appraisal shall be done yearly through online employee portal of the Company. Every Senior Management and Employees of the Company shall submit the Performance Appraisal Form online for review and recommendation by the respective Appraisers, which shall then be processed and approved by the Management.

**D) Content of Remuneration Packages:**

Remuneration will incorporate fixed pay performance elements with both a short term and long term focus.

Remuneration packages may contain any or all of the following:

- annual salary based on conditions and the relevant market - with provision to recognize the value of the individuals' personal performance and their ability and experience;
- ad hoc rewards, special payments and other measures available to reward individuals and teams following a particular outstanding business contribution;
- bonuses - a lump sum payment related to achieving target achievement of identified business drivers and personal key performance indicators measured over a year.

**7. Evaluation of performance of Directors**

**A) Evaluation of the performance of Managing Director / Whole-Time Director**

The performance of the Managing Director / Whole-Time Director of the Company may be carried out taking into consideration the performance of the Company vis-à-vis the budgets as well as performance of its competitors. Emphasis on achieving top line and bottom line targets, with no adverse qualification by the auditors in the accounts, may be made.

**B) Evaluation of the performance of Non-Executive Directors and Independent Directors**

The Committee while evaluating the performance of the Non-Executive Directors and Independent Directors may take into consideration various factors as mentioned below:

a) Attendance at Meetings - attendance at Board Meetings, AGMs, Committee meetings;

b) Other Directorships held by the Non-Executive Director – in listed or unlisted companies;

c) Other companies in which Non-Executive Director is a Chairperson;

d) Participation at Board / Committee meetings;

e) Input in strategy decisions;

f) Review of Financial Statements, risks and business performance;

g) Time devoted towards discussion with Management;

h) Review of Minutes – Board Minutes, Committee meeting minutes and AGM Minutes;

i) Dedication;

j) Preparedness & Participation;

k) Team work;

l) Contribution;

m) Response;

n) Commitment;

o) Knowledge / Sharing information;

p) Responsibilities;

q) Suggestions during discussion.

Marks may be assigned for each of the above factors / criteria and based on the score achieved, the Committee may evaluate the performance of each Non-Executive Director and Independent Director.

**8. Flexibility, judgment and discretion**

The Committee is empowered to undertake quantitative and qualitative assessments of performance in reaching its decisions. This involves the use of judgement and discretion within a framework that is approved by, and transparent to, Shareholders.

The Committee considers that the powers of flexibility, judgment and discretion are critical to successful design and implementation of the Policy.

The Committee considers that an effective Policy needs to be sufficiently flexible to take account of future changes in the industry and in remuneration practice generally.

The Committee considers a wide range of factors when developing the Policy for Executive Directors. The Committee believes that it has a duty to shareholders to ensure that the Company is competitive so as to attract and retain the high caliber Executives required to lead the Company.

**9. Policy review**

This Policy is framed based on the provisions of the Act and rules thereunder and Listing Regulations.

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

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

## ANNEXURE-H TO THE DIRECTORS' REPORT

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

**(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the F.Y. 2016-17 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the F.Y. 2016-17 are as under:**

| Sr. No. | Name of Director/KMP and Designation | Remuneration of Director/KMP for F.Y. 2016-17 (₹ in crores) | Remuneration of Director/KMP for F.Y. 2015-16 (₹ in crores) | % increase / decrease in remuneration in the F.Y. 2016-17 | Ratio of remuneration of each Director/ to median remuneration of employees |
|---|---|---|---|---|---|
| 1 | Shri Vijaykumar Gupta (Chairman & Managing Director) | 5.28 | 5.57 | (5.21) | 351.30 |
| 2 | Shri Manish Gupta (Managing Director) | 14.15 | 6.62 | 113.75 | 941.46 |
| 3 | Shri Mohit Gupta (Joint Managing Director) | 0.48 | 0.48 | Nil | 31.94 |
| 4 | Shri Sandeep Agrawal (Whole Time Director) | 0.54 | 0.52 | 3.85 | 35.93 |
| 5 | Smt. Sulochana Gupta (Non-Executive Director) | 0.03 | 0.03 | Nil | 1.99 |
| 6 | Shri Rohit Patel (Independent Director) | 0.04 | 0.04 | Nil | 2.66 |
| 7 | Shri Sudhin Choksey (Independent Director) | 0.05 | 0.05 | Nil | 3.33 |
| 8 | Shri Rashmikant Joshi (Independent Director) | 0.05 | 0.03 | 66.67 | 3.33 |
| 9 | Shri Vishwavir Saran Das (Independent Director) | 0.04 | - | Nil | 2.66 |
| 10 | Shri Sandeep Singhi (Independent Director) | 0.03 | - | Nil | 1.99 |
| 11 | Shri Dinesh Shah$ (Chief Financial Officer) | 0.30 | - | Nil | N.A. |
| 12 | Shri N. Giridhar* (Chief Financial Officer) | 0.07 | 0.46 | (84.78) | N.A. |
| 13 | Ms. Chetna Dharajiya# (Company Secretary) | 0.12 | 0.07 | 71.43 | N.A. |

$ Appointed w.e.f. 30th July, 2016
* Resigned w.e.f. 31st May, 2016
# Appointed w.e.f. 13th August, 2015

ii) The median remuneration of employees of the Company during the F.Y. 2016-17 was ₹ 1,50,298/-.

iii) In the F.Y. 2016-17, there was an increase of 4.38% in the median remuneration of employees.

iv) There were 3008 permanent employees on the rolls of Company as on 31st March, 2017.

v) Average percentage increase made in the salaries of employees other than the managerial personnel in the F.Y. 2016-17 was 9.77%, whereas the increase in the managerial remuneration for the same F.Y. was 55.04%. The criteria for increase in remuneration of employees other than Managerial Personnel is based on an internal performance evaluation carried out by the Management annually, which is further based on overall performance of the Company.

vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

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

**Place: Ahmedabad**
**Date : 29th July, 2017**

**Vijaykumar Gupta**
**Chairman & Managing Director**
**(DIN: 00028173)**

**B. Statement containing the particulars of employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 read with the Companies (Appointment and Remuneration of Managerial Personnel) Amendments Rules, 2016:**

Information showing names and other particulars of the top ten employees in terms of remuneration drawn and the name of every employee who were employed throughout the year / part of the year and were in receipt of remuneration in aggregate of not less than ₹ 1,02,00,000/- p.a. or ₹ 8,50,000/- p.m. for financial year :

| Sr. No. | Name of the Employee | Designation | Qualification | Age (Years) | Joining Date | Experience (Years) | Gross Remuneration p.a. (₹) | Nature of Employment (Contractual or Otherwise) | Last Employment | Last Designation | % of Equity Shares Held | Whether relative of any Director / Manager, if so, name of such Director / Manager |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Shri Vijaykumar Gupta | Chairman and Managing Director | BDS | 68 | 18.04.1998 (As M.D.) | 46 | 52775000 | Contractual and renewable | Erstwhile Gujarat Ambuja Cotspin Limited | Managing Director | 23.130 | Relative of Smt. Sulochana Gupta, Shri Manish Gupta and Shri Mohit Gupta |
| 2 | Shri Manish Gupta | Managing Director | B. Com | 45 | 28.12.1998 (As M.D.) | 26 | 141525000 | Contractual and renewable | Erstwhile Gujarat Ambuja Proteins Limited | Managing Director | 32.778 | Relative of Shri Vijaykumar Gupta, Smt. Sulochana Gupta and Shri Mohit Gupta |
| 3 | Shri Sandeep Agrawal | Whole-Time Director | M.B.A. | 45 | 01.08.2009 | 25 | 5400000 | Contractual and renewable | Jupiter Corporate Services Limited | President | 0.001 | - |
| 4 | Shri Mohit Gupta (Resigned w.e.f. 31st May, 2017) | Joint Managing Director | Diploma in International Business Management and Human Resource Management, Family Business Management from S. P. Jain Institute of Management and Research and Diploma in Computer Information System from University of South Alabama, U.S.A | 35 | 30.07.2005 | 12 | 4800000 | Contractual and renewable | Gujarat Ambuja Exports Limited | Director | 0.232 | Relative of Shri Vijaykumar Gupta, Smt. Sulochana Gupta and Shri Manish Gupta |
| 5 | Shri Kamal Kar Syal | Chief Executive Officer | B. Tech. | 64 | 30.08.2009 | 43 | 4752181 | Service | Parasrampuria International | Director | - | - |
| 6 | Shri Umesh Pandey | President | B. Tech. | 56 | 01.06.2010 | 32 | 3618040 | Service | Pure Chem Company Limited | Vice President | - | - |
| 7 | Shri Rajendra Kumar Gupta | Vice President | B. Tech. | 49 | 07.08.2003 | 30 | 3576075 | Service | Suncity Industries Limited (Neha Proteins Limited) | Works Manager | - | - |
| 8 | Shri Siddharth Agrawal | Vice President | M.B.A. | 39 | 01.06.2009 | 17 | 3179986 | Service | Jupiter Corporate Services Limited | Vice President | - | Relative of Shri Sandeep Agrawal |
| 9 | Shri Dinesh Shah$ | Chief Financial Officer | C.A. | 58 | 20.06.2016 | 30 | 3013669 | Service | Meghmani Organics Limited | Chief Financial Officer | - | - |
| 10 | Shri Vipin Midha | Vice President | B.A. | 62 | 01.08.2003 | 38 | 2761191 | Service | Rama Phosphates Limited | General Manager | - | - |

$ Appointed w.e.f. 30th July, 2016

**Notes:**

1. The gross remuneration includes salary, allowances, commission and monetary value of perquisites as per Income Tax Rules and Company's contribution to Provident Fund.
2. No employees other than Managing Directors hold more than 2% of the equity shares of the Company, along with their spouse and dependent children.
3. Other terms and conditions of appointment of Executive Directors are as per agreement and subject to provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and also as per Company's Rules.

# ANNEXURE-I TO DIRECTORS' REPORT: FORM NO. MGT 9

**EXTRACT OF ANNUAL RETURN**
**as on financial year ended on 31st March, 2017**
**[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014]**

## I REGISTRATION & OTHER DETAILS:

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

## II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

| Sr. No. | Name & Description of main products/services | NIC Code of the Product /service * | % to total turnover of the Company # |
|---|---|---|---|
| i | Raw & Refine Soya Oil | 104 | 20.29% |
| ii | Soya De-Oiled Cake | 108 | 18.60% |
| iii | Maize Starch | 106 | 12.26% |
| iv | Liquid Glucose | 106 | 8.66% |

* As per National Industrial Classification – Ministry of Statistics and Programme Implementation
# On the basis of Gross Turnover

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

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

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

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

| Category of shareholders | No. of shares held at the beginning of the year (1st April, 2016) | | | | No. of shares held at the end of the year (31st March, 2017) | | | | % change during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of total shares | Demat | Physical | Total | % of total shares | |
| **A. Promoters** | | | | | | | | | |
| **(1) Indian** | | | | | | | | | |
| a) Individual/HUF | 99564393 | 0 | 99564393 | 71.96 | 75883525 | 0 | 75883525 | 66.18 | 5.78 |
| b) Central Government | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) State Government(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) Bodies Corporate | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Bank/FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) Any other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| **Sub Total (A)(1)** | **99564393** | **0** | **99564393** | **71.96** | **75883525** | **0** | **75883525** | **66.18** | **5.78** |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **(2) Foreign** | | | | | | | | | |
| a) NRI- Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0.00 |
| b) Other Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0.00 |
| c) Bodies Corporate | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0.00 |
| d) Banks/FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0.00 |
| e) Any other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0.00 |
| **Sub Total (A)(2)** | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.000 | 0.00 |
| **Total Shareholding of Promoter (A)= (A)(1)+(A)(2)** | **99564393** | **0** | **99564393** | **71.96** | **75883525** | **0** | **75883525** | **66.18** | **5.78** |
| **B. Public Shareholding** | | | | | | | | | |
| **(1) Institutions** | | | | | | | | | |
| a) Mutual Funds | 0 | 67095 | 67095 | 0.05 | 0 | 67095 | 67095 | 0.06 | 0.01 |
| b) Banks/FI | 40458 | 5000 | 45458 | 0.03 | 103709 | 5000 | 108709 | 0.10 | 0.07 |
| c) Central Government | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) State Government(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Venture Capital Fund | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) Insurance Companies | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| g) FIIS | 0 | 0 | 0 | 0.00 | 82545 | 0 | 82545 | 0.07 | 0.07 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| i) Others (specify) A) Foreign Portfolio Investors | 0 | 0 | 0 | 0.00 | 750160 | 0 | 750160 | 0.65 | 0.65 |
| **Sub Total (B)(1):** | **40458** | **72095** | **112553** | **0.08** | **936414** | **72095** | **1008509** | **0.88** | **0.80** |
| **(2) Non Institutions** | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | |
| i) Indian | 2582641 | 207060 | 2789701 | 2.02 | 3287426 | 183710 | 3471136 | 3.03 | 1.01 |
| ii) Overseas | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto ₹1 lac | 14883994 | 16654500 | 31535994 | 22.79 | 13824886 | 16213215 | 30038101 | 26.20 | 3.40 |
| ii) Individuals shareholders holding nominal share capital in excess of ₹1 lac | 3336933 | 50325 | 3387258 | 2.45 | 3278160 | 50175 | 3328335 | 2.90 | 0.45 |
| c) Others (specify) | | | | | | | | | |
| i) Any Other (Non-promoter director) | 2700 | 0 | 2700 | 0 | 700 | 0 | 700 | 0 | 0 |
| ii) Trust | 40785 | 0 | 40785 | 0.03 | 8835 | 0 | 8835 | 0.01 | -0.02 |
| iii) NRI Shareholding | 547115 | 368425 | 915540 | 0.66 | 460955 | 359175 | 820130 | 0.72 | 0.05 |
| iv) LLP | 451 | 0 | 0 | 0 | 108394 | 0 | 108394 | 0.1 | 0.09 |
| **Sub Total (B)(2):** | **21394619** | **17280310** | **38674929** | **27.95** | **20969356** | **16806275** | **37775631** | **32.94** | **4.98** |
| **Total Public Shareholding (B)= (B)(1)+(B)(2)** | **21435077** | **17352405** | **38787482** | **28.04** | **21905770** | **16878370** | **38784140** | **33.82** | **5.78** |
| **C. Shares held by Custodian for GDRs & ADRs** | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| **Grand Total (A+B+C)** | **120999470** | **17352405** | **138351875** | **100.00** | **97789295** | **16878370** | **114667665** | **100.00** | **0.00** |

**(ii) Shareholding of Promoters:**

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year (1st April, 2016) | | | Shareholding at the end of the year (31st March, 2017) | | | % change in share holding during the year |
|---|---|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the Company | % of shares pledged encumbered to total shares | No. of shares | % of total shares of the Company | % of shares pledged encumbered to total shares | |
| 1 | Shri Vijaykumar Gupta | 28023083 | 20.26 | Nil | 26523083 | 23.13 | Nil | 2.88 |
| 2 | Shri Manish Gupta | 37585230 | 27.17 | Nil | 37585230 | 32.78 | Nil | 5.61 |
| 3 | Shri Mohit Gupta | 22447442 | 16.23 | Nil | 266574 | 0.23 | Nil | -15.99 |
| 4 | Smt. Sulochana Gupta | 4485385 | 3.24 | Nil | 4485385 | 3.91 | Nil | 0.67 |
| 5 | Smt. Shilpa Gupta | 7023253 | 5.08 | Nil | 7023253 | 6.13 | Nil | 1.05 |
| | **Total** | **99564393** | **71.96** | | **75883525** | **66.18** | | **5.78** |

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

| Sr. No. | For each of Promoters | Shareholding at the beginning of the year(1st April, 2016) | | Date | Increase/ Decrease in shareholding | Reason | Cumulative shareholding during the year (1st April, 2016 to 31st March, 2017) | |
|---|---|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the Company | | | | No. of shares | % of total shares of the Company |
| 1 | Vijaykumar Gupta | 28023083 | 20.25 | 01/04/16 | 0 | | 28023083 | 20.25 |
| | | | | 03/03/17 | -1500000 | Buy Back | 26523083 | 19.17 |
| | | 26523083 | 23.13 | 31/03/17 | | | 26523083 | 23.13 |
| 2 | Manish Gupta | 37585230 | 27.17 | 01/04/16 | Nil Movement | | 37585230 | 27.17 |
| | | 37585230 | 32.78 | 31/03/17 | During the Year | | 37585230 | 32.78 |
| 3 | Mohit Gupta | 22447442 | 16.22 | 01/04/16 | | | 22447442 | 16.22 |
| | | | | 03/03/17 | -22180868 | Buy Back | 266574 | 0.19 |
| | | 266574 | 0.23 | 31/03/17 | | | 266574 | 0.23 |
| 4 | Sulochana Gupta | 4485385 | 3.24 | 01/04/16 | Nil Movement | | 4485385 | 3.24 |
| | | 4485385 | 3.91 | 31/03/17 | During the Year | | 4485385 | 3.91 |
| 5 | Shilpa Gupta | 7023253 | 5.08 | 01/04/16 | Nil Movement | | 7023253 | 5.08 |
| | | 7023253 | 6.12 | 31/03/17 | During the Year | | 7023253 | 6.12 |

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

| Sr. No. | | Shareholding at the beginning of the year (1st April, 2016) | | | | | Cumulative shareholding during the year (1st April, 2016 to 31st March, 2017) | |
|---|---|---|---|---|---|---|---|---|
| | For each of the top 10 shareholders | No. of shares | % of total shares of the Company | Date | Increase/ Decrease in shareholding | Reason | No. of shares | % of total shares of the Company |
| 1 | India Infoline Limited | 1224 | 0.00 | 01/04/16 | | | 1224 | 0.00 |
| | | | | 08/04/16 | 389 | Market Purchase | 1613 | 0.00 |
| | | | | 15/04/16 | -538 | Market Sale | 1075 | 0.00 |
| | | | | 22/04/16 | 2871 | Market Purchase | 3946 | 0.00 |
| | | | | 29/04/16 | -1792 | Market Sale | 2154 | 0.00 |
| | | | | 06/05/16 | -143 | Market Sale | 2011 | 0.00 |
| | | | | 13/05/16 | -564 | Market Sale | 1447 | 0.00 |
| | | | | 20/05/16 | -376 | Market Sale | 1071 | 0.00 |
| | | | | 27/05/16 | -230 | Market Sale | 841 | 0.00 |
| | | | | 10/06/16 | 191 | Market Purchase | 1032 | 0.00 |
| | | | | 17/06/16 | 6295 | Market Purchase | 7327 | 0.01 |
| | | | | 24/06/16 | 194 | Market Purchase | 7521 | 0.00 |
| | | | | 30/06/16 | -6596 | Market Sale | 925 | 0.00 |
| | | | | 08/07/16 | 172 | Market Purchase | 1097 | 0.00 |
| | | | | 15/07/16 | 1375 | Market Purchase | 2472 | 0.00 |
| | | | | 22/07/16 | 949 | Market Purchase | 3421 | 0.00 |
| | | | | 29/07/16 | -1310 | Market Sale | 2111 | 0.00 |
| | | | | 05/08/16 | 210 | Market Purchase | 2321 | 0.00 |
| | | | | 19/08/16 | 26262 | Market Purchase | 28583 | 0.02 |
| | | | | 26/08/16 | -14711 | Market Sale | 13872 | 0.01 |
| | | | | 02/09/16 | -12751 | Market Sale | 1121 | 0.00 |
| | | | | 23/09/16 | 1050 | Market Purchase | 2171 | 0.00 |
| | | | | 30/09/16 | -1300 | Market Sale | 871 | 0.00 |
| | | | | 07/10/16 | 14966 | Market Purchase | 15837 | 0.01 |
| | | | | 14/10/16 | 22057 | Market Purchase | 37894 | 0.03 |
| | | | | 21/10/16 | -19743 | Market Sale | 18151 | 0.01 |
| | | | | 28/10/16 | -17130 | Market Sale | 1021 | 0.00 |
| | | | | 04/11/16 | 64991 | Market Purchase | 66012 | 0.05 |
| | | | | 11/11/16 | -14548 | Market Sale | 51464 | 0.04 |
| | | | | 18/11/16 | -1148 | Market Sale | 50316 | 0.04 |
| | | | | 25/11/16 | -15624 | Market Sale | 34692 | 0.03 |
| | | | | 02/12/16 | 10041 | Market Purchase | 44733 | 0.03 |
| | | | | 09/12/16 | 400 | Market Purchase | 45133 | 0.03 |
| | | | | 16/12/16 | -311 | Market Sale | 44822 | 0.03 |
| | | | | 23/12/16 | -176 | Market Sale | 44646 | 0.03 |
| | | | | 31/12/16 | -100 | Market Sale | 44546 | 0.03 |
| | | | | 06/01/17 | -928 | Market Sale | 43618 | 0.03 |
| | | | | 13/01/17 | -316 | Market Sale | 43302 | 0.03 |
| | | | | 20/01/17 | -33 | Market Sale | 43269 | 0.03 |
| | | | | 27/01/17 | -164 | Market Sale | 43105 | 0.03 |
| | | | | 03/02/17 | 439 | Market Purchase | 43544 | 0.03 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | 17/02/17 | 659 | Market Purchase | 44203 | 0.03 |
| | | | | 24/02/17 | -1022 | Market Sale | 43181 | 0.03 |
| | | | | 03/03/17 | 3554 | Market Purchase | 46735 | 0.03 |
| | | | | 10/03/17 | -1546 | Market Sale | 45189 | 0.03 |
| | | | | 17/03/17 | -1225 | Market Sale | 43964 | 0.03 |
| | | | | 24/03/17 | -262 | Market Sale | 43702 | 0.03 |
| | | 1012859 | 0.88 | 31/03/17 | 969157 | Market Purchase | 1012859 | 0.88 |
| 2 | Ajay Upadhyay | 359957 | 0.26 | 01/04/16 | | | 359957 | 0.26 |
| | | | | 08/04/16 | -26957 | Market Sale | 333000 | 0.24 |
| | | | | 13/05/16 | -10000 | Market Sale | 323000 | 0.23 |
| | | | | 08/07/16 | 127000 | Market Purchase | 450000 | 0.33 |
| | | | | 15/07/16 | 78542 | Market Purchase | 528542 | 0.38 |
| | | | | 22/07/16 | 1458 | Market Purchase | 530000 | 0.38 |
| | | | | 05/08/16 | 20000 | Market Purchase | 550000 | 0.40 |
| | | | | 11/11/16 | 50000 | Market Purchase | 600000 | 0.43 |
| | | | | 18/11/16 | 125000 | Market Purchase | 725000 | 0.52 |
| | | | | 02/12/16 | 25000 | Market Purchase | 750000 | 0.54 |
| | | | | 10/02/17 | 50000 | Market Purchase | 800000 | 0.58 |
| | | | | 03/03/17 | -21276 | Market Sale | 778724 | 0.56 |
| | | | | 10/03/17 | -11640 | Market Sale | 767084 | 0.55 |
| | | | | 17/03/17 | -17084 | Market Sale | 750000 | 0.54 |
| | | 750000 | 0.65 | 31/03/17 | 0 | | 750000 | 0.54 |
| 3 | Manan Finserve Private Limited | 0 | 0.00 | 01/04/16 | | | 0.00 | 0.00 |
| | | | | 08/07/16 | 50000 | Market Purchase | 50000 | 0.04 |
| | | | | 22/07/16 | 42280 | Market Purchase | 92280 | 0.07 |
| | | | | 05/08/16 | 62650 | Market Purchase | 154930 | 0.11 |
| | | | | 12/08/16 | 12500 | Market Purchase | 167430 | 0.12 |
| | | | | 26/08/16 | 23120 | Market Purchase | 190550 | 0.14 |
| | | | | 04/11/16 | 100 | Market Purchase | 190650 | 0.14 |
| | | 190650 | 0.17 | 31/03/17 | 0 | | 190650 | 0.17 |
| 4 | Kapil Ahuja | 5000 | 0.00 | 01/04/16 | | | 5000 | 0.00 |
| | | | | 08/04/16 | 25840 | Market Purchase | 30840 | 0.02 |
| | | | | 15/04/16 | 28500 | Market Purchase | 59340 | 0.04 |
| | | | | 22/04/16 | 35930 | Market Purchase | 95270 | 0.07 |
| | | | | 16/12/16 | 61500 | Market Purchase | 156770 | 0.11 |
| | | | | 23/12/16 | 2200 | Market Purchase | 158970 | 0.11 |
| | | | | 31/12/16 | 8517 | Market Purchase | 167487 | 0.12 |
| | | | | 06/01/17 | 14000 | Market Purchase | 181487 | 0.13 |
| | | 181487 | 0.16 | 31/03/17 | 0 | | 181487 | 0.16 |
| 5 | Vinod Garg | 0 | 0.00 | 01/04/16 | 0 | | 0 | 0.00 |
| | | | | 06/05/16 | 2000 | Market Purchase | 2000 | 0.00 |
| | | | | 23/09/16 | 118000 | Market Purchase | 120000 | 0.09 |
| | | | | 20/01/17 | 7261 | Market Purchase | 127261 | 0.09 |
| | | | | 10/03/17 | 47739 | Market Purchase | 175000 | 0.13 |
| | | 175000 | 0.15 | 31/03/17 | 0 | | 175000 | 0.15 |
| 6 | Indianivesh Capital Limited | 0 | 0.00 | 01/04/16 | 0 | | 0 | 0.00 |
| | | | | 22/07/16 | 100000 | Market Purchase | 100000 | 0.07 |
| | | | | 07/10/16 | 5000 | Market Purchase | 105000 | 0.08 |
| | | | | 11/11/16 | -55000 | Market Sale | 50000 | 0.04 |
| | | | | 18/11/16 | 5000 | Market Purchase | 55000 | 0.04 |
| | | | | 16/12/16 | -5000 | Market Sale | 50000 | 0.04 |
| | | | | 24/02/17 | -45000 | Market Sale | -45000 | 0.03 |
| | | | | 10/03/17 | 100000 | Market Purchase | 55000 | 0.04 |
| | | | | 24/03/17 | 81088 | Market Purchase | 136088 | 0.10 |
| | | 155000 | 0.14 | 31/03/17 | 18912 | Market Purchase | 155000 | 0.14 |
| 7 | Dotch Sales Private Limited | 100000 | 0.07 | 01/04/16 | 0 | | 100000 | 0.07 |
| | | | | 29/04/16 | -19140 | Market Sale | 80860 | 0.06 |
| | | | | 06/05/16 | -15860 | Market Sale | 65000 | 0.05 |
| | | | | 16/09/16 | 35000 | Market Purchase | 100000 | 0.07 |
| | | | | 06/01/17 | 5000 | Market Purchase | 105000 | 0.08 |
| | | | | 10/03/17 | 11868 | Market Purchase | 116868 | 0.08 |
| | | | | 17/03/17 | 14000 | Market Purchase | 130868 | 0.09 |
| | | | | 24/03/17 | 10015 | Market Purchase | 140883 | 0.10 |
| | | 140883 | 0.12 | 31/03/17 | 0 | | 140883 | 0.12 |
| 8 | Ramkumar Hiralal Rathi | 140000 | 0.10 | 01/04/16 | 0 | Nil Movement During the Year | 140000 | 0.10 |
| | | | | | | | | |
| | | 140000 | 0.12 | 31/03/17 | | | 140000 | 0.12 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 9 | Prashant Rathee | 27000 | 0.02 | 01/04/16 | 0 | | 27000 | 0.02 |
| | | | | 24/06/16 | 61000 | Market Purchase | 88000 | 0.06 |
| | | | | 02/09/16 | 18760 | Market Purchase | 106760 | 0.08 |
| | | | | 16/09/16 | 11310 | Market Purchase | 118070 | 0.09 |
| | | | | 04/11/16 | 100 | Market Purchase | 118170 | 0.09 |
| | | | | 11/11/16 | 17430 | Market Purchase | 135600 | 0.10 |
| | | 135600 | 0.12 | 31/03/17 | 0 | | 135600 | 0.12 |
| 10 | Kuldip Singh Rathee | 32000 | 0.02 | 01/04/16 | 0 | | 32000 | 0.02 |
| | | | | 24/06/16 | 61000 | Market Purchase | 93000 | 0.07 |
| | | | | 30/06/16 | 16800 | Market Purchase | 109800 | 0.08 |
| | | | | 16/09/16 | 9040 | Market Purchase | 118840 | 0.09 |
| | | | | 04/11/16 | 100 | Market Purchase | 118940 | 0.09 |
| | | | | 11/11/16 | 14684 | Market Purchase | 133624 | 0.10 |
| | | 133624 | 0.12 | 31/03/17 | 0 | | 133624 | 0.12 |
| 11 | Sharmistha Roy | 129100 | 0.09 | 01/04/16 | | Nil Movement During the Year | 129100 | 0.09 |
| | | | | | | | | |
| | | 129100 | 0.11 | 31/03/17 | | | 129100 | 0.11 |
| 12 | Yatin Ahuja | 117075 | 0.08 | 01/04/16 | | | 117075 | 0.11 |
| | | | | 24/06/16 | 11000 | Market Purchase | 128075 | 0.09 |
| | | 128075 | 0.11 | 31/03/17 | | | 128075 | 0.11 |
| 13 | Sanjay Vinodchandra Bhagat | 0 | 0.00 | 01/04/16 | | | 0 | 0.00 |
| | | | | 10/02/17 | 106866 | Market Purchase | 106866 | 0.08 |
| | | | | 17/02/17 | 14749 | Market Purchase | 121615 | 0.09 |
| | | 121615 | 0.11 | 31/03/17 | | | 121615 | 0.11 |
| 14 | Aman Rathee | 15514 | 0.01 | 01/04/16 | | | 15514 | 0.01 |
| | | | | 24/06/16 | 61070 | Market Purchase | 76584 | 0.06 |
| | | | | 30/06/16 | 16800 | Market Purchase | 93384 | 0.07 |
| | | | | 02/09/16 | 16250 | Market Purchase | 109634 | 0.08 |
| | | | | 16/09/16 | 9950 | Market Purchase | 119584 | 0.09 |
| | | | | 04/11/16 | 100 | Market Purchase | 119684 | 0.09 |
| | | 119684 | 0.10 | 31/03/17 | | | 119684 | 0.10 |
| 15 | Sharekhan Limited | 24536 | 0.02 | 01/04/16 | | | 24536 | 0.02 |
| | | | | 08/04/16 | -7628 | Market Sale | 16908 | 0.01 |
| | | | | 15/04/16 | 3690 | Market Purchase | 20598 | 0.01 |
| | | | | 22/04/16 | 9249 | Market Purchase | 29847 | 0.02 |
| | | | | 29/04/16 | -958 | Market Sale | 28889 | 0.02 |
| | | | | 06/05/16 | 23359 | Market Purchase | 52248 | 0.04 |
| | | | | 13/05/16 | -29618 | Market Sale | 22630 | 0.02 |
| | | | | 20/05/16 | 1203 | Market Purchase | 23833 | 0.02 |
| | | | | 27/05/16 | 526 | Market Purchase | 24359 | 0.02 |
| | | | | 03/06/16 | 8425 | Market Purchase | 32784 | 0.02 |
| | | | | 10/06/16 | -6394 | Market Sale | 26390 | 0.02 |
| | | | | 17/06/16 | 14845 | Market Purchase | 41235 | 0.03 |
| | | | | 24/06/16 | 8705 | Market Purchase | 49940 | 0.04 |
| | | | | 30/06/16 | 5727 | Market Purchase | 55667 | 0.04 |
| | | | | 08/07/16 | -30355 | Market Sale | 25312 | 0.02 |
| | | | | 15/07/16 | 2401 | Market Purchase | 27713 | 0.02 |
| | | | | 22/07/16 | -8852 | Market Sale | 18861 | 0.01 |
| | | | | 29/07/16 | 15316 | Market Purchase | 34177 | 0.02 |
| | | | | 05/08/16 | -18236 | Market Sale | 15941 | 0.01 |
| | | | | 12/08/16 | 4729 | Market Purchase | 20670 | 0.01 |
| | | | | 19/08/16 | -1026 | Market Sale | 19644 | 0.01 |
| | | | | 26/08/16 | 15541 | Market Purchase | 35185 | 0.03 |
| | | | | 02/09/16 | -8120 | Market Sale | 27065 | 0.02 |
| | | | | 16/09/16 | 2429 | Market Purchase | 29494 | 0.02 |
| | | | | 23/09/16 | 4657 | Market Purchase | 34151 | 0.02 |
| | | | | 30/09/16 | 5197 | Market Purchase | 39348 | 0.03 |
| | | | | 07/10/16 | 17245 | Market Purchase | 56593 | 0.04 |
| | | | | 14/10/16 | -18364 | Market Sale | 38229 | 0.03 |
| | | | | 21/10/16 | 26035 | Market Purchase | 64264 | 0.05 |
| | | | | 28/10/16 | 2054 | Market Purchase | 66318 | 0.05 |
| | | | | 04/11/16 | -25765 | Market Sale | 40553 | 0.03 |
| | | | | 11/11/16 | 12089 | Market Purchase | 52642 | 0.04 |
| | | | | 18/11/16 | 14758 | Market Purchase | 67400 | 0.05 |
| | | | | 25/11/16 | -3097 | Market Sale | 64303 | 0.05 |
| | | | | 02/12/16 | -2685 | Market Sale | 61618 | 0.04 |
| | | | | 09/12/16 | -600 | Market Sale | 61018 | 0.04 |
| | | | | 16/12/16 | -3681 | Market Sale | 57337 | 0.04 |
| | | | | 23/12/16 | -11357 | Market Sale | 45980 | 0.03 |
| | | | | 31/12/16 | -3619 | Market Sale | 42361 | 0.03 |
| | | | | 06/01/17 | -5 | Market Sale | 42356 | 0.03 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | 13/01/17 | 15462 | Market Purchase | 57818 | 0.04 |
| | | | | 20/01/17 | -13260 | Market Sale | 44558 | 0.03 |
| | | | | 27/01/17 | 8248 | Market Purchase | 52806 | 0.04 |
| | | | | 03/02/17 | 33621 | Market Purchase | 86427 | 0.06 |
| | | | | 10/02/17 | -48379 | Market Sale | 38048 | 0.03 |
| | | | | 17/02/17 | 5273 | Market Purchase | 43321 | 0.03 |
| | | | | 24/02/17 | -1168 | Market Sale | 42153 | 0.03 |
| | | | | 03/03/17 | -2724 | Market Sale | 39429 | 0.03 |
| | | | | 10/03/17 | 761 | Market Purchase | 40190 | 0.03 |
| | | | | 17/03/17 | 26619 | Market Purchase | 66809 | 0.05 |
| | | | | 24/03/17 | -9154 | Market Sale | 57655 | 0.04 |
| | | 140953 | 0.12 | 31/03/17 | 83298 | Market Purchase | 140953 | 0.12 |
| 16 | Harit Exports Limited | 140000 | 0.10 | 01/04/16 | | | 140000 | 0.10 |
| | | | | 30/06/16 | -100000 | Market Sale | 40000 | 0.03 |
| | | | | 31/12/16 | -25000 | Market Sale | 15000 | 0.01 |
| | | | | 06/01/17 | 3500 | Market Purchase | 18500 | 0.01 |
| | | | | 13/01/17 | 32500 | Market Purchase | 51000 | 0.04 |
| | | | | 20/01/17 | 28116 | Market Purchase | 79116 | 0.06 |
| | | | | 03/02/17 | 30884 | Market Purchase | 110000 | 0.08 |
| | | 110000 | 0.10 | 31/03/17 | | | 110000 | 0.10 |
| 17 | Narayan Kisanlal Malpani | 0 | 0.00 | 01/04/16 | | | 0 | 0.00 |
| | | | | 02/09/16 | 105600 | Market Purchase | 105600 | 0.08 |
| | | | | 16/09/16 | 36793 | Market Purchase | 142393 | 0.10 |
| | | | | 28/10/16 | 6240 | Market Purchase | 148633 | 0.11 |
| | | | | 04/11/16 | 200 | Market Purchase | 148833 | 0.11 |
| | | 148833 | 0.13 | 31/03/17 | 0 | | 148833 | 0.13 |

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

| Sr. No. | Name | Shareholding at the beginning of the year (1st April, 2016) | | Date | Increase/ Decrease in shareholding | Reason | Cumulative shareholding during the year (1st April, 2016 to 31st March, 2017) | |
|---|---|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the Company | | | | No. of shares | % of total shares of the Company |
| **A** | **Directors** | | | | | | | |
| 1 | Shri Vijaykumar Gupta Chairman & Managing Director | 28023083 | 20.26 | 01/04/2016 | | | | |
| | | | | 03/03/2017 | -1500000 | Buy Back | 26523083 | 19.17 |
| | | 26523083 | 23.13 | 31/03/2017 | | | 26523083 | 23.13 |
| 2 | Shri Manish Gupta Managing Director | 37585230 | 27.17 | 01/04/2016 | 0 | Nil movement during the year | | |
| | | 37585230 | 32.78 | 31/03/2017 | | | 37585230 | 32.78 |
| 3 | Shri Mohit Gupta Joint Managing Director | 22447442 | 16.23 | 01/04/2016 | 0 | | | |
| | | | | 03/03/2017 | -22180868 | Buy Back | 266574 | 0.19 |
| | | 266574 | 0.23 | 31/03/2017 | | | 266574 | 0.23 |
| 4 | Shri Sandeep Agrawal Whole-Time Director | 2700 | 0.00 | 01/04/2016 | 0 | | | |
| | | | | 22/04/2016 | -2000 | Market Sale | 700 | 0.00 |
| | | 700 | 0.00 | 31/03/2017 | | | 700 | 0.00 |
| 5 | Smt. Sulochana Gupta, Non-Executive Director | 4485385 | 3.24 | 01/04/2016 | 0 | Nil movement during the year | | |
| | | 4485385 | 3.91 | 31/03/2017 | | | 4485385 | 3.91 |
| 6 | Shri Rohit Patel Independent Director | Nil | Nil | 01/04/2016 | 0 | Nil movement during the year | | |
| | | Nil | Nil | 31/03/2017 | | | Nil | Nil |
| 7 | Shri Sudhin Choksey, Independent Director | Nil | Nil | 01/04/2016 | 0 | Nil movement during the year | | |
| | | Nil | Nil | 31/03/2017 | | | Nil | Nil |
| 8 | Shri Rashmikant Joshi Independent Director | Nil | Nil | 01/04/2016 | 0 | Nil movement during the year | | |
| | | Nil | Nil | 31/03/2017 | | | Nil | Nil |
| 9 | Shri Vishwavir Saran Das Independent Director | Nil | Nil | 01/04/2016 | 0 | Nil movement during the year | | |
| | | Nil | Nil | 31/03/2017 | | | Nil | Nil |
| 10 | Shri Sandeep Singhi Independent Director | Nil | Nil | 01/04/2016 | 0 | Nil movement during the year | | |
| | | Nil | Nil | 31/03/2017 | | | Nil | Nil |
| **B** | **Key Managerial Personnel (KMPs)** | | | | | | | |
| 1 | Shri N. Giridhar (CFO) (Upto 31/05/2016) | Nil | Nil | 01/04/2016 | 0 | Nil movement during the year | | |
| | | Nil | Nil | 31/05/2016 | | | Nil | Nil |
| 2 | Shri Dinesh C Shah (CFO) (From 30/07/2016) | Nil | Nil | 30/07/2016 | 0 | Nil movement during the year | | |
| | | Nil | Nil | 31/03/2017 | 0 | | Nil | Nil |
| 3 | Ms. Chetna Dharajiya (Company Secretary) | Nil | Nil | 01/04/2016 | 0 | Nil movement during the period | | |
| | | Nil | Nil | 31/03/2017 | 0 | | Nil | Nil |

**V INDEBTEDNESS:**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment** (₹ in crores)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|---|---|---|
| **Indebtedness at the beginning of the financial year** | | | | |
| i) Principal Amount - WC | 299.55 | --- | --- | 299.55 |
| - TL | 28.96 | --- | --- | 28.96 |
| ii) Interest due but not paid | 0.53 | --- | --- | 0.53 |
| iii) Interest accrued but not due | 0.16 | --- | --- | 0.16 |
| **Total (i+ii+iii)** | **329.20** | --- | | **329.20** |
| **Change in Indebtedness during the financial year** | | | | |
| • Additions | 194.99 | 121.79 | --- | 316.78 |
| • Reduction | 7.49 | --- | --- | 7.49 |
| **Net Change** | **187.50** | **121.79** | | **309.29** |
| **Indebtedness at the end of the financial year** | | | | |
| i) Principal Amount - WC | 496.86 | 107.43 | --- | 601.29 |
| - TL | 21.72 | 14.00 | --- | 35.72 |
| ii) Interest due but not paid | 0.27 | --- | --- | 0.27 |
| iii) Interest accrued but not due | 0.85 | 0.36 | --- | 1.21 |
| **Total (i+ii+iii)** | **516.70** | **121.79** | | **638.49** |

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

A. Remuneration to Managing Director, Whole-Time Director and/or Manager: (₹ in crores)

| Sr. No. | Particulars of Remuneration | Name of the MD/WTD/Manager | | | | Total Amount |
|---|---|---|---|---|---|---|
| | | ShriVijaykumar Gupta (CMD) | Shri Manish Gupta (MD) | ShriMohit Gupta (JMD) | ShriSandeep Agrawal (WTD) | |
| 1 | **Gross salary** | | | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax, 1961 | 0.76 | 0.78 | 0.48 | 0.54 | 2.56 |
| | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 | 0.08 | 0.06 | Nil | Nil | 0.14 |
| | (c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961 | Nil | Nil | Nil | Nil | Nil |
| 2 | Stock option | Nil | Nil | Nil | Nil | Nil |
| 3 | Sweat Equity | Nil | Nil | Nil | Nil | Nil |
| 4 | Commissionas % of profit others (specify) | 4.44 | 13.31* | Nil | Nil | 17.75 |
| 5 | Others, please specify | Nil | Nil | Nil | Nil | Nil |
| | **Total (A)** | **5.28** | **14.15** | **0.48** | **0.54** | **20.45** |
| | **Ceiling as per the Act** | **₹ 20.94 crore (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)** | | | | |

*Managerial remuneration payable works out to be in excess of limits requiring shareholders' approval in terms of point (i) of second proviso of Section 197 of the Companies Act, 2013 (Act), however this is within the prescribed limits of total managerial remuneration payable to all Managing Director/Whole-Time Director/Manager in aggregate u/s 197 of the Act. The Company proposes to ratify such managerial remuneration in excess of 5% being paid, in the ensuing Annual General Meeting.

B. Remuneration to other Directors: (₹ in crores)

| Sr. No. | Particulars of Remuneration | Name of the Directors | | | | | Total Amount |
|---|---|---|---|---|---|---|---|
| 1 | Independent Directors | **Shri Rohit Patel** | **Shri Sudhin Choksey** | **Shri Rashmikant Joshi** | **Shri Vishwavir Saran Das** | **Shri Sandeep Singhi** | |
| | Fee for attending board / committee meetings | 0.02 | 0.02 | 0.03 | 0.02 | 0.01 | 0.10 |
| | Commission | 0.02 | 0.03 | 0.02 | 0.02 | 0.02 | 0.11 |
| | Others, please specify | ----- | ----- | ----- | ----- | ----- | ----- |
| | **Total (1)** | **0.04** | **0.05** | **0.05** | **0.04** | **0.03** | **0.21** |
| 2 | Other Non-Executive Director | **Smt. Sulochana Gupta** | | | | | |
| | Fee for attending board / committee meetings | 0.01 | | ---- | ---- | ---- | 0.01 |
| | Commission | 0.02 | | ---- | ---- | ---- | 0.02 |
| | Others, please specify | ---- | | ---- | ---- | ---- | ---- |
| | **Total (2)** | **0.03** | | **----** | **----** | **----** | **0.03** |
| | **Total (B)=(1+2)** | | | | | | **0.24** |
| | **Total Managerial Remuneration*** | | | | | | **20.69** |
| | **Overall Ceiling as per the Act.** | **₹ 23.03 crore (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)** | | | | | |

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

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD (₹ in crores)

| Sr. No. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---|---|---|---|---|---|
| | | CFO (Shri Dinesh Shah) (from 30th July, 2016) | CFO (Shri N. Giridhar) (up to 31st May, 2016) | CS (Ms. Chetna Dharajiya) | Total |
| 1 | Gross Salary | | | | |
| | a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 0.30 | 0.07 | 0.12 | 0.49 |
| | b. Value of perquisites u/s 17(2) of the Income Tax Act, 1961 | Nil | Nil | Nil | Nil |
| | c. Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961 | Nil | Nil | Nil | Nil |
| 2 | Stock Option | Nil | Nil | Nil | Nil |
| 3 | Sweat Equity | Nil | Nil | Nil | Nil |
| 4 | Commission as % of profit others, specify | Nil | Nil | Nil | Nil |
| 5 | Others, please specify | Nil | Nil | Nil | Nil |
| | **Total** | **0.30** | **0.07** | **0.12** | **0.49** |

**VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

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

## INDEPENDENT AUDITOR'S REPORT

**To the members of GUJARAT AMBUJA EXPORTS LIMITED**

**Report on the Indian Accounting Standards (Ind AS) Financial Statements**

We have audited the acCompanying Ind AS financial statements of **GUJARAT AMBUJA EXPORTS LIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March, 2017**, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Ind AS 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 Ind AS financial statements that gives a true and fair view of the financial position, financial performance (including other comprehensive income) and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act.

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 the 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 internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 there under.

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

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March, 2017** and its profit (including Other Comprehensive Income) and its cash flows and the changes in equity for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in Paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income) , the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standard 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 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

I. The Company has disclosed the impact of pending litigations on its financial positions in its financial statements – Refer Note No. 37.

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.

IV. The Company has provided requisite disclosures in the financial statements as to holding as well as dealings in Specified Bank notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced by us by the management – Refer Note No. 52.

**For KANTILAL PATEL & CO.,**
**CHARTERED ACCOUNTANTS**
**Firm Reg. No. : 104744W**

**Jinal Patel**
**Partner**
**Membership No. : 153599**

**Place: Ahmedabad**
**Date: 13th May, 2017**

**"Annexure A"**

**Annexure referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date**

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the Company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at 31st March 2017 and no material discrepancies were noticed in respect of such confirmations.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, provisions of Sections 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit form the public within the meaning of Sections 73 to 76 of the Act and the Rules framed under. Therefore, the provision of clause 3(v) of the order is not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the manufacture of edible oil, cotton yarn, inorganic chemicals and drugs and pharmaceuticals, and are of the opinion that prima facie, the specified accounts and records have generally been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee state insurance, income-tax, sales tax, value added tax, duty of customs, duty of excise, service tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable.

(b) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess which have not been deposited as on 31st March, 2017 on account of disputes are as follows:

| Sr. No. | Name of the statute | Nature of the dues | Amount | Period to which the amount relates | Forum where the dispute is pending |
|---|---|---|---|---|---|
| | | | (₹ in crores) | | |
| 1 | The Income Tax Act, 1961 | | | | |
| | Appeal Preferred by the Department | Disallowance of 80-IC | | | |
| | | Foreign commission | 0.56 | AY 2012-13 | ITAT |
| | Appeal Preferred by the Company | Disallowance of 80-IA & Foreign commission | 1.64 | AY 2013-14 | ITCA |
| 2 | The Bombay Sales of Motor Spirit Taxation Act, 1958 | Exemptions | 0.017 | 1997-98 | Tribunal |
| 3 | The Central Excise Act, 1944 | Additional Demand | 0.03 | 2005-06 & 2006-07 | CESTAT |
| | | Service tax on charges | 0.009 | 2010-11 | Asst. Commissioner of Excise |
| | | Demanding duty on packing material HDPC | 0.06 | 2004-05 | CESTAT |
| 4 | The Customs Act, 1962 | Differential Duty | 0.04 | 2003-04 | Commissioner of Customs |
| | | DEPB license | 1.32 | 2008-09 | Commissioner(A) |
| | | Recovery of benefits obtained under Focus Market Scheme | 1.98 | 2008-12 | DGFT |
| 5 | Krishi Upaj Mandi Adhiniyam, 1972 | Mandi Tax | 0.02 | 2001-02 | High Court |
| 6 | The Gujarat Sales Tax Act, 1969 | Purchase Tax | 0.04 | 1997-98 | High Court |
| | | Disallowance of sales & levy of interest & penalty | 0.13 | 2004-05 | Commissioner (Appeals) |
| | | Item sold as tax free considered to be taxable item | 0.55 | 2014-15 | Commissioner (Appeals) |
| | | Item sold as tax free considered to be taxable item | 0.51 | 2014-15 | Commissioner (Appeals) |
| 7 | Central Sales Tax Act, 1956 | Disallowance of sales, non-Production of 'C' Forms | 0.85 | 2004-05 | Commissioner (Appeals) |
| 8 | The Bombay Electricity Duty Act, 1958 | Additional Demand charges | 1.63 | 2008-09 | Consumer Grievances Forum |
| 9 | Food & Safety Act. Sub- standard | Not meeting food & safety dues | 0.05 | 2015-16 | Dist. Magistrate, Uttarakhand |
| | | | 0.003 | 2015-16 | Food & Safety Tribunal, Gandhinagar |
| | | Food and Safety Act. Sub-Standard | 0.05 | 2016-17 | A.D.M. and Adjudicating officer Meerut |
| 10 | Other | Motor Accident Claim | 0.003 | 2009-10 | Mehsana Motor Accident Claim Tribunal |

(viii) Based on our examination of the records, and according to information and explanations given by the management, the Company has not defaulted in repayment of dues to the banks. The Company has not taken any loan from financial institution. The Company has not obtained any borrowing by way of debentures.

(ix) Based on the information and explanations given by the management and on an overall examination of the balance sheet, we are of the opinion that term loans have been applied for the purposes for which they were raised.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management read together with Note No. 51, we are of the opinion that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order is not applicable to the Company.

(xiii) Based on our examination of records of the Company and according to the information and explanations given to us, the transactions with related parties are in compliance with the Provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, provisions of clause 3(xiv) are not applicable to the Company.

(xv) Based on the examinations of the records and according to the information and explanations given by the management, during the year. The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.

(xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For KANTILAL PATEL & CO.,**
**CHARTERED ACCOUNTANTS**
**Firm Reg. No. : 104744W**

**Jinal Patel**
**Partner**
**Membership No. : 153599**

**Place: Ahmedabad**
**Date: 13th May, 2017**

**Annexure 'B'**

**Annexure to the Independent Auditor's Report of even date on the Ind AS financial statements of "Gujarat Ambuja Export Limited" Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (''the Act'')**

We have audited the internal financial controls over financial reporting of Gujarat Ambuja Exports Limited (''the Company'') as of 31st March, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For KANTILAL PATEL & CO.,**
**CHARTERED ACCOUNTANTS**
**Firm Reg. No. : 104744W**

**Jinal Patel**
**Partner**
**Membership No. : 153599**

**Place: Ahmedabad**
**Date: 13th May, 2017**

## BALANCE SHEET AS AT 31ST MARCH, 2017

(₹ in crores)

| Particulars | Note No. | As at 31st March, 2017 | As at 31st March, 2016 | As at 1st April, 2015 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **(1) Non-current assets** | | | | |
| (a) Property, Plant and Equipment | 2 | **606.28** | 567.11 | 548.20 |
| (b) Capital work-in-progress | 2 | **158.65** | 102.71 | 62.95 |
| (c) Intangible assets | 2 | **0.85** | 0.98 | 1.09 |
| (d) Financial Assets | | | | |
| (i) Investments | 3 | **47.13** | 45.79 | 49.87 |
| (ii) Other Financial Assets | 4 | **4.54** | 4.72 | 4.81 |
| (e) Non-current tax assets (Net) | 5 | **0.70** | 0.70 | 7.60 |
| (f) Other assets | 6 | **17.13** | 14.60 | 21.01 |
| **Total Non-current assets** | | **835.28** | 736.61 | 695.53 |
| **(2) Current assets** | | | | |
| (a) Inventories | 7 | **624.35** | 430.75 | 443.69 |
| (b) Financial assets | | | | |
| (i) Investments | 8 | - | 31.38 | 10.00 |
| (ii) Trade receivables | 9 | **207.78** | 173.70 | 108.07 |
| (iii) Cash and cash equivalents | 10 | **1.94** | 3.38 | 1.21 |
| (iv) Bank Balances other than (iii) above | 11 | **3.85** | 4.94 | 4.38 |
| (v) Other Financial assets | 12 | **6.92** | 6.84 | 3.68 |
| (c) Other current assets | 13 | **28.71** | 29.39 | 20.92 |
| **Total current assets** | | **873.55** | 680.38 | 591.95 |
| **TOTAL ASSETS** | | **1,708.83** | 1,416.99 | 1,287.48 |
| **EQUITY AND LIABILITIES** | | | | |
| **(1) Equity** | | | | |
| (a) Equity share capital | 14 | **22.93** | 27.67 | 27.67 |
| (b) Other equity | 15 | **830.17** | 892.95 | 805.36 |
| **Total equity attributable to owners of the Company** | | **853.10** | 920.62 | 833.03 |
| **(2) Non-current liabilities** | | | | |
| (a) Financial liabilities | | | | |
| (i) Borrowings | 16 | **14.48** | 21.72 | 24.91 |
| (b) Provisions | 17 | **4.07** | 3.47 | 2.69 |
| (c) Deferred tax liabilities (Net) | 18C | **36.40** | 39.06 | 45.66 |
| (d) Other Liabilities | 19 | **0.90** | - | - |
| (e) Government grant | 20 | **7.78** | 6.84 | 6.89 |
| **Total non-current liabilities** | | **63.63** | 71.09 | 80.15 |
| **(3) Current liabilities** | | | | |
| (a) Financial liabilities | | | | |
| (i) Borrowings | 21 | **613.90** | 299.55 | 278.16 |
| (ii) Trade payables | 22 | **101.51** | 83.35 | 62.85 |
| (iii) Other financial liabilities | 23 | **24.91** | 23.21 | 19.70 |
| (b) Other current liabilities | 24 | **39.83** | 11.40 | 8.14 |
| (c) Government grant | 25 | **3.26** | 1.44 | - |
| (d) Provisions | 26 | **6.72** | 5.76 | 5.32 |
| (e) Liabilities for current tax (Net) | 27 | **1.97** | 0.57 | 0.13 |
| **Total current liabilities** | | **792.10** | 425.28 | 374.30 |
| **TOTAL EQUITY & LIABILITIES** | | **1,708.83** | 1,416.99 | 1,287.48 |
| **The accompanying notes form an integral part of the financial statements** | | | | |

As per our report of even date

**For KANTILAL PATEL & CO.**
**CHARTERED ACCOUNTANTS**
Firm Registration No.: 104744W

**JINAL PATEL**
Partner
Membership No.: 153599

**Place: Ahmedabad**
**Date: 13th May, 2017**

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

**VIJAYKUMAR GUPTA**
Chairman & Managing Director
DIN: 00028173

**MANISH GUPTA**
Managing Director
DIN: 00028196

**DINESH SHAH**
Chief Financial Officer
Membership No.: 38650

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

**Place: Ahmedabad**
**Date: 13th May, 2017**

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in crores)

| | Particulars | Note No. | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
|---|---|---|---|---|
| I | **REVENUE** | | | |
| | Revenue from operations | 28 | **3,379.07** | 2,776.44 |
| | Other Income | 29 | **18.16** | 10.25 |
| | **Total Income (I)** | | **3,397.23** | 2,786.69 |
| II | **EXPENSES** | | | |
| | Cost of materials consumed | 30 | **2,323.89** | 1,759.43 |
| | Purchases of Stock-in-Trade | 31 | **393.01** | 396.45 |
| | Changes in inventories of finished goods, Stock-in-Trade and work-in-progress | 32 | **(93.59)** | 0.57 |
| | Excise duty on sale of goods | 33 | **48.26** | 39.96 |
| | Employee benefits expense | 34 | **91.34** | 79.16 |
| | Finance costs | 35 | **22.79** | 9.91 |
| | Depreciation and amortization expense | 2 | **71.42** | 66.17 |
| | Other expenses | 36 | **340.74** | 315.63 |
| | **Total Expenses (II)** | | **3,197.86** | 2,667.28 |
| III | **Profit before exceptional items and tax (I-II)** | | **199.37** | 119.41 |
| IV | **Exceptional Items** | | **-** | - |
| V | **Profit before tax (III-IV)** | | **199.37** | 119.41 |
| VI | **Tax expense:** | | | |
| | **(1) Current tax net of MAT credit** | 18A | **47.94** | 25.87 |
| | **(2) Deferred tax** | 18C | **(7.12)** | (6.89) |
| | **Total tax expenses** | | **40.82** | 18.98 |
| VII | **Profit for the year** | | **158.55** | 100.43 |
| | **Other Comprehensive Income** | | | |
| | (i) Other Comprehensive Income that will not be reclassified to profit or loss in subsequent periods: | | | |
| | (a) Remeasurements of the defined benefit plans | | **0.43** | 0.50 |
| | Income Tax effect | | **(0.15)** | (0.17) |
| | | | **0.28** | 0.33 |
| | (ii) Other Comprehensive Income that will be reclassified to profit or loss in subsequent periods: | | | |
| | (a) Cash flow Hedge Reserve | | **(0.51)** | 0.23 |
| | Income Tax effect | | **0.18** | (0.09) |
| | | | **(0.33)** | 0.14 |
| VIII | **Total Other Comprehensive Income (i+ii)** | | **(0.05)** | 0.47 |
| IX | **Total Comprehensive Income for the year(VII+VIII)** | | **158.50** | 100.90 |
| | **Earning per share (Face Value of ₹ 2 each)** | | | |
| | **- Basic & Diluted** | 41 | **11.50** | 7.26 |
| | **The accompaying notes form an integral part of the financial statements** | | | |

As per our report of even date

**For KANTILAL PATEL & CO.**
**CHARTERED ACCOUNTANTS**
Firm Registration No.: 104744W

**JINAL PATEL**
Partner
Membership No.: 153599

**Place: Ahmedabad**
**Date: 13th May, 2017**

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

**VIJAYKUMAR GUPTA**
Chairman & Managing Director
DIN: 00028173

**MANISH GUPTA**
Managing Director
DIN: 00028196

**DINESH SHAH**
Chief Financial Officer
Membership No.: 38650

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

**Place: Ahmedabad**
**Date: 13th May, 2017**

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in crores)

| Particulars | Attributable to the equity holders of the company | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Reserves & Surplus | | | | | | | Items of Other Comprehensive Income | Total |
| | Equity share capital | Retained Earnings | | Capital subsidy | Amalgamation reserve Account | Securities premium Account | Capital redemption reserve | Cash flow hedge | |
| | | General reserve | Net Surplus in Statement of Profit and Loss | | | | | | |
| **As at 1st April, 2015** | **27.67** | **193.30** | **603.30** | **1.25** | **0.02** | **0.89** | **6.41** | **0.19** | **833.03** |
| Add: Profit for the year | | | 100.43 | | | | | - | 100.43 |
| Add [Less]: Other Comprehensive income (Hedge reserve) | | | 0.33 | | | | | 0.14 | **0.48** |
| **Total Comprehensive Income** | | | | | | | | | - |
| Transactions with Owners in their capacity as owners: | | | | | | | | | - |
| Interim Equity Dividend (amount per share ₹ 0.80 (31st March, 2015: ₹ 0.84)) | | | (11.07) | | | | | | **(11.07)** |
| Corporate Dividend Tax on Dividend | | | (2.25) | | | | | | **(2.25)** |
| **As at 31st March, 2016** | **27.67** | **193.30** | **690.74** | **1.25** | **0.02** | **0.89** | **6.41** | **0.34** | **920.62** |
| Add: Profit for the year | | | 158.55 | | | | | - | **158.55** |
| Add [Less]: Other Comprehensive income | | | 0.28 | | | | | (0.33) | **(0.05)** |
| **Total Comprehensive Income** | | | | | | | | | |
| Transactions with Owners in their capacity as owners: | | | | | | | | | |
| Premium on buyback of shares and net of tax buyback expenses | | | (221.28) | | | | | | **(221.28)** |
| Adjustment of amount paid for buyback of shares | (4.74) | | | | | | | | **(4.74)** |
| Adjustment of amount transferred to Capital Redemption Reserve due to Buy back of shares as per Section 69 of Companies Act, 2013 | | | (4.74) | | | | 4.74 | | **-** |
| **As at 31st March, 2017** | **22.93** | **193.30** | **623.55** | **1.25** | **0.02** | **0.89** | **11.15** | - | **853.10** |

**The accompaying notes form an integral part of the financial statements**

As per our report of even date

**For KANTILAL PATEL & CO.**
**CHARTERED ACCOUNTANTS**
Firm Registration No.: 104744W

**JINAL PATEL**
Partner
Membership No.: 153599

**Place: Ahmedabad**
**Date: 13th May, 2017**

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

**VIJAYKUMAR GUPTA**
Chairman & Managing Director
DIN: 00028173

**MANISH GUPTA**
Managing Director
DIN: 00028196

**DINESH SHAH**
Chief Financial Officer
Membership No.: 38650

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

**Place: Ahmedabad**
**Date: 13th May, 2017**

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in crores)

| | Particulars | 31st March, 2017 | 31st March, 2016 |
|---|---|---|---|
| A. | **Cash flow from operating activities** | | |
| | **Profit before tax** | **199.37** | 119.41 |
| | Adjustments for: | | |
| | Depreciation and amortization expenses | **71.42** | 66.19 |
| | Deferred income from Government grants | **(1.49)** | (1.12) |
| | Dividend income | **(0.86)** | (1.10) |
| | Net Gain on Sale/Fair value of non-current Investment FVTPL | **(6.34)** | 2.16 |
| | Profit on Sale of Current Investments | **(4.74)** | (2.47) |
| | Mark to market (gain)/loss on derivative financial instruments | **2.92** | (4.47) |
| | Provision/(write back) for doubtful debts and advances (net) | **0.15** | 0.09 |
| | Bad debts (recovered)/written off | **(0.04)** | (0.10) |
| | Loss on discarding of asset & Sale of assets | **0.38** | 0.04 |
| | (Gain) / Loss on disposal of property, plant and equipment | **0.08** | (1.03) |
| | Interest income | **(2.07)** | (2.72) |
| | Interest expenses | **22.79** | 9.91 |
| | **Cash generated from operations before working capital changes** | **281.57** | 184.79 |
| | Adjustments for: | | |
| | Decrease/(increase) in loans and advances | **0.04** | (5.40) |
| | Decrease/(increase) in other assets | **(2.01)** | (1.73) |
| | Decrease/(increase) in trade receivables | **(34.18)** | (65.71) |
| | Decrease/(increase) in inventories | **(193.59)** | 12.94 |
| | Increase/(Decrease) in other current liabilities | **29.39** | 4.03 |
| | Increase/(Decrease) in provisions | **1.14** | 1.72 |
| | Increase/(Decrease) in trade and other payables | **21.06** | 25.20 |
| | **Cash generated from operating activities** | **103.42** | 155.84 |
| | Direct taxes paid (net of refunds) | **(46.69)** | (18.49) |
| | **Cash flows before exceptional items** | **56.73** | 137.35 |
| | Exceptional items | - | - |
| | **Net Cash flow generated from operating activities (A)** | **56.73** | 137.35 |
| B. | **Cash flow from Investing activities** | | |
| | Sale proceeds from property, plant and equipment | **1.11** | 1.64 |
| | Purchase of property, plant and equipment | **(171.64)** | (120.34) |
| | Purchase of Intangibles | **(0.04)** | (0.04) |
| | Sale proceeds of from sale/maturity of non-current investments and current investments | **31.38** | 3.75 |
| | Purchase of non-current investments | - | (1.82) |
| | Purchase of current investments | - | (276.14) |
| | Proceeds from sale/maturity of current investments | **12.32** | 257.25 |
| | Investment in bank deposits ( having maturity more than 3 months) | **0.23** | (0.61) |
| | Investment in Non-current deposits with banks (having maturity more than 12 months) | **0.07** | (0.06) |
| | Change in Government grant | **4.26** | 1.39 |
| | Interest income | **4.11** | 1.44 |
| | Dividend income | **0.86** | 1.10 |
| | **Net Cash flow generated from investing activities (B)** | **(117.34)** | (132.44) |

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD...)

(₹ in crores)

| | Particulars | 31st March, 2017 | 31st March, 2016 |
|---|---|---|---|
| **C.** | **Cash flow from Financing activities** | | |
| | Capital subsidy received | **1.00** | 1.20 |
| | Interest expenses | **(22.37)** | (9.42) |
| | Repayment of long-term borrowings | **(7.24)** | (3.19) |
| | Proceeds of short-term borrowings | **413.89** | 104.10 |
| | Repayment of short-term borrowings | **(99.54)** | (82.58) |
| | Dividend paid | **-** | (10.49) |
| | Dividend distribution tax paid | **-** | (2.25) |
| | Buyback of shares | **(226.55)** | - |
| | **Net Cash flow generated from financing activities (C)** | **59.19** | **(2.63)** |
| | **Net increase in cash and cash equivalents (A + B + C)** | **(1.42)** | 2.28 |
| | **Cash and cash equivalents at the beginning of the year** | **3.36** | 1.21 |
| | Less: Bank Overdraft as per Books at the beginning of the year( Refer Note No. 23) | | (0.13) |
| | **Cash and cash equivalents at year end** | **1.94** | 3.36 |
| | **Cash & Cash Equivalent comprise of:** | | |
| | Cash and Cash Equivalents (Refer Note No. 10) | **1.94** | 3.38 |
| | Less: Bank Overdraft as per Books (Refer Note No. 23) | **-** | 0.02 |
| | **Total Cash and cash equivalents at the end of the year** | **1.94** | 3.36 |

Note:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.

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

As per our report of even date

**For KANTILAL PATEL & CO.**
**CHARTERED ACCOUNTANTS**
Firm Registration No.: 104744W

**JINAL PATEL**
Partner
Membership No.: 153599

**Place: Ahmedabad**
**Date: 13th May, 2017**

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

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Chairman & Managing Director
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**DINESH SHAH**
Chief Financial Officer
Membership No.: 38650

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

**Place: Ahmedabad**
**Date: 13th May, 2017**

## 1. SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Company Information:

Gujarat Ambuja Exports Limited (Company) is a Public Limited Company domiciled in India. The Company has its registered office at ''Ambuja Tower'', Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. Thaltej, Ahmedabad, Gujarat 380 059. The Company is an Agro Processing conglomerate with various manufacturing plants at different locations in States of Gujarat, Maharashtra, Madhya Pradesh, Uttarakhand and Karnataka. The Company's product profile includes Solvent Extraction comprising of all types of Oil Seed Processing, Edible Oil Refining, Cotton Yarn Spinning, Maize based Starch and its derivatives, Wheat Processing / Cattle Feed and Power Generation through Wind Mills, Bio gas, Thermal Power & Solar Plant mainly for internal consumption. The Company's shares are listed on BSE and NSE.

### 1.2 Basis of Preparation of Financial Statements:

#### (i) Compliance with Ind-AS

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

For all periods up to and including the year ended 31st March, 2016, the Company prepared its financial statements in accordance with accounting standards notified under the Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014 (Indian GAAP). These financial statements for the year ended 31st March, 2017 are the first the Company has prepared in accordance with Ind AS. Refer Note No. 1.22 for information on how the Company has adopted Ind AS.

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### (ii) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

#### (iii) Rounding of amounts

The financial statements are presented in INR and all values are rounded to the nearest crore (INR 00,00,000) as per the requirement of Schedule III, unless otherwise stated.

### 1.3 Use of Estimates:

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note No. 1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

### 1.4 Critical estimates and judgments:

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgment are:

Estimation of Defined benefit obligation - refer Note No. 1.16

Estimation of current tax expenses - refer Note No. 1.8

Government grant - refer Note No. 1.7

### 1.5 Fair value measurement:

The Company measures financial instruments, such as, derivatives at fair value as per Ind AS 113 at each balance sheet date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**1.6 Revenue recognition:**

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

However, sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

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

Excise duty paid for captive consumption of goods, where CENVAT credit is not available, is shown as excise expense.

Interest income

Interest income on financial asset is recognised using the effective interest rate (EIR) method.

Dividends

Dividend income from investment is accounted for when the right to receive is established, which is generally when shareholders approve the dividend.

Other Income

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

**1.7 Government grants:**

a Government grants are recognised in accordance with the terms of the respective grant on accrual basis considering the status of compliance of prescribed conditions and ascertainment that the grant will be received.

b Government grants related to revenue are recognised on a systematic and gross basis in the Statement of Profit and Loss over the period during which the related costs intended to be compensated are incurred.

c Government grants related to assets are recognised as income in equal amounts over the expected useful life of the related asset.

d When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

**1.8 Taxes:**

Tax expenses comprise of current and deferred tax.

**Current income tax**

a Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b Current tax items are recognised in correlation to the underlying transaction either in P&L, OCI or directly in equity.

**Deferred tax**

a Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

b Deferred tax liabilities are recognised for all taxable temporary differences.

c Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized.

d The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

e Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is the reporting date.

f Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

g Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

h The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of Profit and Loss. The Company reviews such tax credit asset at each reporting date and writes down the asset to the extent, the Company does not have convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT credit.

**1.9 Property, Plant and Equipment:**

Under the previous GAAP (Indian GAAP), fixed assets (including Capital work in progress) are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs, if capitalisation criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. The Company has elected to regard previous GAAP carrying values of property as deemed cost at the date of transition to Ind AS.

Capital Work in progress included in PPE is stated at cost, net accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term constructions projects if the recognition criteria is met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Company adjusts exchange differences arsing on translation difference/settlement of long term foreign currency monetary items outstanding as at 31st March, 2016 and pertaining to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset. The depreciation on such foreign exchange difference is recognised from first day of its financial year.

Borrowing cost relating to acquisition/construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for the assets mentioned below for which useful lives estimated by the management. The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets.

In respect of Power Plant and Biogas Engines, the Company based on technical evaluation, identified the assets and components and reassessed the remaining useful lives of tangible fixed assets and depreciation is provided accordingly.

The following is the useful life of each category of assets in respect of Power Plant and Biogas Engines:

| Asset Description | Life of Asset (Years) |
|---|---|
| Plant and Machineries of Thermal Power Plant | 3 to 25 years |
| Biogas Engines | 10 years |

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Further, the Company evaluated the useful life of certain components of Plant and Machinery, the impact of which is not material. Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase. Leasehold land is amortised over the period of lease. Leasehold improvements are amortized over the period of lease or estimated useful life, whichever is lower.

**1.10 Intangible assets:**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

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

Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expenses on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

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

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

The Company has elected to regard previous GAAP carrying value of Intangible Assets as deemed cost at the date of transition to Ind AS

Useful lives of intangible assets

| Asset Description | Life of Asset (Years) |
|---|---|
| Trade Mark | 10 years |
| Computer Software | 10 years |

**1.11 Borrowing costs:**

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

**1.12 Leases:**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1st April, 2015 the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except the case where incremental lease reflects inflationary effect and lease expense is accounted in such case by actual rent for the period.

**1.13 Inventories:**

Inventories are valued as under:

a RAW MATERIALS, PACKING MATERIALS AND STORES & SPARES :

Valued at lower of cost or net realizable value and for this purpose cost is determined on weighted average basis. Due provision for obsolescence is made.

b FINISHED GOODS & WORK IN PROGRESS :

At cost or net realizable value, whichever is lower. Cost is determined on absorption basis. Due provision for obsolescence is made.

c BY- PRODUCTS :

At net realizable value

d STOCK-IN-TRADE :

Valued at lower of cost or net realizable value and for this purpose cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**1.14 Impairment of financial assets & non-financial assets:**

a Financial assets

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

b Non-financial assets

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

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

Goodwill is tested for impairment annually as at every year end and when circumstances indicates that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each Cash Generating Unit (i.e. CGU) (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at year end at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

**1.15 Provisions, Contingent Liabilities and Contingent Assets:**

a Provisions are recognised when the Company has present obligation (legal or constructive) as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. Contingent Liabilities are disclosed by way of notes to Financial Statements. Contingent assets are not recognised in the financial statements but are disclosed in the notes to the financial statements where an inflow of economic benefits is probable.Provisions and contingent liabilities are reviewed at each Balance Sheet date.

b If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

**1.16 Employee benefits:**

a Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences etc., and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

b Post-Employment Benefits:

i) Defined Contribution Plans:

State governed Provident Fund Scheme and Employees State Insurance Scheme are defined contribution plans. The contribution paid / payable under the schemes is recognised during the period in which the employees render the related services.

ii) Defined Benefit Plans:

The Employee's Gratuity Fund Scheme and compensated absences is Company's defined benefit plans. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government Securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/ future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligations under the defined benefit plans, to recognise the obligation on net basis. Gains or losses on the curtailment or settlement of any defined benefits plans are recognised when the curtailment or settlement occurs. Past service cost is recognised as expense on a straight-line basis over the average period until the benefits become vested.

c Long Term Employee Benefits:

The employees' long term compensated absences are Company's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the projected unit credit method as at the date of the balance sheet. In case of funded plans, the full value of plan assets is reduced from the gross obligation to recognise the obligation on the net basis.

**1.17 Financial instruments:**

**Investments and other financial assets**

**(i) Classification**

The Company classifies its financial assets in the following measurement categories:

(1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

(2) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

**(ii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

**Debt instruments:**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

(1) **Amortised cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

(2) **Fair value through other comprehensive Income**

Assets that do not meet the criteria for amortised cost are measured at fair value through Other Comprehensive Income. Interest income from these financial assets is included in other income.

**Equity instruments**

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

**Financial liabilities**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

**1.18 Cash and cash equivalents:**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**1.19 Cash flow statement:**

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

**1.20 Standard Issued but not yet effective:**

In March 2017, the Ministry of Corporate Affairs has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of Cash Flows' and Ind AS 102, 'Share-based Payments'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of Cash Flows' and IFRS 2, 'Share-based Payment', respectively. The amendments are applicable to the Company from 1st April, 2017.

Amendment to Ind AS 7

The amendment to Ind AS 7 required the entities to provide disclosures that enables users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company has evaluated the disclosure requirements of the amendment and the effect on the financial statements is not expected to be material.

Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance for the measurement of cash settled awards, modification of cash settled awards and awards that include a net settlement features in respect of withholding taxes. As the Company does not have such nature of transaction, this amendment does not have any effect on the financial statements of the Company.

**1.21 Proposed Dividend and authorisation of financial statements:**

Dividend recommended by the Board of Directors is not provided for in the accounts, and is pending approval at the Annual General Meeting. The financial statements were authorised for issue by directors on 13th May, 2017.

**1.22 Note on First Time Adoption of Ind AS:**

The accounting policies set out in the note here have been applied in preparing the financial statements for the year ended 31st March, 2017, the comparative information presented in these financial statements for the year ended 31st March, 2016 and in the preparation of an opening Ind AS balance sheet at 1st April, 2015 [the Company's date of transition].

In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies [Accounting Standards] Rules, 2006 [as amended] and other relevant provisions of the Act [Indian GAAP]. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following notes.

Exemptions and exceptions availed:

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Indian GAAP to Ind AS.

**Optional exemptions**

a Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Indian GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their Indian GAAP carrying values.

b Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The Company has elected to apply this exemption for such contracts/arrangements.

**Mandatory exceptions**

c Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Indian GAAP [after adjustments to reflect any difference in accounting policies], unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April, 2015 and 31st March, 2016 are consistent with the estimates as at the same date made in conformity with Indian GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Indian GAAP:

a Investment in equity instruments carried at FVTPL.

b Investment in debt instruments carried at Amortised Cost.

c Impairment of financial assets based on expected credit loss model.

d Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

e De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company's management had previously issued its audited financial results for the year ended 31st March, 2016 on 30th April, 2016, that were all prepared in accordance with the recognition and measurement principles of the Companies (Accounting Standards) Rules, 2006 prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and other accounting principles generally accepted in India. The Company's management has now prepared the Ind AS Financial Statements for the year ended 31st March, 2017 in accordance with the recognition and measurement principles laid down by the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and other accounting principles generally accepted in India.

The Company has prepared a reconciliation of the amounts of net profit as reported under the Indian GAAP to those computed as per Ind AS and the same is given in note below. The Company has also prepared a reconciliation of the amounts of total equity as reported under the Indian GAAP to those computed as per Ind AS and the same is given in note below.

**1.23 Note on Transition to Ind AS - Reconciliations:**

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

I. Reconciliation of Equity as at 1st April, 2015

II. A. Reconciliation of Equity as at 31st March, 2016

B. Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2016

III. Adjustments to Statement of Cash Flows for the year ended 31st March, 2016

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

**I. Reconciliation of Equity as at 1st April, 2015** (₹ in crores)

| Sr. No. | Particulars | Foot Note | As at 1st April, 2015 (Date of transition) | | |
|---|---|---|---|---|---|
| | | | I GAAP | Adjustment | IND AS |
| **I.** | **ASSETS** | | | | |
| | **(1) Non-current assets** | | | | |
| | (a) Property, Plant and Equipment | g | 541.70 | 6.50 | 548.20 |
| | (b) Capital work-in-progress | | 62.95 | - | 62.95 |
| | (c) Intangible assets | | 1.09 | - | 1.09 |
| | (d) Financial assets | | | | |
| | (i) Investments | c | 42.44 | 7.43 | 49.87 |
| | (ii) Other financial assets | f | - | 4.81 | 4.81 |
| | (e) Non-current tax assets (Net) | f | - | 7.60 | 7.60 |
| | (f) Other assets | f | 35.19 | (14.18) | 21.01 |
| | **Total non-current assets** | | **683.37** | **12.16** | **695.53** |
| | **(2) Current assets** | | | | |
| | (a) Inventories | | 443.69 | - | 443.69 |
| | (b) Financial assets | | - | | |
| | (i) Investments | | 10.00 | - | 10.00 |
| | (ii) Trade receivables | | 108.07 | - | 108.07 |
| | (iii) Cash and cash equivalents | f | 5.59 | (4.38) | 1.21 |
| | (iv) Bank balances other than cash & cash equivalents | f | - | 4.38 | 4.38 |
| | (v) Other financial assets | | - | 3.68 | 3.68 |
| | (c) Other assets | f | 32.18 | (11.26) | 20.92 |
| | **Total current assets** | | **599.53** | **(7.58)** | **591.95** |
| | **TOTAL ASSETS** | | **1,282.90** | **4.58** | **1,287.48** |
| **II.** | **EQUITY AND LIABILITIES** | | | | |
| | **(1)** (a) Equity share capital | | 27.67 | - | 27.67 |
| | (b) Other equity | j | 798.23 | 7.13 | 805.36 |
| | **Total equity attributable to owners of the Company** | | **825.90** | **7.13** | **833.03** |
| | **(2) Non-current liabilities** | | | | |
| | (a) Financial liabilities | | | | |
| | (i) Borrowings | | 24.91 | - | 24.91 |
| | (b) Provisions | f | 3.62 | (0.93) | 2.69 |
| | (c) Deferred tax liabilities (Net) | c,d & f | 55.08 | (9.42) | 45.66 |
| | (d) Other liabilities | | - | - | - |
| | (e) Government grant | g | - | 6.89 | 6.89 |
| | **Total non-current liabilities** | | **83.61** | **(3.46)** | **80.15** |
| | **(3) Current liabilities** | | | | |
| | (a) Financial liabilities | | | | |
| | (i) Borrowings | | 278.16 | - | 278.16 |
| | (ii) Trade payables | | 62.85 | - | 62.85 |
| | (iii) Other financial liabilities | f | - | 19.70 | 19.70 |
| | (b) Other liabilities | f | 27.84 | (19.70) | 8.14 |
| | (c) Provisions | f | 4.54 | 0.78 | 5.32 |
| | (d) Liabilities for current tax (Net) | f | | 0.13 | 0.13 |
| | **Total current liabilities** | | **373.39** | **0.91** | **374.30** |
| | **TOTAL EQUITY & LIABILITIES** | | **1,282.90** | **4.58** | **1,287.48** |

**II. A. Reconciliation of Equity as at 31st March, 2016** (₹ in crores)

| Sr. No. | Particulars | Foot Note | As at 1st April, 2015 (Date of transition) | | |
|---|---|---|---|---|---|
| | | | I GAAP | Adjustment | IND AS |
| I | **ASSETS** | | | | |
| | **(1) Non-current assets** | | | | |
| | (a) Property, Plant and Equipment | g | 561.34 | 5.77 | 567.11 |
| | (b) Capital work-in-progress | g | 100.57 | 2.14 | 102.71 |
| | (c) Intangible assets | | 0.98 | - | 0.98 |
| | (d) Financial assets | | | | |
| | (i) Investments | c | 41.16 | 4.63 | 45.79 |
| | (ii) Other financial assets | f | - | 4.72 | 4.72 |
| | (e) Non-current tax assets (Net) | f | - | 0.70 | 0.70 |
| | (f) Other assets | f | 36.06 | (21.46) | 14.60 |
| | **Total non-current assets** | | **740.11** | **(3.50)** | **736.61** |
| | **(2) Current assets** | | | | |
| | (a) Inventories | | 430.75 | - | 430.75 |
| | (b) Financial assets | | | | |
| | (i) Investments | b | 31.36 | 0.02 | 31.38 |
| | (ii) Trade receivables | | 173.70 | 0.00 | 173.70 |
| | (iii) Cash and cash equivalents | f | 8.31 | (4.94) | 3.38 |
| | (iv) Bank balances other than cash & cash equivalents | f | - | 4.94 | 4.94 |
| | (v) Other financial assets | f | - | 6.84 | 6.84 |
| | (c) Other assets | f | 36.92 | (7.53) | 29.39 |
| | **Total current assets** | | **681.04** | **(0.67)** | **680.38** |
| | **TOTAL ASSETS** | | **1,421.15** | **(4.16)** | **1,416.99** |
| II. | **EQUITY AND LIABILITIES** | | | | |
| | **(1)** (a) Equity share capital | | 27.67 | - | 27.67 |
| | (b) Other equity | j | 888.72 | 4.23 | 892.95 |
| | **Total equity attributable to owners of the Company** | | **916.39** | **4.23** | **920.62** |
| | **(2) Non-current liabilities** | | | | |
| | (a) Financial liabilities | | | | |
| | (i) Borrowings | | 21.72 | - | 21.72 |
| | (b) Provisions | f | 4.40 | (0.93) | 3.47 |
| | (c) Deferred tax liabilities (Net) | c,d & f | 55.71 | (16.65) | 39.06 |
| | (d) Other liabilities | | | - | - |
| | (e) Government grant | g | - | 6.84 | 6.84 |
| | **Total non-current liabilities** | | **81.83** | **(10.74)** | **71.09** |
| | **(3) Current liabilities** | | | | |
| | (a) Financial liabilities | | | | |
| | (i) Borrowings | | 299.55 | - | 299.55 |
| | (ii) Trade payables | | 83.35 | - | 83.35 |
| | (iii) Other financial liabilities | f | - | 23.21 | 23.21 |
| | (b) Other liabilities | f | 34.61 | (23.21) | 11.40 |
| | (c) Government grant | g | | 1.44 | 1.44 |
| | (d) Provisions | f | 5.42 | 0.34 | 5.76 |
| | (e) Liabilities for current tax (Net) | f | - | 0.57 | 0.57 |
| | **Total current liabilities** | | **422.93** | **2.35** | **425.28** |
| | **TOTAL EQUITY & LIABILITIES** | | **1,421.15** | **(4.16)** | **1,416.99** |

**B. Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2016** (₹ in crores)

| Sr. No. | Particulars | Foot Note | For the year ended 31st March, 2016 (Date of transition) | | |
|---|---|---|---|---|---|
| | | | I GAAP | Adjustment | IND AS |
| I | **REVENUE** | | | | |
| | Revenue from Operations | h | 2,736.48 | 39.96 | 2,776.44 |
| | Other Income | b, c & g | 9.84 | 0.41 | 10.25 |
| | **Total Income (I)** | | **2,746.32** | **40.37** | **2,786.69** |
| II | **EXPENSES** | | | | |
| | Cost of materials consumed | | 1,759.43 | - | 1,759.43 |
| | Purchases of Stock-in-Trade | | 396.45 | - | 396.45 |
| | Changes in inventories of finished goods,Stock-in-Trade and work-in- progress | | 0.57 | - | 0.57 |
| | Excise duty on sale of goods | h | | 39.96 | 39.96 |
| | Employee benefits expense | a | 78.66 | 0.50 | 79.16 |
| | Finance costs | | 9.91 | - | 9.91 |
| | Depreciation and amortization expense | g | 65.07 | 1.10 | 66.17 |
| | Other expenses | c | 313.53 | 2.10 | 315.63 |
| | **Total Expenses (II)** | | **2,623.62** | **43.66** | **2,667.28** |
| III | **Profit before exceptional items and tax (I-II)** | | **122.70** | **(3.29)** | **119.41** |
| IV | **Exceptional Items** | | - | - | - |
| V | **Profit before tax (III-IV)** | | **122.70** | **(3.29)** | **119.41** |
| VI | **Tax Expense:** | | | | |
| | (1) Current tax | | 18.49 | 7.38 | 25.87 |
| | (2) Deferred tax | d | 0.63 | (7.52) | (6.89) |
| | **Total Tax Expenses** | | **19.12** | **(0.14)** | **18.98** |
| VII | **Profit for the year** | | **103.58** | **(3.15)** | **100.43** |
| | **Other Comprehensive Income** | | | | |
| | (i) Other Comprehensive Income that will not be reclassified to profit or loss in subsequent periods: | | | | |
| | (a) Remeasurements of the defined benefit plans | | - | 0.50 | 0.50 |
| | Income Tax effect | | - | (0.17) | (0.17) |
| | | | - | **0.33** | **0.33** |
| | (ii) Other Comprehensive Income that will be reclassified to profit or loss in subsequent periods: | | | | |
| | (a) Hedge Reserve | | - | 0.23 | 0.23 |
| | Income Tax effect | | - | (0.09) | (0.09) |
| | | | - | **0.14** | **0.14** |
| VIII | **Total Other Comprehensive Income (i-ii)** | e | - | 0.47 | 0.47 |
| IX | **Total Comprehensive Income for the year(VII+VIII)** | i | **103.58** | **(2.68)** | **100.90** |

**III. Adjustments to Statement of Cash Flows for the year ended 31st March, 2016** (₹ in crores)

| Particulars | Foot Note | Amount as per previous GAAP | Effects of transition to IND AS | Amount as per IND AS |
|---|---|---|---|---|
| Net cash generated from/(used in) operating activities | | 137.41 | (0.06) | 137.35 |
| Net cash generated from/(used in) investing activities | | (131.79) | (0.65) | (132.44) |
| Net cash generated from/(used in) financing activities | | (2.77) | 0.14 | (2.63) |
| **Net increase/(decrease) in cash and cash equivalents** | | **2.85** | **(0.57)** | **2.28** |
| Cash and cash equivalents at start of year/period | | 5.20 | (4.12) | 1.08 |
| **Cash and cash equivalents at close of year/period** | | **8.05** | **(4.69)** | **3.36** |

Notes:

To comply with the Companies (Accounting Standard) Rules, 2006, certain account balances have been regrouped as per the format prescribed under Division II of Schedule III to the Companies Act, 2013.

**Foot Note to the Reconciliations**

**a Remeasurement cost of net defined liability**

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

**b Fair valuation for Financial Assets & Financial Liabilities**

Certain investments (other than investments in subsidiaries, joint ventures and associates) have been measured at fair value through profit or loss and resultant gain/(loss) has been recognised in Statement of Profit and Loss (FVTPL).

**c Fair Valuation of equity instruments**

Under Indian GAAP, the Company accounted for long term investments in unquoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has classified such investments as FVTPL investments. At the date of transition to Ind AS, difference between the instruments fair value and Indian GAAP carrying amount has been recognised as an adjustment to profit or loss net of related deferred taxes.

**d Deferred Tax**

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach {against profit and loss approach in the Indian GAAP) for computation of deferred taxes has resulted in charge to Reserves, on the date of transition, with consequential impact to the Statement of Profit and Loss account for the subsequent periods.

**e Other comprehensive income**

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

**f Reclassification as per requirement of Ind AS**

Reclassification have been done in respective heads as per requirement of Indian Accounting Standards (Ind AS).

**g Government Grant**

Grant received from the Government relating to the purchase of fixed asset and deducted from the carrying amount of corresponding fixed asset under Indian GAAP and outstanding as on transition date has been recognized as deferred income under Ind AS with the corresponding adjustment to the carrying amount of Property, plant and equipment (net of cumulative depreciation impact) and opening retained earnings.

**h Excise Duty**

Under Indian GAAP, revenue from sale of goods was presented net of excise duty whereas under Ind AS, the revenue from sale of goods is presented inclusive of excise duty. The excise duty is presented on the face of the Statement of Profit and Loss as part of expenses.

**i Reconciliation of total comprehensive income between previously reported (referred as "Indian GAAP") and Ind AS for the year ended 31st March, 2016 is presented as under:** (₹ in crores)

| Description | | Year Ended 31st March, 2016 |
|---|---|---|
| **(I)** | **Net Profit as per previously applicable Indian GAAP** | **103.58** |
| (i) | Impact of measuring Non-current Investments at Fair Value through Profit or Loss (FVTPL) | (2.81) |
| (ii) | Impact of measuring Current Investments at Fair Value through Profit or Loss (FVTPL) | 0.02 |
| (iii) | Actuarial (gain) / Loss on employee benefit defined funds recognized in Other Comprehensive Income | (0.50) |
| (iv) | Tax impact on Ind AS Adjustments | 0.14 |
| | **Net Profit before OCI as per IND AS** | **100.43** |
| **(II)** | **Other comprehensive Income (OCI) (Net of Tax)** | 0.47 |
| | **Total** | **100.90** |

**j Reconciliation of Equity:** (₹ in crores)

| Description | | As at 31st March, 2016 | As at 1st April, 2015 |
|---|---|---|---|
| **(I)** | **Equity as per previously applicable Indian GAAP** | **916.39** | **825.90** |
| (i) | Impact of measuring Non-current Investments at Fair Value through Profit or Loss (FVTPL) | 4.63 | 7.43 |
| (ii) | Impact of measuring Current Investments at Fair Value through Profit or Loss (FVTPL) | 0.02 | - |
| (iii) | Tax impact on Ind As Adjustments | (0.42) | (0.30) |
| | **Equity as per IND AS** | **920.62** | **833.03** |

## 2. Property, Plant and Equipment (Refer Note No. 1.9)

(₹ in crores)

| | | | | | | | | | | | | Capital Work-in-progress | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Free hold Land | Lease hold Land | Leasehold Improvements | Building | Windmill/ Solar | Plant and Equipment | Office Equipment | Office Equipment -Computers | Furniture and Fixture | Vehicles | Total | Buildings | Plant and Equipment | Others | Total CWIP |
| **Gross Carrying Amount** | | | | | | | | | | | | | | | |
| **Deemed cost as at 1st April, 2015** | 19.22 | 12.19 | - | 126.52 | 23.51 | 357.11 | 2.64 | 0.62 | 1.44 | 4.95 | 548.20 | 11.66 | 49.10 | 2.19 | 62.95 |
| Additions | 6.26 | 5.04 | - | 8.64 | 6.54 | 56.31 | 0.44 | 0.14 | 0.47 | 1.83 | 85.68 | 5.92 | 30.35 | 3.49 | 39.76 |
| Disposals | - | - | - | - | - | (7.05) | (0.19) | (0.03) | (0.22) | (0.23) | (7.72) | | | | - |
| **At 31st March, 2016** | **25.48** | **17.23** | **-** | **135.16** | **30.05** | **406.37** | **2.89** | **0.73** | **1.69** | **6.55** | **626.16** | **17.58** | **79.45** | **5.68** | **102.71** |
| | | | | | | | | | | | | | | | |
| Additions | 0.56 | - | 11.26 | 11.89 | - | 82.75 | 3.56 | 0.49 | 0.75 | 0.78 | 112.05 | 11.51 | 49.85 | (5.42) | 55.94 |
| Disposals | | | | (0.53) | | (4.61) | (0.08) | (0.05) | (0.36) | (0.57) | (6.21) | | | | - |
| **At 31st March, 2017** | **26.05** | **17.23** | **11.26** | **146.51** | **30.05** | **484.52** | **6.36** | **1.17** | **2.08** | **6.76** | **732.00** | **29.09** | **129.30** | **0.26** | **158.65** |
| | | | | | | | | | | | | | | | |
| **Depreciation** | | | | | | | | | | | | | | | |
| At 1st April, 2015 | - | - | - | - | - | - | - | - | - | - | - | | | | |
| Depreciation charge for the year | | (0.18) | - | (6.21) | (2.02) | (55.38) | (0.75) | (0.28) | (0.18) | (1.04) | (66.04) | | | | |
| Disposals | | | | 0.00 | | 6.57 | 0.17 | 0.03 | 0.11 | 0.12 | 6.99 | | | | |
| **At 31st March, 2016** | **-** | **(0.18)** | **-** | **(6.21)** | **(2.02)** | **(48.81)** | **(0.59)** | **(0.25)** | **(0.07)** | **(0.92)** | **(59.05)** | | | | |
| Depreciation charge for the year | | (0.20) | (0.32) | (6.53) | (2.02) | (59.76) | (0.95) | (0.26) | (0.23) | (1.05) | (71.31) | | | | |
| Disposals | | | | 0.17 | | 3.67 | 0.07 | 0.05 | 0.30 | 0.38 | 4.64 | | | | |
| **At 31st March, 2017** | **-** | **(0.38)** | **(0.32)** | **(12.57)** | **(4.03)** | **(104.89)** | **(1.47)** | **(0.46)** | **(0.00)** | **(1.59)** | **(125.71)** | | | | |
| **Net carrying value** | | | | | | | | | | | | | | | |
| **At 31st March, 2017** | **26.05** | **16.85** | **10.94** | **133.95** | **26.02** | **379.62** | **4.89** | **0.71** | **2.08** | **5.16** | **606.28** | | | | |
| **At 31st March, 2016** | **25.48** | **17.05** | **-** | **128.95** | **28.03** | **357.57** | **2.30** | **0.48** | **1.62** | **5.62** | **567.11** | | | | |
| **At 31st March, 2015** | **19.22** | **12.19** | **-** | **126.52** | **23.51** | **357.13** | **2.64** | **0.62** | **1.44** | **4.94** | **548.20** | | | | |

**Note :-**

1 The Company has applied the optional exemption to measure its Property, Plant & Equipment at the date of transitional at their previous GAAP carrying amount and used it as the deemed cost for such assets.

2 Capital work in progress of ₹ 158.65 (P.Y. ₹ 100.57) includes expenditure incurred during construction period of ₹ 3.26 (P.Y. ₹ 0.63) [including depreciation of ₹ 0.05 (P.Y. ₹ 0.03) on Leasehold Land]; in respect of ongoing project of Starch Plant at Chalisgaon, Maharashtra. Company has capitalised during the year interest of ₹ 3.64 on assets which are procured for ongoing project.

3 During the physical verification of assets carried out during the year at certain plants, the variances on account of physical verification have been duly adjusted resulting in assets write off ₹ 0.83 (WDV is ₹ 0.46) is shown under head "disposals" in respective heads of Property, Plant & Equipment.

**Intangible assets (Refer Note No. 1.10)** (₹ in crores)

| | Brands / trademarks | Software know how | Total |
|---|---|---|---|
| **Gross Carrying Amount** | | | |
| Deemed cost as at 1st April, 2015 | - | 1.09 | 1.09 |
| Purchase | - | 0.05 | 0.05 |
| Discard | | | - |
| **At 31st March, 2016** | **-** | **1.14** | **1.14** |
| Purchase | | 0.03 | 0.03 |
| Discard | | | |
| **At 31st March, 2017** | **-** | **1.17** | **1.17** |
| **Amortization** | | | |
| At 1st April, 2015 | - | - | - |
| Charge for the year | - | (0.16) | (0.16) |
| Discard | | | - |
| **At 31st March, 2016** | **-** | **(0.16)** | **(0.16)** |
| Charge for the year | | (0.16) | (0.16) |
| Discard | | | |
| **At 31st March, 2017** | **-** | **(0.32)** | **(0.32)** |
| **Net Carrying Amount** | | | |
| **At 31st March, 2017** | **-** | **0.85** | **0.85** |
| **At 31st March, 2016** | **-** | **0.98** | **0.98** |
| **At 31st March, 2015** | **-** | **1.09** | **1.09** |

**Note :-**

1 The Company has applied the optional exemption to measure its intangible assets at the date of transitional at their previous GAAP carrying amount and used it as the deemed cost for such assets.

## NOTES TO FINANCIAL STATEMENTS

**3. Non-current Investments** (₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| **(I) Investment in equity instruments (Unquoted)** | | | |
| **(i) In Subsidiary Company (At cost)** | | | |
| Nil [31st March,16: 854212] [1st April,15: 854212] Ordinary Shares of One Singapore Dollar each fully paid in Gujarat Ambuja International Pte Limited | **-** | - | 2.06 |
| **(ii) In Others (Valued at Fair Value through Profit & Loss)** | | | |
| 689490 [31st March,16: 389490] [1st April,15: 389490]Equity shares of Jupiter Corporate Services Limited of ₹ 10 /- each fully | **2.68** | 2.71 | 1.54 |
| 1458506 [31st March,16:1458506] [1st April,15: 1458506] Equity Shares of Royale Exports Limited, Srilanka each of ₹ 10/- of Sri Lankan Rupees | **2.34** | 2.50 | 2.63 |
| Nil [31st March,16: 250000] Equity Shares of Sealac Agro Ventures Limited each of ₹ 10/- fully paid up | **-** | - | - |
| **Sub Total ( I )** | **5.02** | 5.21 | 6.23 |
| **(II) (i) Investment in Equity Instruments (Quoted) (Valued at Fair Value through Profit & Loss)** | | | |
| 300 [31st March,16: 300] [1st April,15: 300] ACC Limited of ₹ 10/- each fully paid up | **0.04** | 0.04 | 0.05 |
| 20 [31st March,16: 20] [1st April,15: 20] Adani Enterprises Limited of ₹ 1/- each fully paid up | **0.00** | 0.00 | 0.00 |
| 28 [31st March,16: 28] [1st April,15: Nil] Adani Port and SEZ Limited of ₹ 2/- each fully paid up | **0.00** | 0.00 | - |
| 37 [31st March,16: 37] [1st April,15:Nil] Adani Power Limited of ₹ 10/- each fully paid up | **0.00** | 0.00 | - |
| 20 [31st March,16: 20] [1st April,15:Nil] Adani Transmission Limited of ₹ 10/- each fully paid up | **0.00** | 0.00 | - |
| 50380 [31st March,16: 50380] [1st April,15: 50380] Ambuja Cement Limited of ₹ 2/- each fully paid up | **1.19** | 1.17 | 1.29 |
| 20302 [31st March,16: 20302] [1st April,15: 20302] Andhra Bank of ₹ 10 /- each fully paid up | **0.12** | 0.11 | 0.16 |
| 25 [31st March,16: 25] [1st April,15: 25] Arvind Limited of ₹ 10/- each fully paid up | **0.00** | 0.00 | 0.00 |
| 2 [31st March,16: 2] [1st April,15: Nil] Arvind Infrastructure Limited of ₹ 10/- each fully paid up | **0.00** | 0.00 | - |
| 60000 [31st March,16: 60000] [1st April,15: 60000] Ashok leyland Limited of ₹ 1/- each fully paid up | **0.51** | 0.65 | 0.44 |
| 188060 [31st March,16: 188060] [1st April,15: 188060] Coal India Limited of ₹ 10 /- each of fully paid up | **5.51** | 5.48 | 6.81 |
| 38512 [31st March,16: 38512] [1st April,15: 38512] Central Bank of India of ₹ 10/- each fully paid up | **0.41** | 0.29 | 0.41 |
| Nil [31st March,16: 33910] [1st April,15: 33910] Edelweiss Capital Limited of ₹ 1/- each of fully paid | **-** | 0.19 | 0.22 |
| 4992 [31st March,16: 4992] [1st April,15: 4992] Firstsource Solutions Limited of ₹ 10/- each fully paid up | **0.02** | 0.02 | 0.02 |
| 35290 [31st March,16: 35290] [1st April,15: 35290] Gateway Distriparks Limited of ₹ 10/- each fully paid up | **0.89** | 0.99 | 1.45 |
| 5400 [31st March,16: 5400] [1st April,15: 5400] Gujarat Alkalies & Chemicals Limited of ₹ 10/- each fully paid up | **0.22** | 0.09 | 0.09 |
| 27612 [31st March,16: 52074] [1st April,15: 52631] Gujarat State Petronet Limited of ₹ 10/- each fully paid up | **0.45** | 0.74 | 0.65 |
| 10000 [31st March,16: 10000] [1st April,15: 10000] Hindalco Industries Limited of ₹ 1/- each fully paid up | **0.20** | 0.09 | 0.13 |

## NOTES TO FINANCIAL STATEMENTS

(₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| 39897 [31st March,16: 39897] [1st April,15: 39897] Hotel Leela Venture Limited of ₹ 2/- each fully paid up | **0.07** | 0.07 | 0.07 |
| 27130 [31st March,16: 27130] [1st April,15: 27130] ICICI Bank Limited of ₹ 2/- each fully paid up | **0.75** | 0.64 | 0.86 |
| Nil [31st March,16: 80000] [1st April,15: 90000] IDEA Cellular Limited of ₹ 10/- each fully paid up | **-** | 0.88 | 1.66 |
| 10000 [31st March,16: 10000] [1st April,15: 10000] IDFC Limited of ₹ 10/- each fully paid up | **0.05** | 0.04 | 0.17 |
| 10000 [31st March,16: 10000] [1st April,15:Nil ] IDFC Bank Limited of ₹ 10/- each fully paid up | **0.06** | 0.05 | - |
| 500 [31st March,16: 500] [1st April,15: 500] Jay Kay Synthetics Limited of ₹ 1 /- each fully paid up | **0.00** | 0.00 | 0.00 |
| 3000 [31st March,16: 3000] [1st April,15:3000 ] Larsen & Toubro Limited of ₹ 2/- each fully paid up | **0.47** | 0.37 | 0.52 |
| 5 [31st March,16: 5] [1st April,15: 5] Maral Overseas Limited of ₹ 10/- each fully paid up | **0.00** | 0.00 | 0.00 |
| 1700 [31st March,16: 1700] [1st April,15: 1700] Manglore Refinery and Petrochemicals Limited of ₹ 10/- each fully paid up | **0.02** | 0.01 | 0.01 |
| 21492 [31st March,16: 21492] [1st April,15: 21492] Moil Limited of ₹ 10 /- each fully paid up | **0.67** | 0.47 | 0.59 |
| 54822 [31st March,16: 114822] [1st April,15: 114822] Meghmani Organics Limited of ₹ 1/- each fully paid up | **0.20** | 0.26 | 0.17 |
| 256891 [31st March,16: 256891] [1st April,15: 256891] NHPC Limited of ₹ 10/- each fully paid up | **0.83** | 0.62 | 0.51 |
| 231000 [31st March,16: 231000] [1st April,15: 231000] NMDC Limited of ₹ 1/- each fully paid up | **3.07** | 2.26 | 2.96 |
| 77770 [31st March,16: 77770] [1st April,15: 77770] NTPC Limited of ₹ 10/- each fully paid up | **1.29** | 1.00 | 1.14 |
| 112500 [31st March,16: 75000] [1st April,15: 75000] Oil & Natural Gas Corporation Limited of ₹ 10/- each fully paid up | **2.08** | 1.61 | 2.30 |
| 7014 [31st March,16: 7014] [1st April,15: 7014] Omaxe Limited of ₹ 10/- each fully paid up | **0.12** | 0.10 | 0.09 |
| 109149 [31st March,16: 231882] [1st April,15: 294700] Petronet LNG Limited of ₹ 10/- each fully paid up | **4.40** | 5.81 | 5.05 |
| 19078 [31st March,16: 9539 ] [1st April,15: 9539] Power Finance Corporation Limited of ₹ 10/- each fully paid up | **0.28** | 0.16 | 0.26 |
| 115091 [31st March,16: 115091] [1st April,15: 115091] Power Grid Corporation of India Limited of ₹ 10/- each fully paid up | **2.27** | 1.60 | 1.67 |
| 2500 [31st March,16: 2500] [1st April,15: 2500] Reliance Industries Limited of ₹ 10/- each fully paid up | **0.33** | 0.26 | 0.21 |
| 29600 [31st March,16: 29600] [1st April,15: 29600] Steel Authority of India Limited of ₹ 10/- each fully paid up | **0.18** | 0.13 | 0.20 |
| 1500 [31st March,16: 1500] [1st April,15: 1500] The Sukhjit Starch & Chemicals Limited of ₹ 10/- each fully paid up | **0.04** | 0.04 | 0.04 |
| 2067 [31st March,16: 2067] [1st April,15: 2067] Tata Steel Limited of ₹ 10/- each fully paid up | **0.10** | 0.07 | 0.07 |
| 45333 [31st March,16: 45333] [1st April,15: 45333] Tata Teleservices Maharashtra Limited of ₹ 10/- each fully paid up | **0.03** | 0.03 | 0.04 |
| **Sub Total (i)** | **26.87** | 26.34 | 30.31 |
| **(ii) Investment in Government Securities (Valued at Amortized Cost)** | | | |
| National Saving Certificates (Lodged with Sales tax & Other Government authorities) | **0.01** | 0.01 | 0.02 |
| **Sub Total (ii)** | **0.01** | 0.01 | 0.02 |

## NOTES TO FINANCIAL STATEMENTS

(₹ in crores)

| | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| **(iii) Investment in Bonds (Quoted) (Valued at Amortized Cost)** | | | |
| 30 [31st March,16: 30] [1st April,15: 30] PNB Long Term LOA Perpetual Bonds (Interest 10.40%) | **3.00** | 3.00 | 3.00 |
| 7098 [31st March,16: 7098] [1st April,15: 7098] NABARD Bhavishya Nirman Bond | **12.10** | 11.10 | 10.18 |
| **Sub Total (iii)** | **15.10** | 14.10 | 13.18 |
| **(iv) Investment in Co-Operative Bank (Unquoted) (Valued at Amortized Cost)** | | | |
| 10000 [31st March,16: 10000] [1st April,15: 10000] Equity shares of Kalupur Com. Co-Op Banks Limited of ₹ 25/- each fully paid up | | | |
| **Sub Total (iv)** | **0.03** | 0.03 | 0.03 |
| **(v) Investment in Non Convertible Debentures (Unquoted) (Valued at Amortized Cost)** | | | |
| 77770 [31st March,16: 77770] [1st April,15: 77770] NTPC 8.49% Non Convertible Debentures of ₹ 12.5 each. | | | |
| **Sub Total (v)** | **0.10** | 0.10 | 0.10 |
| **Sub Total (II) = (i + ii + iii + iv + v)** | **42.11** | 40.58 | 43.64 |
| **Total (I + II)** | **47.13** | 45.79 | 49.87 |
| AGGREGATE AMOUNT OF QUOTED INVESTMENTS (in ₹) | **41.97** | 40.44 | 43.50 |
| AGGREGATE AMOUNT OF UNQUOTED INVESTMENTS ( in ₹) | **5.15** | 19.45 | 19.56 |
| FAIR VALUE OF QUOTED INVESTMENTS ( in ₹) | **41.97** | 40.44 | 43.50 |
| AGGREGATE AMOUNT OF IMPAIRMENT IN VALUE OF INVESTMENTS ( in ₹) | **-** | - | - |

**Note :**
1) Oil and Natural Gas Corporation Limited alloted bonus shares in the raio of 2:1.
2) Power Finance Corporation Limited alloted bonus shares in the ratio of 1:1.

**4. Other Non-current Financial Assets**

(₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Security deposits | **3.40** | 3.46 | 3.66 |
| Interest accrued on Fixed Deposits | **0.03** | 0.08 | 0.04 |
| Margin Money Fixed Deposits with original maturity of more than 12 months | **1.11** | 1.18 | 1.11 |
| **Total** | **4.54** | 4.72 | 4.81 |

**5. Non-current Tax assets (Net)**

(₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Advance income-tax (net of provision for taxation) (Including Refund Receivable) | **0.70** | 0.70 | 7.60 |
| **Total** | **0.70** | 0.70 | 7.60 |

**6. Other Non-current Assets**

(₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Capital Advances | **13.20** | 11.31 | 14.65 |
| Balances with Government Authorities | **3.36** | 2.83 | - |
| Other assets | **0.57** | 0.46 | 6.16 |
| Export Incentive Receivable | **-** | - | 0.20 |
| **Total** | **17.13** | 14.60 | 21.01 |

**7. Inventories (valued at lower of cost and net realizable value)** (Refer Note No. 1.13)

(₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Raw materials | **332.36** | 242.65 | 252.59 |
| Work-in-progress | **10.01** | 9.87 | 8.66 |
| Finished goods | **238.06** | 148.31 | 149.22 |
| Stock in Traded goods | **3.70** | - | 0.87 |
| Stores & spares, Fuel | **25.99** | 19.22 | 22.29 |
| Packing Materials | **14.23** | 10.70 | 10.06 |
| **Total** | **624.35** | 430.75 | 443.69 |

## NOTES TO FINANCIAL STATEMENTS

**8. Current Investments** (₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| **Investment in Bonds (Quoted) (Valued at Amortized Cost)** | | | |
| Nil [31st March,16:Nil] [1st April,15:100] 8.75% Karnataka Neeravari Nigam Limited ₹ 1000000 each | - | - | 10.00 |
| Nil [31st March,16: 292] [1st April,15: Nil]10.39% HP State Electricity Board Limited | - | 28.63 | - |
| **Investment in Mutual Funds (Unquoted) (Valued at Fair Value through P&L)** | | | |
| Nil [31st March,16: 11530 [ 1st April, 15 Nil ] SBI Premier Liquid Fund | - | 2.75 | - |
| **Total** | - | 31.38 | 10.00 |
| AGGREGATE AMOUNT OF QUOTED INVESTMENTS & MARKET VALUE THREAT | - | 28.63 | 10.00 |
| AGGREGATE AMOUNT OF UNQUOTED INVESTMENTS | - | 2.75 | - |

**9. Trade receivables** (₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Secured - Considered Good | **0.36** | 0.08 | 0.19 |
| Unsecured - Considered Good | **207.42** | 173.62 | 107.88 |
| Considered Doubtful | **0.68** | 0.57 | 0.58 |
| Less : Allowance for Doubtful trade receivables | **(0.68)** | (0.57) | (0.58) |
| **Total** | **207.78** | 173.70 | 108.07 |

No trade or other receivables are due from director or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or Private Companies respectively in which any director is a partner, a director or a member.

**Reconciliation of allowances for doubtful debts** (₹ in crores)

| | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Balance at the beginning of the year | **0.57** | 0.58 | 0.58 |
| Add: Allowance for the year | **0.15** | 0.09 | 0.08 |
| (Less): Actual Write off during the year( net of recovery) | **0.04** | 0.10 | 0.08 |
| **Balance at the end of the year** | **0.68** | 0.57 | 0.58 |

**10. Cash and Cash Equivalents** (₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Cash on hand | **0.16** | 0.44 | 0.39 |
| Balances with banks | | | |
| (i) On current accounts | **0.49** | 1.68 | 0.09 |
| (ii) Margin Money Fixed Deposits with original maturity of less than 3 months | **1.29** | 1.26 | 0.73 |
| **Total** | **1.94** | 3.38 | 1.21 |

**11. Balances with banks other than Cash and Cash Equivalents** (₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| (i) On unpaid dividend account | **3.84** | 4.69 | 4.12 |
| (ii) Margin Money Fixed Deposits with original of maturity more than 3 months but less than 12 months | **0.01** | 0.25 | 0.26 |
| **Total** | **3.85** | 4.94 | 4.38 |

Cash at banks earns interest at floating rates based on daily bank deposite rates. Short term deposite rates are made for verifying priods of between one day to three months, depending on the immediate cash requirements of the Company and earn interest at the respective short term deposite rates.

**12. Other Current Financial Assets** (₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| **(Unsecured, considered good unless otherwise stated)** | | | |
| Security deposits | **0.83** | 0.39 | 1.40 |
| Interest accrued on Others | **0.99** | 3.02 | 1.68 |
| Interest accrued on Fixed Deposits | **0.07** | 0.03 | 0.15 |
| Interest accrued on Investments | **0.22** | 0.22 | 0.22 |
| Other assets (includes other receivables, etc.) | **4.81** | 3.18 | 0.23 |
| **Total** | **6.92** | 6.84 | 3.68 |

## NOTES TO FINANCIAL STATEMENTS

**13. Other Current Assets** (₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Balances with Government Authorities | **14.95** | 6.57 | 8.93 |
| Other assets | **4.68** | 7.01 | 5.29 |
| **Advance for Goods & Expenses :** | | | |
| Considered Good | **6.39** | 14.19 | 5.27 |
| Doubtful | **0.12** | 0.12 | 0.22 |
| | **6.51** | 14.31 | 5.49 |
| Less : Allowances for Doubtful Advances | **(0.12)** | (0.12) | (0.22) |
| | **6.39** | 14.19 | 5.27 |
| Export Incentive Receivable | **2.69** | 1.62 | 1.43 |
| **Total** | **28.71** | 29.39 | 20.92 |

**14. Equity Share Capital** (₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| **Authorised** | | | |
| 25,00,00,000 (31st March, 2016: 25,00,00,000) (1st April, 2015: 25,00,00,000) Equity Shares of ₹ 2 /- each | **50.00** | 50.00 | 50.00 |
| **Issued, Subscribed and Fully Paid-up Equity Shares** | | | |
| 11,46,67,665 (31st March, 2016: 13,83,51,875) (1st April, 2015:13,83,51,875) Equity Shares of ₹ 2/- each | **22.93** | 27.67 | 27.67 |
| **Total Issued, Subscribed and Fully Paid-up Equity Share Capital** | **22.93** | 27.67 | 27.67 |

**a. Reconciliation of the Shares Outstanding at the beginning and at the end of the Reporting Period** (₹ in crores)

| | As at 31st March, 2017 | | As at 31st March, 2016 | |
|---|---|---|---|---|
| | No. of shares | Amount | No. of shares | Amount |
| **Equity Shares** | | | | |
| Outstanding at the beginning of the period | **13,83,51,875** | **27.67** | 13,83,51,875 | 27.67 |
| Less: Buy-Back during the year | **2,36,84,210** | **4.74** | - | - |
| **Outstanding at the end of the period** | **11,46,67,665** | **22.93** | 13,83,51,875 | 27.67 |

**a. Terms/rights attached to Equity Shares**

i) The Company has only one class of equity shares carrying par value of ₹ 2/- per share, carrying equal rights as to dividend, voting and in all other respects

ii) The Company has carried out the Buyback of 2,36,84,210 equity shares of the Company at a price of ₹ 95 per equity share for a total consideration of ₹ 225 crores. The shares bought back have been duly extinguished as on 29th March, 2017.

**b. Details of shareholders holding more than 5% shares in the Company** (₹ in crores)

| Equity shares of ₹ 2 each fully paid | As at 31st March, 2017 | | As at 31st March, 2016 | | As at 1st April, 2015 | |
|---|---|---|---|---|---|---|
| | No. of shares held | % holding in the class | No. of shares held | % holding in the class | No. of shares held | % holding in the class |
| Shri Vijay Kumar Gupta | **2,65,23,083** | **23.13** | 2,80,23,083 | 20.26 | 2,80,23,083 | 20.26 |
| Shri Manish Gupta | **3,75,85,230** | **32.78** | 3,75,85,230 | 27.17 | 3,75,85,230 | 27.17 |
| Shri Mohit Gupta | **2,66,574** | **0.23** | 2,24,47,442 | 16.23 | 2,24,47,442 | 16.23 |
| Smt. Shilpa Gupta | **70,23,253** | **6.12** | 70,23,253 | 5.08 | 70,23,253 | 5.08 |

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest , the above shareholding represents legal ownerships of shares

## NOTES TO FINANCIAL STATEMENTS

**15. Other Equity**

(₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 |
|---|---|---|
| **General Reserve** | | |
| Balance as per the last financial statements | **193.30** | 193.30 |
| Add: Amount transferred from surplus balance in the Statement of Profit and Loss | **-** | - |
| | **193.30** | 193.30 |
| **Capital Subsidy** | | |
| Balance as per the last financial statements | **1.25** | 1.25 |
| | **1.25** | 1.25 |
| **Amalgamation Reserve Account** | | |
| Balance as per the last financial statements | **0.02** | 0.02 |
| **Securities Premium Account** | | |
| Balance as per the last financial statements | **0.89** | 0.89 |
| **Capital Redemption Reserve** | | |
| Balance as per the last financial statements | **6.41** | 6.41 |
| Add/(Less) : Movement during the year | **4.74** | - |
| **Closing Balance** | **11.15** | 6.41 |
| **Other Comprehensive Income - Cash Flow Hedge** | | |
| Balance as per last financial statements | - | 0.18 |
| Remeasurement of Employee Benefit | - | - |
| Add/(Less) OCI for the year | - | 0.15 |
| **Closing Balance** | **-** | 0.33 |
| **Surplus in the Statement of Profit and Loss** | | |
| Balance as per last financial statements | **690.74** | 603.30 |
| Profit for the year | **158.55** | 100.43 |
| OCI for the year | **0.28** | 0.33 |
| Less: Appropriations | | |
| Interim Equity Dividend (amount per share ₹ 0.80 (31st March, 2016: ₹ 0.80)) | - | (11.07) |
| Tax on Interim Equity Dividend | - | (2.25) |
| Transferred to Capital Redemption Reserve | **(4.74)** | |
| Premium on buyback of shares and net of tax buyback expenses | **(221.27)** | |
| **Closing Balance** | **623.56** | 690.74 |
| **Total Other Equity** | **830.17** | 892.95 |

**16. Non-current Borrowings**

(₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| **Term Loan** | | | |
| **From Bank - Secured** | | | |
| TUF Scheme | **21.72** | 28.96 | 31.13 |
| **The above amount includes** | | | |
| Amount disclosed under the head "Other Current Financial Liabilities" (Refer Note No. 23) | **(7.24)** | (7.24) | (6.22) |
| **Total** | **14.48** | 21.72 | 24.91 |

a. (i) Term loan is availed from HDFC Bank Limited, which carries gross interest @ 10.30% p.a.The loan is secured by hypothecation of specific movable Plant & Machinery and maturing on 3rd January, 2020.

ii) The loan is repayable in quarterly installments of ₹ 1.81/- each along with interest. This loan is eligible for interest subsidy of 2% p.a. under TUF scheme of Central Government and 7% p.a. by Gujarat State Government under The Textile Policy, 2012. Eligibility of Interest Subsidy by Gujarat State Government is available on loan amount upto ₹ 21 Crores.

**17. Non-current Provisions**

(₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| **(a) Provision for Employee Benefits** | | | |
| Compensated Absences | - | - | - |
| Gratuity (Refer Note No. 45) | **4.07** | 3.47 | 2.69 |
| **Total** | **4.07** | 3.47 | 2.69 |

## NOTES TO FINANCIAL STATEMENTS

**18. Income tax**

(₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 |
|---|---|---|
| **A. Income tax recognised in Statement of Profit and Loss:** | | |
| **Current Tax:** | | |
| Current tax | **48.70** | 26.15 |
| Tax in respect of earlier year | **(0.76)** | (0.28) |
| **Total Current Tax** | **47.94** | 25.87 |
| **Deferred Tax:** | | |
| Deferred tax | **(2.49)** | 0.49 |
| MAT credit entitlement | **(4.63)** | (7.38) |
| **Total deferred tax** | **(7.12)** | (6.89) |
| **Total tax expense/(benefit)** | **40.82** | 18.98 |
| **Effective income tax rate** | **20.48%** | 15.89% |

**B. A reconciliation of income tax expense applicable to accounting profit/ (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:**

(₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 |
|---|---|---|
| Profit/ (loss) before tax | **199.37** | 119.41 |
| Enacted tax rate in India (Normal rate) | **34.61%** | 34.61% |
| **Expected income tax expense/ (benefit) at statutory tax rate** | **69.00** | 41.33 |
| Expenses disallowed for tax purposes | **4.30** | 1.37 |
| Income exempt from tax | **(2.84)** | (0.23) |
| Tax allowances and exemptions | **(28.88)** | (22.94) |
| Income charged to tax at lower rate | **-** | (0.44) |
| Tax pertaining to prior years | **(0.76)** | (0.28) |
| Non-recognition of deferred tax asset due to absence of probable certainty of reversal in future | **-** | 0.17 |
| **Tax expense for the year** | **40.82** | 18.98 |

**C. Movement In Deferred Tax Assets And Liabilities**

(₹ in crores)

| Movement during the year ended 31st March, 2016 | As at 1st April, 2015 | Credit/(charge) instatement of Profit and Loss | Credit/(charge) in Other Comprehensive Income | MAT Utilization / Short / Excess Provision | As at 31st March, 2016 |
|---|---|---|---|---|---|
| **Deferred Tax Asset/(Liabilities)** | | | | | |
| Depreciation | (56.62) | (0.15) | - | - | (56.77) |
| Hedge Reserve | (0.10) | - | (0.08) | - | (0.18) |
| Investments | (0.21) | (0.03) | - | - | (0.24) |
| Expenditure allowed in the year of payment | 1.02 | (0.39) | (0.17) | - | 0.46 |
| Provision for doubtful debts | 0.20 | 0.04 | - | - | 0.24 |
| Provision for Litigation | 0.32 | - | - | - | 0.32 |
| Government Grant | - | - | - | - | - |
| Others | - | 0.04 | - | - | 0.04 |
| **Total** | **(55.39)** | **(0.49)** | **(0.25)** | **-** | **(56.13)** |
| MAT Credit Entitlements (Net) | 9.73 | 7.39 | - | (0.05) | 17.07 |
| **Total** | **(45.66)** | **6.90** | **(0.25)** | **(0.05)** | **(39.06)** |

## NOTES TO FINANCIAL STATEMENTS

(₹ in crores)

| Movement during the year ended 31st March, 2017 | As at 1st April, 2016 | Credit/(charge) in statement of Profit and Loss | Credit/(charge) in Other Comprehensive Income | MAT Utilization / Short / Excess Provision | As at 31st March, 2017 |
|---|---|---|---|---|---|
| **Deferred Tax Asset/(Liabilities)** | | | | | |
| Depreciation | (56.77) | (1.36) | - | - | (58.13) |
| Hedge Reserve | (0.18) | | 0.18 | - | - |
| Investments | (0.24) | (0.28) | | - | (0.52) |
| Expenditure allowed in the year of payment | 0.46 | 0.31 | (0.15) | - | 0.62 |
| Provision for doubtful debts | 0.24 | 0.04 | | - | 0.28 |
| Provision for Litigation | 0.32 | - | - | - | 0.32 |
| Government Grant | - | 3.82 | - | - | 3.82 |
| Others | 0.04 | (0.04) | - | - | - |
| **Total** | **(56.13)** | **2.49** | **0.03** | **-** | **(53.61)** |
| MAT Credit Entitlements (Net) | 17.07 | 4.62 | - | (4.48) | 17.21 |
| **Total** | **(39.06)** | **7.11** | **0.03** | **(4.48)** | **(36.40)** |

**19. Other Non-current Liabilities**

(₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Others | **0.90** | - | - |
| **Total** | **0.90** | **-** | **-** |

**20. Non-current Government grant**

(₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Deferred government grant (Refer Note No. 47) | **7.78** | 6.84 | 6.89 |
| **Total** | **7.78** | 6.84 | 6.89 |

**21. Current Borrowings**

(₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| **From Bank - Secured** | | | |
| Working Capital Facilities from Banks | **414.14** | 121.68 | 171.11 |
| Suppliers Line of Credit from Banks in Foreign Currency | **78.34** | 177.87 | 73.90 |
| Short Term Loan From Banks | **-** | - | 25.00 |
| **Unsecured** | | | |
| Working Capital Facilities from Banks | **27.79** | | |
| Short Term Loan from Banks | **14.00** | - | 8.15 |
| Commercial paper | **79.63** | - | - |
| **Total** | **613.90** | 299.55 | 278.16 |

Working Capital, Suppliers Line of Credit from Banks in Foreign Currency and Short Term Loan from banks are secured by a hypothecation of current assets and certain tangible movable plant & machinery and joint equitable mortgage of certain immovable fixed assets of the Company, personal guarantee of three promoter directors and lien on certain Fixed Deposits of the Company.

**22. Trade and other payables**

(₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Trade payables | **100.66** | 82.21 | 62.43 |
| Micro, Small & Medium Enterprises (Refer Note No. 49) | **0.85** | 1.14 | 0.42 |
| **Total** | **101.51** | 83.35 | 62.85 |

## NOTES TO FINANCIAL STATEMENTS

**23. Other Financial Liabilities (Current)** (₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Current maturities of long-term borrowings (Secured) (Refer Note No. 16) | **7.24** | 7.24 | 6.23 |
| Interest accrued | **1.13** | 0.69 | 0.20 |
| Unclaimed Dividend* | **3.84** | 4.69 | 4.12 |
| MTM liabilities on Derivatives | **2.91** | - | - |
| Payable for Capital Goods | **7.31** | 8.11 | 4.84 |
| Payable for Capital Goods - Micro, Small & Medium Enterprises (Refer Note No. 49) | **0.14** | 0.17 | 1.67 |
| Dealers / Distributors' Deposit | **1.63** | 1.57 | 1.76 |
| Bank Overdraft as per Books | **-** | 0.02 | 0.13 |
| Others financial liability | **0.71** | 0.72 | 0.75 |
| **Total other financial liabilities** | **24.91** | 23.21 | 19.70 |

*Note: There are no amounts due for payment to the Investors Educataion and Protection fund as at the year end.

**24. Other Current Liabilities** (₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Advance from Customers | **7.74** | 4.13 | 3.20 |
| Statutory Dues Payable | **31.54** | 7.03 | 4.94 |
| Other liabilities | **0.55** | 0.24 | |
| **Total** | **39.83** | 11.40 | 8.14 |

**25. Current Government grant** (₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| **Deferred government grant (Refer Note No. 47)** | **3.26** | 1.44 | - |
| **Total** | **3.26** | 1.44 | - |

**26. Current Provisions** (₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| (a) **Provision for Employee Benefits** | | | |
| Compensated Absences | **3.44** | 2.52 | 2.07 |
| Gratuity (Refer Note No. 45) | **2.35** | 2.31 | 2.31 |
| **Sub-Total (a)** | **5.79** | 4.83 | 4.38 |
| (b) **Other Provisions** | | | |
| Provision for Litigations (Refer Note No. 46) | **0.93** | 0.93 | 0.93 |
| Others | **-** | - | 0.01 |
| **Sub-Total (b)** | **0.93** | 0.93 | 0.94 |
| **Total (a + b)** | **6.72** | 5.76 | 5.32 |

**27. Liabilities for Current Tax (Net)** (₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Tax Balances: (Provisions Less Advance Tax) | **1.97** | 0.57 | 0.13 |
| **Total** | **1.97** | 0.57 | 0.13 |

**28. Revenue from operations** (₹ in crores)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|---|---|
| A Sale of Products | | |
| i) Finished goods | | |
| Export | **258.92** | 279.31 |
| Domestic | **2,690.61** | 2,073.84 |
| **Sub Total (i)** | **2,949.53** | 2,353.15 |
| (ii) Traded Goods | | |
| Export | **0.08** | 0.11 |
| Domestic | **411.57** | 404.76 |
| **Sub Total (ii)** | **411.65** | 404.87 |
| **Sub Total (i + ii)** | **3,361.18** | 2,758.02 |

## NOTES TO FINANCIAL STATEMENTS

(₹ in crores)

| Particulars | | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|---|---|---|
| B Power Generation- Windmill | | **9.98** | 10.37 |
| **Net Sales** | **Total (A + B)** | **3,371.16** | 2,768.39 |
| C **Other Operating Revenue** | | | |
| Processing Income | | **2.41** | 1.76 |
| Exports Incentive | | **3.73** | 5.21 |
| Sale of Scrap Material | | **1.77** | 1.09 |
| **Other Operating Revenue** | | **7.91** | 8.06 |
| **Revenue from operations** | **Total (A+B+C)** | **3,379.07** | 2,776.44 |

**29. Other income**

(₹ in crores)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|---|---|
| **Dividend Income on** | | |
| Long-term investments | **0.86** | 1.10 |
| Profit on Sale of Current Investments | **4.74** | 2.47 |
| Net Gain on Sale/Fair value of Investment through Profit and Loss (FVTPL) | **6.34** | 0.31 |
| Miscellaneous Income | **2.65** | 1.38 |
| Government grants (Refer Note No. 47) | **1.49** | 1.12 |
| Profit on Sale of Fixed Assets (Net) | **-** | 1.03 |
| Interest Income on: | | |
| Bank deposits | **0.62** | 1.20 |
| Bond (Long Term Investment) | **1.00** | 0.93 |
| Others | **0.46** | 0.59 |
| Surplus on Liquidation of Subsidiary | **-** | 0.12 |
| **Total** | **18.16** | **10.25** |

**30. Cost of Materials Consumed**

(₹ in crores)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|---|---|
| **i) Raw Materials** | | |
| Inventory at the beginning of the year | **242.65** | 252.59 |
| Add: Purchases | **2,349.75** | 1,687.45 |
| Less: Inventory at the end of the year | **332.36** | 242.65 |
| (i) Cost of Raw Material Consumed | **2,260.04** | 1,697.39 |
| **ii) Packing Materials** | | |
| Opening Stock : | **10.70** | 10.06 |
| Add : Purchases | **67.38** | 62.68 |
| Less : Sale of Packing Materials | | |
| Closing Stock | **14.23** | 10.70 |
| (ii) Cost of Packing Materials Consumed | **63.85** | 62.04 |
| **Total Cost of Materials Consumed** | **2,323.89** | 1,759.43 |

**31. Purchase of traded goods**

(₹ in crores)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|---|---|
| Purchase of Stock-in trade | **393.01** | 396.45 |
| **Total** | **393.01** | 396.45 |

**32. Changes in inventories of finished goods, stock-in-trade and work-in-progress**

(₹ in crores)

| Particulars | | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|---|---|---|
| **Inventories at the Closing of the year** | | | |
| Traded Goods | | **3.70** | - |
| Work-in-Progress | | **10.01** | 9.87 |
| Finished Goods | | **238.06** | 148.31 |
| | **Sub Total (i)** | **251.77** | 158.18 |
| **Inventories at the Beginning of the year** | | | |
| Traded Goods | | **-** | 0.87 |
| Work-in-Progress | | **9.87** | 8.66 |
| Finished Goods | | **148.31** | 149.22 |
| | **Sub Total (ii)** | **158.18** | 158.75 |
| | **Sub Total (ii-i)** | **(93.59)** | 0.57 |

## NOTES TO FINANCIAL STATEMENTS

**33. Excise duty on sale of goods** (₹ in crores)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|---|---|
| Excise duty | **48.26** | 39.96 |
| **Total** | **48.26** | 39.96 |

**34. Employee Benefit Expenses** (₹ in crores)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|---|---|
| Salaries, Wages and Bonus | **67.25** | 62.50 |
| Contribution to provident and other fund | **3.51** | 3.22 |
| Gratuity Contribution & Provisions (Refer Note No. 45) | **1.55** | 1.54 |
| Staff Welfare expenses | **1.28** | 1.40 |
| Commission to Managing Directors | **17.75** | 10.50 |
| **Total** | **91.34** | 79.16 |

**35. Finance costs** (₹ in crores)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|---|---|
| a. **Interest Expenses** | | |
| Interest on Fixed Loans / Term Loan | **1.24** | 0.53 |
| Interest on Working Capital Loans | **2.42** | 4.49 |
| Interest on others | **14.28** | 0.42 |
| b. **Other Borrowing costs** | | |
| Bank & other charges | **4.85** | 4.47 |
| **Total** | **22.79** | 9.91 |

**36. Other Expenses** (₹ in crores)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|---|---|
| Consumption of stores and spares parts | **27.31** | 24.77 |
| Consumption of chemicals | **24.75** | 21.26 |
| Power and fuel | **128.32** | 127.41 |
| Freight and forwarding charges | **86.19** | 74.10 |
| Rent (Refer Note No. 44) | **6.02** | 8.67 |
| Rates and taxes | **0.82** | 0.77 |
| Insurance | **1.53** | 1.41 |
| Labour Charges | **20.51** | 18.06 |
| Repairs and maintenance | | |
| Plant and machinery | **4.39** | 4.56 |
| Buildings | **0.52** | 0.39 |
| Others | **0.80** | 1.07 |
| Legal and Professional fees | **2.20** | 2.05 |
| Directors' sitting fees | **0.11** | 0.10 |
| **Payment to Auditor** | | |
| Audit fee | **0.28** | 0.28 |
| Tax Audit Fee | **0.08** | 0.08 |
| **In other capacity:** | | |
| Taxation matters | **0.06** | 0.06 |
| Other Services (certification fees) | **0.00** | 0.01 |
| Loss on Sale of Property, Plant & Equipment (Net) | **0.08** | - |
| Scrap / Discarding of Assets | **0.38** | 0.04 |
| Donations | **0.09** | 0.04 |
| Foreign Exchange Fluctuation (Net) | **(4.62)** | 5.38 |
| Corporate Social Welfare Expenses (Refer Note No. 48) | **0.38** | 0.18 |
| Commission to Non Executive Directors | **0.13** | 0.13 |
| Remeasurement of Investments (Non-current ) | **-** | 2.57 |
| Allowance for Doubtful trade receivables | **0.15** | 0.09 |
| Miscellaneous Expenses | **40.26** | 22.15 |
| **Total** | **340.74** | 315.63 |

## NOTES TO FINANCIAL STATEMENTS

**37. Contingencies and Commitments (Refer Note No. 1.15)**

**a. Contingent liabilities not provided for in respect of:**

(₹ in crores)

| Sr. No. | Particulars | As at 31st March, 2017 | As at 31st March, 2016 | As at 1st April, 2015 |
|---|---|---|---|---|
| (a) | Claims against the Company /disputed liabilities not acknowledged as debts | **3.91** | 4.07 | 5.20 |
| (b) | Disputed Statutory Claims | | | |
| | i) Excise, Customs, Service Tax and DGFT | **3.44** | 3.33 | 7.43 |
| | ii) Income Tax | | | |
| | - Appeals preferred by Company | **-** | 1.64 | - |
| | - Appeals preferred by Department | **2.20** | 0.56 | 0.62 |
| | iii) Sales Tax, VAT, Entry Tax and Mandi Tax | **2.10** | 1.04 | 2.74 |
| | iv) Others | **1.75** | 1.49 | 1.14 |
| | **TOTAL** | **9.49** | 8.06 | 11.93 |

**Outflow in respect of 1 (a) and (b) disputes /contingencies are dependent upon final outcome of the disputes or ultimate agreement to resolve the differences.**

**b. Commitments**

Commitments on account of estimated amount of contracts remaining to be executed on capital account and not provided for relating to Tangible Assets is ₹ 74.20 crores [31st March,16: ₹ 53.92 Crores] [1st April,15: ₹ 12.75 Crores]

**38. Fair Value Measurement**

Financial Instrument by category and hierarchy

The fair value of the financial assets and liabilities are included at the amount of which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair Value of Cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amount largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rate are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair values of such instruments is not materially different from their carrying amounts:-

For the financial assets and liabilities that are measured at fair values, the carrying amount are equal to the fair value.

- **Accounting classification and fair values**

(₹ in crores)

| Financial Assets & Financial Liabilities | As at 31st March, 2017 | | | As at 31st March, 2016 | | | As at 1st April, 2015 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Fair value Through Profit or loss | Amortised Cost | Total | Fair value Through Profit or loss | Amortised Cost | Total | Fair value Through Profit or loss | Amortised Cost | Total |
| **Financial Assets** | | | | | | | | | |
| Cash and Cash Equivalents | **-** | **1.94** | **1.94** | - | 3.38 | 3.38 | - | 1.21 | 1.21 |
| Bank balances other than cash and cash Equivalents | **-** | **3.85** | **3.85** | - | 4.94 | 4.94 | - | 4.38 | 4.38 |
| Investments | **31.90** | **15.23** | **47.13** | 34.30 | 42.86 | 77.16 | 34.50 | 17.50 | 51.99 |
| Trade receivables | **-** | **207.78** | **207.78** | - | 173.71 | 173.71 | | 108.07 | 108.07 |
| Other Financial Assets | **-** | **11.46** | **11.46** | - | 11.56 | 11.56 | - | 8.49 | 8.49 |
| **Total** | **31.90** | **240.26** | **272.16** | 34.30 | 236.45 | 270.75 | 34.50 | 139.65 | 174.14 |
| **Financial Liabilities** | | | | | | | | | |
| Borrowings | **-** | **628.37** | **628.37** | - | 321.27 | 321.27 | - | 303.07 | 303.07 |
| Trade Payable | **-** | **101.51** | **101.51** | - | 83.35 | 83.35 | - | 62.84 | 62.84 |
| Other Financial Liabilities | **-** | **24.91** | **24.91** | - | 23.21 | 23.21 | - | 19.70 | 19.70 |
| **Total** | - | **754.79** | **754.79** | - | 427.83 | 427.83 | - | 385.61 | 385.61 |

## NOTES TO FINANCIAL STATEMENTS

Comparison of Fair value and Carrying Value

(₹ in crores)

| Financial Assets & Financial Liabilities | Carrying Value | | | Fair Value | | |
|---|---|---|---|---|---|---|
| | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
| **Financial Asset** | | | | | | |
| FVTPL Investments | **31.90** | 34.30 | 34.50 | **31.90** | 34.30 | 34.50 |
| **Financial Liabilities** | | | | | | |
| Borrowings | **628.37** | 321.27 | 303.07 | **628.37** | 321.27 | 303.07 |

- **Fair value Hierarchy**

  The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

  - Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
  - Level 2: Other techniques for which all inputs which have a significant effect on the recoded fair value are observable, either directly or indirectly.
  - Level 3: Techniques which use inputs that have a significant effect on the recoded fair value that are not based on observable market data.

For assets which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:

(₹ in crores)

| Particulars | As at 31st March, 2017 | | | As at 31st March, 2016 | | | As at 1st April, 2015 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| **Assets** | | | | | | | | | |
| Investment (other than investment in subsidiaries, Joint Venture & Associates) | **26.88** | **-** | **5.02** | 29.09 | - | 5.22 | 30.32 | - | 4.18 |
| **Total** | **26.88** | **-** | **5.02** | 29.09 | - | 5.22 | 30.32 | - | 4.18 |

Significant Unobservable Inputs Used In Level 3 Fair Values

| As at 31st March, 2017 | Significant unobservable inputs | Sensitivity of input to fair value measurement |
|---|---|---|
| Non-current investments in unquoted equity shares | Discounted Cash Flow<br>Discount Rate : 11% | 1% increase in discount rate will have decrease in investment by ₹ 0.11 and 1% decrease in discount rate will have an equal but opposite effect. |

### 39. Capital Risk Management

Equity Share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgment of its strategic and day-to-day needs with a focus on total equity to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

### 40. Financial Risk Management

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risks. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

## NOTES TO FINANCIAL STATEMENTS

### A. Management of Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligation associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this management considers both normal and stressed conditions.

Due to dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability of under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

The following table shows the maturity analysis of the Company's financial liabilities based on the contractually agreed undiscounted cash flows along with its carrying value as at the Balance sheet date.

**Exposure as at 31st March, 2017** (₹ in crores)

| Particulars | < 1 year | 1-5 years | Beyond 5 years | Total |
|---|---|---|---|---|
| **Financial Liabilities** | | | | |
| Borrowings | 613.89 | 14.48 | - | 628.37 |
| Trade Payable | 101.51 | - | - | 101.51 |
| Other Financial Liabilities | 24.91 | - | - | 24.91 |
| **Total Financial Liabilities** | **740.31** | **14.48** | - | **754.79** |

**Exposure as at 31st March, 2016** (₹ in crores)

| Particulars | < 1 year | 1-5 years | Beyond 5 years | Total |
|---|---|---|---|---|
| **Financial Liabilities** | | | | |
| Borrowings | 299.55 | 21.72 | - | 321.27 |
| Trade Payable | 83.35 | - | - | 83.35 |
| Other Financial Liabilities | 23.22 | - | - | 23.22 |
| **Total Financial Liabilities** | **406.12** | **21.72** | - | **427.84** |

**Exposure as at 1st April, 2015** (₹ in crores)

| Particulars | < 1 year | 1-5 years | Beyond 5 years | Total |
|---|---|---|---|---|
| **Financial Liabilities** | | | | |
| Borrowings | 278.16 | 24.90 | - | 303.06 |
| Trade Payable | 62.84 | - | - | 62.84 |
| Other Financial Liabilities | 19.71 | - | - | 19.71 |
| **Total Financial Liabilities** | **360.71** | **24.90** | - | **385.61** |

**Financial Arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period. (₹ in crores)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 | As at 1st April, 2015 |
|---|---|---|---|
| Expiring within one year (Bank overdraft and other facilities) | 245.03 | 351.13 | 774.33 |
| Expiring beyond one year (bank loans) | - | - | - |

### B. Management of Market Risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- Foreign Currency risk
- Equity risk
- Interest rate risk

## NOTES TO FINANCIAL STATEMENTS

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below:

**(i) Foreign Currency risk**

**Derivative Instruments and unhedged foreign currency exposure**

**(a) Derivatives outstanding as at reporting date** (₹ in millions)

| Particulars | As at 31st March, 2017 | | As at 31st March, 2016 | | As at 1st April, 2015 | |
|---|---|---|---|---|---|---|
| | Currency | Amount | Currency | Amount | Currency | Amount |
| Forward contract to sell USD | —— | —— | —— | —— | USD | 1.50 |
| Forward contract to buy USD | **USD** | **25.05** | USD | 5.02 | USD | 2.71 |
| Forward Cross Currency to sell USD | **USD** | **1.65** | USD | 3.04 | —— | —— |
| Forward Cross Currency to buy EURO | **EURO** | **1.50** | EURO | 2.75 | —— | —— |

**(b) Particular of unhedged foreign currency exposures as at the reporting date**

**Currency exposure as at 31st March, 2017** (₹ in millions)

| Particulars | USD | EURO | AED | SGD | Other |
|---|---|---|---|---|---|
| Trade receivables | - | - | - | - | - |
| Cash and Cash Equivalents | 0.00 | 0.00 | - | 0.00 | 0.00 |
| Borrowings | 47.88 | 1.96 | - | - | - |
| Trade Payable | 0.26 | - | 0.06 | - | - |
| Other Financial Liabilities | 0.17 | 0.00 | - | - | - |

**Currency exposure as at 31st March, 2016** (₹ in millions)

| Particulars | USD | EURO | AED | SGD | Other |
|---|---|---|---|---|---|
| Trade receivables | 0.89 | - | 0.08 | - | - |
| Cash and Cash Equivalents | 0.00 | 0.00 | 0.00 | 0.00 | - |
| Borrowings | 27.73 | 1.11 | - | - | - |
| Trade Payable | 0.19 | - | 0.00 | - | - |
| Other Financial Liabilities | 0.10 | 0.01 | - | - | - |

**Currency exposure as at 1st April, 2015** (₹ in millions)

| Particulars | USD | EURO | AED | SGD | THB |
|---|---|---|---|---|---|
| Trade receivables | - | - | - | - | - |
| Cash and Cash Equivalents | 0.00 | 0.00 | - | 0.00 | 0.05 |
| Borrowings | 10.07 | 1.47 | - | - | - |
| Trade Payable | 0.27 | - | - | - | - |
| Other Financial Liabilities | 0.03 | 0.00 | - | - | - |

**Management Policy**

The Company manages foreign currency exposures within the prescribed limits, through use of forward exchange contracts. Foreign currency exchange rate exposure is partly balanced by purchasing of goods/commodities in the respective currencies.

**Sensitivity to Risk**

A change of 5% in foreign currency would have following impact on profit before tax (₹ in millions)

| Particulars | For the year ended 31st March, 2017 | | For the year ended 31st March, 2016 | |
|---|---|---|---|---|
| | 5% increase | 5% decrease | 5% increase | 5% decrease |
| USD | **(156.69)** | **156.69** | (89.78) | 89.78 |
| EURO | **(6.85)** | **6.85** | (4.20) | 4.20 |
| AED | **(0.05)** | **0.05** | 0.07 | (0.07) |
| SGD | **0.00** | **(0.00)** | 0.00 | 0.00 |
| Other | **0.00** | **(0.00)** | - | - |
| **Increase/ decrease in profit & loss** | **(163.59)** | **163.59** | (93.91) | 93.91 |

**(ii) Price Risk**

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity Analysis

The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5% or decreased by 5% with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

A change of 5% in market index would have following Impact on profit before tax (₹ in crores)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|---|---|
| BSE Index 100 - Increase by 5% | **1.34** | 1.32 |
| BSE Index 100 - Decrease by 5% | **(1.34)** | (1.32) |

The above referred sensitivity pertains to quoted equity investments. Profit for the year would increase/decrease as a result of gains/losses on equity securities as at Fair Value through Profit or Loss (FVTPL).

**(iii) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

**Exposure to interest rate risk**

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax (₹ in crores)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|---|---|
| 50 bps decrease would increase the profit before tax by | **0.60** | 0.07 |
| 50 bps increase would decrease the profit before tax by | **(0.60)** | (0.07) |

**C. Management of Credit Risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,

ii) Actual or expected significant changes in the operating results of the counterparty,

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv) Significant increase in credit risk on other financial instruments of the same counterparty,

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

**The Ageing analysis of Account receivables has been considered from the date the invoice falls due** (₹ in crores)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 | As at 1st April, 2015 |
|---|---|---|---|
| 0-3 months | **198.80** | 172.82 | 107.22 |
| 3-6 months | **8.85** | 0.80 | 0.78 |
| 6-12 months | **0.13** | 0.09 | 0.07 |
| 12 months and up to 2 years | **-** | - | - |
| **Total** | **207.78** | **173.71** | **108.07** |

## NOTES TO FINANCIAL STATEMENTS

The following table summarizes the changes in loss allowances measured using life time expected credit loss model (₹ in crores)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|---|---|---|
| Opening Allowances | **0.57** | 0.58 |
| Add:- Additional Allowances made | **0.15** | 0.09 |
| Less:- Allowances utilised against bad debts | **0.04** | 0.10 |
| **Closing Allowances** | **0.68** | 0.57 |

No Significant changes in estimation techniques or assumptions were made during the year

**41. Earnings per Share (EPS) as per Indian Accounting Standard 33:**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations: (₹ in crores)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|---|---|
| Net Profit as per Statement of Profit and Loss | **158.55** | 100.43 |
| No.of weighted average outstanding Equity Shares | **13.79** | 13.84 |
| Earning per Equity Share of ₹ 2/- each (Basic & Diluted) | **11.50** | 7.26 |

**42. Related Party Transactions as per Indian Accounting Standard 24:**

The disclosure in pursuance to Indian Accounting Standard 24 on "Related Party disclosures" is as under:

**(a) Name of Related Parties & Relationship**

| Sr. No. | Name | Relationship | Manner |
|---|---|---|---|
| 1 | Gujarat Ambuja International Pte Limited, Singapore | Subsidiary Company (Operations discontinued and wound up from 31st December, 2015) | 100% Holding of Equity Shares of the Subsidiary |
| 2 | VijayKumar Gupta | Managing Director (Key Managerial Personnel) | Key Managerial Personnel & Personnel exercising more than 20% voting power |
| 3 | Manish Gupta | Managing Director (Key Managerial Personnel) | Key Managerial Personnel & Relative as Son of Shri Vijay Kumar Gupta & Personnel exercising more than 20% voting power |
| 4 | Sulochana Gupta | Relative of Key Managerial Personnel | Relative as wife of Shri Vijaykumar Gupta & Mother of Shri Manish Gupta and Shri Mohit Gupta |
| 5 | Shilpa Gupta | Relative of Key Managerial Personnel | Relative as wife of Shri Manish Gupta |
| 6 | Mohit Gupta | Jt. Managing Director (Key Managerial Personnel) | Key Managerial Personnel & Relative as son of Shri Vijaykumar Gupta & Brother of Shri Manish Gupta |
| 7 | Sandeep Agrawal | Executive Director (Key Managerial Personnel) | Key Managerial Personnel |
| 8 | Siddharth Agrawal | Relative of Key Managerial Personnel | Relative as Brother of Shri Sandeep Agrawal |
| 9 | Dinesh Shah | Chief Financial Officer | Key Managerial Personnel (From 30th July, 2016) |
| 10 | N. Giridhar | Chief Financial Officer | Key Managerial Personnel (Upto 31st May, 2016) |
| 11 | Manan Bhavsar | Company Secretary | Key Managerial Personnel (Upto 12th August, 2015) |
| 12 | Chetna Dharajiya | Company Secretary | Key Managerial Personnel (From 13th August, 2015) |
| 13 | Jay Infrastructure & Properties LLP | Enterprise significantly influenced by Key Managerial Personnels | Key Managerial Personnels sharing more than 20% in profits |
| 14 | SMAS Investors LLP | Enterprise significantly influenced by Key Managerial Personnels | Key Managerial Personnels and relative sharing more than 20% in profits |
| 15 | Jupiter Corporate Services Limited | Enterprise significantly influenced by Key Managerial Personnels | Key Managerial Personnels and relatives sharing more than 20% in profits |
| 16 | Mohit Agro Commodities Private Limited | Enterprise significantly influenced by Key Managerial Personnels | Key Managerial Personnels and relatives sharing more than 20% in profits |
| 17 | Sudhin Choksey | Non-Executive Director | - |
| 18 | Rohit Patel | Non-Executive Director | - |
| 19 | Rashmikant Joshi | Non-Executive Director | - |
| 20 | Vishwavir Saran Das | Non-Executive Director | From 1st April, 2016 |
| 21 | Sandeep Singhi | Non-Executive Director | From 30th April, 2016 |
| 22 | Ashok Gandhi | Non-Executive Director | Upto 31st March, 2016 |
| 23 | Prakash Ramrakhiani | Non-Executive Director | Upto 31st March, 2016 |

## NOTES TO FINANCIAL STATEMENTS

**(b) Transactions during the year with related parties mentioned in (a) above, in ordinary course of business & balances outstanding as at the year end:**

(₹ in crores)

| Transaction | | Total | Key Managerial Person | Relative of Key Managerial Person | Enterprise significantly influenced by Key Managerial Person | Non-Executive Directors |
|---|---|---|---|---|---|---|
| **(a) Rent Received** | | - | | | | |
| Jupiter Corporate Services Limited | | 0.01 | - | - | 0.01 | |
| | P.Y. | (0.01) | (-) | (-) | (0.01) | (-) |
| **(b) i) Managerial Remuneration** | | | | | | |
| Vijaykumar Gupta | | 5.28 | 5.28 | - | - | - |
| | P.Y. | (5.57) | (5.57) | (-) | (-) | (-) |
| Manishkumar Gupta (Refer Note No. 51) | | 14.15 | 14.15 | - | - | - |
| | P.Y. | (6.62) | (6.62) | (-) | (-) | (-) |
| Mohit Gupta | | 0.48 | 0.48 | - | - | - |
| | P.Y. | (0.48) | (0.48) | (-) | (-) | (-) |
| Sandeep Agrawal | | 0.58 | 0.58 | - | - | - |
| | P.Y. | (0.48) | (0.48) | (-) | (-) | (-) |
| Dinesh Shah | | 0.30 | 0.30 | - | - | - |
| | P.Y. | (-) | (-) | (-) | (-) | (-) |
| N. Giridhar | | 0.07 | 0.07 | - | - | - |
| | P.Y. | (0.46) | (0.46) | (-) | (-) | (-) |
| Chetna Dharajiya | | 0.12 | 0.12 | - | - | - |
| | P.Y. | (0.07) | (0.07) | (-) | (-) | (-) |
| Manan Bhavsar | | - | - | - | - | - |
| | P.Y. | (0.05) | (0.05) | (-) | (-) | (-) |
| **ii) Remuneration** | | | | | | |
| Siddharth Agrawal | | 0.31 | - | 0.31 | - | - |
| | P.Y. | (0.30) | (-) | (0.30) | (-) | (-) |
| **iii) Remuneration** | | | | | | |
| Sulochana Gupta | | 0.02 | - | 0.02 | - | - |
| | P.Y. | (0.02) | (-) | (0.02) | (-) | (-) |
| Sudhin Choksey | | 0.03 | - | - | - | 0.03 |
| | P.Y. | (0.03) | (-) | (-) | (-) | (0.03) |
| Rohit Patel | | 0.02 | - | - | - | 0.02 |
| | P.Y. | (0.02) | (-) | (-) | (-) | (0.02) |
| Rashmikant Joshi | | 0.02 | - | - | - | 0.02 |
| | P.Y. | (0.02) | (-) | (-) | (-) | (0.02) |
| Vishwavir Saran Das | | 0.02 | - | - | - | 0.02 |
| | P.Y. | - | (-) | (-) | (-) | (-) |
| Sandeep Singhi | | 0.02 | - | - | - | 0.02 |
| | P.Y. | - | (-) | (-) | (-) | (-) |
| Ashok Gandhi | | - | - | - | - | - |
| | P.Y. | (0.02) | (-) | (-) | (-) | (0.02) |
| Prakash Ramrakhiani | | - | - | - | - | - |
| | P.Y. | (0.02) | (-) | (-) | (-) | (0.02) |
| **(c) Services : Sitting Fees** | | | | | | |
| Rashmikant Joshi | | 0.02 | - | - | - | 0.02 |
| | P.Y. | (0.01) | (-) | (-) | (-) | (0.01) |
| Rohit Patel | | 0.02 | - | - | - | 0.02 |
| | P.Y. | (0.02) | (-) | (-) | (-) | (0.02) |
| Sandeep Singhi | | 0.01 | - | - | - | 0.01 |
| | P.Y. | (-) | (-) | (-) | (-) | (-) |
| Sudhin Choksey | | 0.02 | - | - | - | 0.02 |
| | P.Y. | (0.02) | (-) | (-) | (-) | (0.02) |
| Sulochana Gupta | | 0.01 | - | 0.01 | - | - |
| | P.Y. | (0.01) | (-) | (-) | (-) | (0.01) |
| Vishwavir Saran Das | | 0.02 | - | - | - | 0.02 |
| | P.Y. | (-) | (-) | (-) | (-) | (-) |
| Ashok Gandhi | | - | - | - | - | - |
| | P.Y. | (0.02) | (-) | (-) | (-) | (0.02) |
| Prakash Ramrakhiani | | - | - | - | - | - |
| | P.Y. | (0.02) | (-) | (-) | (-) | (0.02) |

## NOTES TO FINANCIAL STATEMENTS

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **(d)** | **Dividend paid** | | | | | | |
| | Vijaykumar Gupta | | - | - | - | - | - |
| | | P.Y. | (2.24) | (2.24) | (-) | (-) | (-) |
| | Manishkumar Gupta | | - | - | - | - | - |
| | | P.Y. | (3.01) | (3.01) | (-) | (-) | (-) |
| | Mohit Gupta | | - | - | - | - | - |
| | | P.Y. | (1.80) | (1.80) | (-) | (-) | (-) |
| | Sulochana Gupta | | - | - | - | - | - |
| | | P.Y. | (0.36) | (-) | (0.36) | (-) | (-) |
| | Shilpa Gupta | | - | - | - | - | - |
| | | P.Y. | (0.56) | (-) | (0.56) | (-) | (-) |
| **(e)** | **Rent Paid** | | | | | | |
| | Vijaykumar Gupta | | 0.03 | 0.03 | - | - | - |
| | | P.Y. | (0.02) | (0.02) | (-) | (-) | (-) |
| | Manishkumar Gupta | | 0.26 | 0.26 | - | - | - |
| | | P.Y. | (0.26) | (0.26) | (-) | (-) | (-) |
| | Sulochana Gupta | | 0.04 | - | 0.04 | - | - |
| | | P.Y. | (0.04) | (-) | (0.04) | (-) | (-) |
| | Jay Infrastructure LLP | | 0.23 | - | - | 0.23 | - |
| | | P.Y. | (0.24) | (-) | (-) | (0.24) | (-) |
| | Jupiter Corporate Service Limited | | 0.01 | - | - | 0.01 | - |
| | | P.Y. | (0.01) | (-) | (-) | (0.01) | (-) |
| | Mohit Agro Commodities Private Limited | | 0.27 | - | - | 0.27 | - |
| | | P.Y. | (0.04) | (-) | (-) | (0.04) | (-) |
| | SMAS LLP | | 2.23 | - | - | 2.23 | - |
| | | P.Y. | (1.61) | (-) | (-) | (1.61) | (-) |
| **(f)** | **Shares Buyback** | | | | | | |
| | Vijaykumar Gupta | | 14.25 | 14.25 | - | - | - |
| | | P.Y. | (-) | (-) | (-) | (-) | (-) |
| | Mohit Gupta | | 210.72 | 210.72 | - | - | - |
| | | P.Y. | (-) | (-) | (-) | (-) | (-) |
| **(g)** | **Registrar and Transfer Agent charges** | | | | | | |
| | Jupiter Corporate Services Limited | | 0.07 | - | - | 0.07 | - |
| | | P.Y. | (0.06) | (-) | (-) | (0.06) | (-) |
| **(h)** | **Brokerage/Commission Paid** | | | | | | |
| | Jupiter Corporate Services Limited | | 0.01 | - | - | 0.01 | - |
| | | P.Y. | (-) | (-) | (-) | (-) | (-) |
| **(i)** | **Guarantees Given** | | | | | | |
| | | | - | - | - | - | - |
| | Given to Subsidiary for securing loan | P.Y. | (1,081.00) | | (-) | (-) | (-) |
| | **Balance Outstanding as at 31st March, 2017** | | | | | | |
| | Amount Payable | | - | - | - | - | - |
| | | P.Y. | (-) | (-) | (-) | (-) | (-) |
| | **Amount Receivable/Recoverable (Deposit)** | | | | | | |
| | Jay Infrastructure LLP | | - | - | - | - | - |
| | | P.Y. | (0.32) | (-) | (-) | (0.32) | (-) |
| | SMAS LLP | | 1.58 | - | - | 1.58 | - |
| | | P.Y. | (3.70) | (-) | (-) | (3.70) | (-) |
| | **Remuneration Payable** | | | | | | |
| | Vijaykumar Gupta | | 4.44 | 4.44 | - | - | - |
| | | P.Y. | (4.73) | (4.73) | (-) | (-) | (-) |
| | Manishkumar Gupta | | 13.31 | 13.31 | - | - | - |
| | | P.Y. | (5.78) | (5.78) | (-) | (-) | (-) |
| | Guarantees Given by Key Managerial Personnel to Company's banker for securing loans | | 534.25 | 534.25 | | | |
| | | P.Y. | (299.55) | (299.55) | (-) | (-) | (-) |

**Note:** 1. No amount has been provided as doubtful debts or advances / written off or written back in respect of debts due from / to above parties. Figures in brackets relate to previous year.

2. The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions.

**Compensation to Key Managerial Personnel of the Company:** (₹ in crores)

| Nature of Benefits | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|---|---|
| Short-term employee benefits | **20.98** | 13.72 |
| Post-employment gratuity benefits* | **0.30** | 0.30 |
| **Total** | **21.28** | 14.02 |

Note: *Key Managerial Personnel and Relatives of Promoters who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. Post-employment gratuity benefits of Key Managerial Personnel has not been included in (b) above.

**43. Segment Information as per Indian Accounting Standard 108:**

Segment Information for the year ended 31st March, 2017

The Company had determined the following reporting segments based on the information reviewed by the Chief Operating Decision Maker (CODM):

(a) Agro: Solvent extraction, Flour Mill and Cattle feed operations.

(b) Cotton: Cotton yarn spinning

(c) Maize: Starch and its derivatives

(d) Power: Windmill, solar, thermal and bio-gas

(e) Other: Balance

The Chief operating decision maker moniters the operating results of its Business Segment separately for the purpose of making decision about resource allocation and performance assessment.

**Segment revenue and results**

The expenses and income which are not directly attributable to any business segment are shown as unallocable (net of allocable income).

**Segment assets and liabilities**

Segment assets and liabilities includes all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, inventory and other operating assets. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which can not be allocated to any business segment are shown as unallocable assets/liabilities.

**Iner-segment transfer**

Inter-segment transfer are recognised at sale-price. The same is based on market price and business risks.

Notes:

(i) Unallocated Assets and Liabilities comprises of Corporate Fixed Assets, Investments, Goodwill, Fixed Deposits, Secured Loans, Provision for Taxes, Provision for Dividend, Unclaimed Dividend, Deferred Tax Liability and Provision for Mark to Market Losses on Forward Contracts.

(ii) The Company's manufacturing facilities are located in India.

Primary Reportable Segments (Business Segment)

| Particulars | Agro | | Cotton | | Maize | | Power | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 | 31st March, 2017 | 31st March, 2016 |
| Revenue | | | | | | | | | | |
| External sales | 1,846.19 | 1,488.24 | 217.49 | 172.21 | 1,305.27 | 1,105.55 | 108.27 | 97.58 | 3,477.22 | 2,863.58 |
| Inter segment revenue | - | - | - | - | - | - | 98.15 | 87.14 | 98.15 | 87.14 |
| Total Revenue | 1,846.19 | 1,488.24 | 217.49 | 172.21 | 1,305.27 | 1,105.55 | 10.12 | 10.44 | 3,379.07 | 2,776.44 |
| Results | | | | | | | | | | |
| Segment results before interest and finance cost | 80.78 | 10.47 | 2.66 | (14.35) | 153.97 | 147.89 | 7.68 | 7.61 | 245.10 | 151.63 |
| Unallocable Expenses | - | - | - | - | - | - | - | - | (22.94) | (22.31) |
| Operating Profit | - | - | - | - | - | - | - | - | 222.16 | 129.32 |
| Interest Expenses | - | - | - | - | - | - | - | - | 22.79 | 9.91 |
| Current Tax (Net of MAT Credit/ Debit) | - | - | - | - | - | - | - | - | 40.82 | 18.49 |
| Deferred Tax Charge/ (Credit) | - | - | - | - | - | - | - | - | - | 0.49 |
| Net Profit | - | - | - | - | - | - | - | - | 158.55 | 100.43 |

| Other information | Agro | | | Cotton | | | Maize | | | Power | | | Others | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
| Segment assets | 555.63 | 409.23 | 395.58 | 179.08 | 167.79 | 144.16 | 754.75 | 602.59 | 528.38 | 138.11 | 119.14 | 127.88 | 0.00 | 0.00 | 0.00 | 1,627.57 | 1,298.75 | 1,195.99 |
| Unallocated assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 81.26 | 118.24 | 91.50 | 81.26 | 118.24 | 91.50 |
| Total Assets | 555.63 | 409.23 | 395.58 | 179.08 | 167.79 | 144.16 | 754.75 | 602.59 | 528.38 | 138.12 | 119.14 | 127.87 | 81.26 | 118.24 | 91.50 | 1,708.83 | 1,416.99 | 1,287.49 |
| Segment Liabilities | 60.61 | 19.07 | 18.81 | 54.77 | 39.49 | 43.82 | 91.92 | 65.37 | 53.39 | 15.94 | 5.09 | 8.36 | 0.00 | 0.00 | 0.00 | 223.24 | 129.02 | 124.38 |
| Unallocated liabilities and provisions | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 632.48 | 375.70 | 330.06 | 632.48 | 375.70 | 330.06 |
| Total Liabilities | 60.61 | 19.07 | 18.81 | 54.77 | 39.49 | 43.82 | 91.92 | 65.37 | 53.39 | 15.94 | 5.09 | 8.36 | 632.48 | 375.70 | 330.06 | 855.72 | 504.72 | 454.44 |
| Capital Expenditure Capitalized | 3.13 | 3.16 | 12.92 | 19.55 | 8.77 | 20.35 | 69.87 | 65.48 | 65.01 | 1.29 | 7.97 | 30.30 | 18.21 | 0.30 | 1.18 | 112.05 | 85.68 | 129.76 |
| Depreciation | 8.34 | 8.46 | 8.35 | 9.07 | 7.69 | 10.60 | 44.15 | 39.92 | 33.46 | 8.61 | 9.41 | 7.84 | 1.25 | 0.69 | 0.73 | 71.42 | 66.17 | 60.98 |

## NOTES TO FINANCIAL STATEMENTS

Summary of information relating to external customers and location of non-current assets of its reportable segment has been disclosed as below:

a) Revenue from operations (₹ in crores)

| | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|---|---|
| Within India | **3,120.07** | 2,497.02 |
| Outside India | **259.00** | 279.42 |
| **Total** | **3,379.07** | **2,776.44** |

Revenue from operations has been allocated on the basis of location of customer

b) All non-current assets of the Company are located in India.

**44. Operating Lease as per Indian Accounting Standard 17: (Refer Note No. 1.12)**

i) The Company has taken various residential, office and godown premises under operating lease on leave and license agreements. These are generally not non-cancelable and range between 11 months and 36 months under leave and licence or longer for other lease and are renewable by mutual agreeable terms. The Company has given refundable interest free security deposits under certain agreements.

ii) Lease payments are recognized as expense in the Statement of Profit and Loss on straight line basis over the lease term under expense head 'Rent' amounting to ₹ 6.02 crores (P.Y. ₹ 8.67 crores)

iii) The future minimum estimated operating lease payments under non-cancelable operating lease:

(₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| For a period not later than one year | **2.84** | 3.08 | 0.99 |
| For a period later than one year and not later than five years | **1.08** | 5.22 | 1.97 |

**45. Post Retirement Benefit Plans as per Indian Accounting Standard 109:**

As per Actuarial Valuation as on 31st March, 2017, 31st March, 2016 and 1st April, 2015 and recognised in the financial statements in respect of Employee Benefit Schemes:

**A. Amount recognised in the Balance Sheet** (₹ in crores)

| Gratuity: | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Present value of plan liabilities | **10.57** | 9.74 | 8.79 |
| Fair value of plan assets | **4.14** | 3.96 | 3.79 |
| Deficit/(Surplus) of funded plans | **6.42** | 5.77 | 4.99 |
| Unfunded plans | **-** | - | - |
| **Net plan liability/ (Asset)*** | **6.42** | 5.77 | 4.99 |

**B. Movements in plan assets and plan liabilities** (₹ in crores)

| Gratuity: | For the year ended 31st March, 2017 | | | For the year ended 31st March, 2016 | | |
|---|---|---|---|---|---|---|
| | Plan Assets | Plan liabilities | Net | Plan Assets | Plan liabilities | Net |
| **As at 1st April** | 3.96 | 9.74 | 5.78 | 3.80 | 8.79 | 4.99 |
| Current service cost | - | 1.09 | 1.09 | - | 1.14 | 1.14 |
| Employee contributions | - | - | - | - | - | - |
| Return on plan assets excluding actual return on plan assets | (0.02) | - | 0.02 | 0.01 | - | (0.01) |
| Actual return on plan asset | 0.32 | - | (0.32) | 0.30 | - | (0.30) |
| Interest cost | - | 0.78 | 0.78 | - | 0.70 | 0.70 |
| Actuarial (gain)/loss arising from changes in demographic Assumptions | - | - | - | - | - | - |
| Actuarial (gain)/loss arising from changes in financial Assumptions | - | (0.14) | (0.14) | - | (0.09) | (0.09) |
| Actuarial (gain)/loss arising from experience adjustments | - | (0.31) | (0.31) | - | (0.40) | (0.40) |
| Employer contributions | 0.30 | - | (0.30) | 0.25 | - | (0.25) |
| Benefit payments | (0.42) | (0.59) | (0.17) | (0.40) | (0.40) | 0.00 |
| **As at 31st March** | **4.14** | **10.57** | **6.43** | **3.96** | **9.74** | **5.78** |

## NOTES TO FINANCIAL STATEMENTS

The liabilities are split between different categories of plan participants as follows:

**Defined benefit obligation and employer contribution** (₹ in crores)

| Particulars | Gratuity | |
|---|---|---|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Active members | **2,695** | 2,815 |

The Company expects to contribute around ₹ 0.31 crores to the funded plans in financial year 2017-18 (2016-17 : ₹ 0.30 crores) for gratuity

**C. Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses** (₹ in crores)

| Gratuity: | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
|---|---|---|
| Current service cost | **1.09** | 1.14 |
| Finance cost/(income) | **0.46** | 0.40 |
| Asset/(Liabilities) recognised in Balance Sheet* | **-** | (5.78) |
| **Net impact on the Profit / (Loss) before tax** | **1.55** | (4.24) |
| Return on plan assets excluding actuarial return on plan assets | **0.02** | (0.01) |
| Actuarial gains/(losses) arising from changes in demographic | **-** | - |
| Actuarial gains/(losses) arising from changes in financial assumption | **(0.14)** | (0.09) |
| Experience gains/(losses) arising on experience adjustments | **(0.31)** | (0.40) |
| Benefit plan liabilities | **-** | - |
| **Net Gain recognised in the Other Comprehensive Income before tax** | **(0.43)** | (0.50) |

* Surplus of assets over liabilities has not been recognised on the basis that future economic benefits are not available to the Company in the form of a reduction in future contributions or cash refunds.

**D. Assets** (₹ in crores)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 | As at 1st April, 2015 |
|---|---|---|---|
| **Gratuity:** | | | |
| **Unquoted** | | | |
| Government Debt Instruments | **-** | - | - |
| Corporate Bonds | **-** | - | - |
| Insurer managed funds | **4.14** | 3.96 | 3.79 |
| Others | **-** | - | - |
| **Total** | **4.14** | 3.96 | 3.79 |

**E. Assumptions**

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

**Gratuity:** (₹ in crores)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 | As at 1st April, 2015 |
|---|---|---|---|
| **Financial Assumptions** | | | |
| Discount rate | **7.2%** | 8.6% | 9.3% |
| Salary Escalation Rate | **7.0%** | 8.0% | 8.0% |
| Attrition Rate | **2.0%** | 2.0% | 2.0% |
| **Demographic Assumptions** | | | |
| Published rates under the Indian Assured Lives Mortality (2006-08) Ult table. | | | |

## NOTES TO FINANCIAL STATEMENTS

**F. Sensitivity**

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are as under: (₹ in crores)

| Gratuity: | As at 31st March, 2017 | | | As at 31st March, 2016 | | |
|---|---|---|---|---|---|---|
| | Change in assumption | Increase in present value of plan liabilities | Decrease in present value of plan liabilities | Change in assumption | Increase in present value of plan liabilities | Decrease in present value of plan liabilities |
| Discount rate | **100 bps** | **1.05** | **(0.90)** | 100 bps | 1.00 | (0.85) |
| Salary Escalation Rate | **100 bps** | **1.04** | **(0.90)** | 100 bps | 0.99 | (0.86) |
| Attrition Rate | **100 bps** | **0.00** | **(0.01)** | 100 bps | 0.02 | (0.02) |

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual changes. It is based on a changes in the key assumptions while holding all other assumptions constant. When calculating the sensitivity to the assumptions, the method (Projected Unit Credit Method) used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

**G. The defined benefit obligations shall mature after year end 31st March, 2017 as follows:**

(₹ in crores)

| Gratuity : | As at 31st March, 2017 | As at 31st March, 2016 |
|---|---|---|
| 2018 | **1.43** | 1.38 |
| 2019 | **0.31** | 0.30 |
| 2020 | **0.54** | 0.42 |
| 2021 | **0.62** | 0.69 |
| 2022 | **0.67** | 0.84 |
| Thereafter | **3.98** | 6.15 |

**Risk Exposure - Asset Volatility**

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments % which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit.

**(iii) Leave obligations**

The leave obligations cover the Company's liability for sick and earned leave. The amount of the provision of ₹ 3.44 crores [31st March,16: ₹ 2.52 crores] [1st April,15: ₹ 2.07 crores] is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

**(iv) Defined contribution plans**

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 2.72/-.

**46. Disclosure as per Accounting Standard 37 relating to Provisions:** (₹ in crores)

| Particulars | 31st March, 2017 | 31st March, 2016 | 1st April, 2015 |
|---|---|---|---|
| Opening Balance | **0.93** | 0.93 | 0.93 |
| Addition during the year | **-** | - | - |
| Closing Balance | **0.93** | 0.93 | 0.93 |

## NOTES TO FINANCIAL STATEMENTS

The provision relates to estimated outflow of cash expected to be paid in relation to damages payable on account of cancellation of contract for supply of raw material and on account of quality rebate claim for sale of traded goods. Due to its nature, it is not possible to estimate the timing of resulting cash flows.

**47. Schedule of Government Grant:**

(₹ in crores)

| Particulars | | As at 31st March, 2017 | As at 31st March, 2016 | As at 1st April, 2015 |
|---|---|---|---|---|
| **a.** | **At 1st April** | **8.27** | 6.89 | - |
| | Grant Received during the Year | **4.26** | 2.50 | 6.89 |
| | Released to the Statement of Profit and Loss | **(1.49)** | (1.12) | - |
| | **At 31st March** | **11.04** | **8.27** | **6.89** |
| **b.** | Current | **3.26** | 1.43 | - |
| | Non- Current | **7.78** | 6.84 | 6.89 |
| | **Total** | **11.04** | **8.27** | **6.89** |

**48. CSR expenditure:**

(₹ in crores)

| Particulars | | As at 31st March, 2017 | As at 31st March, 2016 | As at 1st April, 2015 |
|---|---|---|---|---|
| a) | Gross amount required to be spent by the Company during the year | **2.57** | 2.77 | 2.52 |
| (b) | Amount spent during the year | **0.38** | 0.18 | 0.81 |
| | i) Construction/acquisition of any asset | **-** | - | - |
| | ii) On purposes other than (i) above | **0.38** | 0.18 | 0.81 |
| **Total** | | **0.38** | **0.18** | **0.81** |

**49. Dues to Micro, Small and Medium Enterprises:**

**a) Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:** (₹ in crores)

| Sr. No. | Particulars | As at 31st March, 2017 | As at 31st March, 2016 | As at 1st April, 2015 |
|---|---|---|---|---|
| A | i) Principal amount remaining unpaid at the end of the accounting year (including creditors for capital goods) | **0.99** | 1.31 | 2.09 |
| | ii) Interest due on above ( ₹ 9538/-, P.Y. ₹ 9897/-) | **0.00** | 0.00 | 0.00 |
| B | The amount of interest paid by the Company in terms of Section 16 of the MSMED, along with amount of payment made to the supplier beyond the appointed date during the accounting year. | **-** | - | - |
| C | The amount of interest accrued and remaining unpaid at the end of the financial year ( ₹ 9538/- P.Y. ₹ 9897/-) | **0.00** | 0.00 | 0.00 |
| D | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under MSMED. | **-** | - | - |
| E | The amount of further interest remaining due and payable in succeeding years, until such interest is actually paid. | | | |
| **Total** | | **0.99** | 1.31 | 2.09 |

**50.** Honorable Supreme Court, during the year reversed the decision of Appellate Tribunal, holding that the Company is not entitled to concessional rate of customs duty on import of crude palm oil imported during the year 2004-05 and 2005-06. Miscellaneous expenses include ₹ 7.90 crores as customs duty, penalty of ₹ 7.90 crores and finance cost ₹ 14.16 crores (aggregating to ₹ 29.96 crores) paid/provided arising out the Supreme Court Order.

**51.** Managerial remuneration payable to one of the Managing Directors works out to be in excess of limits requiring shareholders' approval in terms of point (i) of second proviso of Section 197 of the Companies Act, 2013 (Act), however this is within the prescribed limits of total managerial remuneration payable to all Managing/Whole-Time Directors in aggregate u/s 197 of the Act. The Company proposes to ratify such managerial remuneration in excess of 5% being paid to Managing Director in the ensuing Annual General Meeting.

## NOTES TO FINANCIAL STATEMENTS

**52. Disclosure in respect of specified bank notes held and transacted:**

During the year, the Company had specified bank notes (SBNs) and other denomination notes as defined in the MCA notification G.S.R. 308(E) dated 30th March, 2017, on the details of Specified Bank Notes (SBNs) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

(₹ in crores)

| Particulars | SBNs* | Other denomination notes & Coins | Total |
|---|---|---|---|
| Closing cash in hand as on 8th November, 2016 | 0.29 | 0.56 | 0.85 |
| + Permitted receipts | - | 1.77 | 1.77 |
| - Permitted payments | - | 2.13 | 2.13 |
| - Amount deposited in Banks | 0.29 | - | 0.29 |
| **Closing Cash in hand as on 30th December, 2016** | **-** | **0.20** | **0.20** |

* For the purpose of this clause 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

As per our report of even date

**For KANTILAL PATEL & CO.**
**CHARTERED ACCOUNTANTS**
Firm Registration No.: 104744W

**JINAL PATEL**
Partner
Membership No.: 153599

**Place: Ahmedabad**
**Date: 13th May, 2017**

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

**VIJAYKUMAR GUPTA**
Chairman & Managing Director
DIN: 00028173

**MANISH GUPTA**
Managing Director
DIN: 00028196

**DINESH SHAH**
Chief Financial Officer
Membership No.: 38650

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

**Place: Ahmedabad**
**Date: 13th May, 2017**

## FIVE YEAR FINANCIAL HIGHLIGHTS - STANDALONE

(₹ in crores)

| | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|
| **SALES, PROFIT & DIVIDEND** | | | | | |
| Revenue | **3397.23** | 2786.69 | 2531.30 | 3101.90 | 3014.07 |
| EBDITA | **293.58** | 195.49 | 173.73 | 205.03 | 204.02 |
| EBIT | **222.16** | 129.32 | 112.76 | 157.62 | 167.34 |
| Profit before Exceptional Items and Tax (PBT) | **199.37** | 119.41 | 97.76 | 136.97 | 145.64 |
| Profit after Tax (PAT) | **158.55** | 100.43 | 84.17 | 111.66 | 113.35 |
| Dividend (Amount) | **0.00** | 11.07 | 11.62 | 9.68 | 11.06 |
| Total Dividend Per share (₹) | **0.00** | 0.80 | 0.84 | 0.70 | 0.80 |
| Special Dividend Per Share (₹) | **0.00** | 0.00 | 0.00 | 0.00 | 0.00 |
| Normal Dividend Per Share (₹) | **0.00** | 0.80 | 0.84 | 0.70 | 0.80 |
| **FINANCIAL POSITION** | | | | | |
| Equity Share Capital | **22.93** | 27.67 | 27.67 | 27.67 | 27.67 |
| Reserves and Surplus | **830.17** | 892.95 | 805.36 | 727.37 | 627.04 |
| Long Term Borrowings | **14.48** | 21.72 | 24.91 | 0.00 | 0.00 |
| Capital Employed | **867.58** | 942.34 | 857.94 | 755.04 | 654.71 |
| Gross Block | **733.17** | 627.30 | 549.29 | 851.21 | 786.62 |
| Net Block | **606.28** | 567.11 | 548.20 | 479.34 | 457.95 |
| Investments | **47.13** | 77.17 | 59.87 | 41.72 | 44.60 |
| Net Current Assets | **81.45** | 255.10 | 217.65 | 185.75 | 146.14 |
| **RETURN** | | | | | |
| On Sales (PBT)% | **5.99%** | 4.29% | 3.86% | 4.42% | 4.83% |
| On Capital Employed (EBIT)% | **25.61%** | 13.72% | 13.14% | 20.88% | 25.56% |
| On Shareholders' Fund (PAT)% | **18.59%** | 10.91% | 10.10% | 14.79% | 17.31% |
| Earning Per share (₹) | **11.50** | 7.26 | 6.08 | 8.07 | 8.19 |

## FIVE YEAR FINANCIAL HIGHLIGHTS - SEGMENT WISE



(₹ in crores)

| Sr. No. | Particulars | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|---|
| **1** | **Segment Revenue** | | | | | |
| | a) Cotton Yarn Division | **217.49** | 172.21 | 180.30 | 255.02 | 215.46 |
| | b) Maize Processing Segment | **1305.27** | 1105.55 | 992.27 | 880.59 | 580.92 |
| | c) Other Agro Processing Segment | **1846.19** | 1488.25 | 1350.54 | 1948.11 | 2199.66 |
| | d) Power Division | **10.12** | 10.43 | 8.19 | 8.09 | 8.57 |
| | Total | **3379.07** | 2776.44 | 2531.30 | 3091.81 | 3004.61 |
| **2** | **Segment Results (Profit before tax and interest from each segment)** | | | | | |
| | a) Cotton Yarn Division | **2.66** | (14.35) | (16.22) | 7.26 | 0.68 |
| | b) Maize Processing Segment | **153.97** | 147.89 | 144.73 | 114.93 | 82.86 |
| | c) Other Agro Processing Segment | **80.78** | 10.47 | (3.85) | 37.65 | 92.84 |
| | d) Power Division | **7.68** | 7.61 | 5.21 | 8.25 | 6.92 |
| | **Total** | **245.09** | 151.62 | 129.87 | 168.09 | 183.30 |
| | Less: i) Finance cost | **22.79** | 9.91 | 15.00 | 20.65 | 21.70 |
| | Profit before tax from ordinary activities before tax and exceptional items | **222.30** | 141.71 | 114.87 | 147.44 | 161.60 |
| | Add: Exceptional items | **(22.93)** | (22.30) | (17.11) | (10.47) | (15.96) |
| | Profit from ordinary activities before tax and after exceptional items | **199.37** | 119.41 | 97.76 | 136.97 | 145.64 |
| | Add: Extraordinary items | **0** | 0 | 0.00 | 0.00 | 0.00 |
| | Profit before tax after extraordinary items ( PBT) | **199.37** | 119.41 | 97.76 | 136.97 | 145.64 |
| **3** | **Capital Employed** | | | | | |
| | (Segment Assets - Segment Liabilities) | | | | | |
| | a) Cotton Yarn Division | **124.31** | 128.30 | 100.34 | 130.57 | 107.37 |
| | b) Maize Processing Segment | **662.83** | 537.22 | 471.01 | 510.15 | 432.88 |
| | c) Other Agro Processing Segment | **495.02** | 390.16 | 376.77 | 431.21 | 213.60 |
| | d) Power Division | **122.18** | 114.05 | 116.59 | 50.14 | 53.69 |
| **4** | **RATIOS** | | | | | |
| | EBIT as % of Sales | | | | | |
| | a) Cotton Yarn Division | **1.22** | (8.33) | (9.00) | 2.85 | 0.32 |
| | b) Maize Processing Segment | **11.80** | 13.38 | 14.59 | 13.05 | 14.26 |
| | c) Other Agro Processing Segment | **4.38** | 0.70 | (0.29) | 1.93 | 4.22 |
| | d) Power Division | **75.89** | 72.96 | 63.61 | 101.98 | 80.75 |
| | **Total EBIT as % of Sales** | **7.25** | 5.46 | 5.13 | 5.44 | 6.10 |

## GUJARAT AMBUJA EXPORTS LIMITED

**CIN: L15140GJ1991PLC016151**

**Registered Office: "Ambuja Tower", Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. Thaltej, Ahmedabad - 380 059**

**Phone: 079-61556677, Fax: 079-61556678**

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

### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

| | |
|---|---|
| Name of the member (s) | |
| Registered Address | |
| Email Id | |
| Folio No./ Client Id | |
| DP Id | |

I/We, being the member(s) of _____ shares of Gujarat Ambuja Exports Limited, hereby appoint:

1) _____ of _____ having Email Id: _____ or failing him

2) _____ of _____ having Email Id: _____ or failing him

3) _____ of _____ having Email Id: _____ and whose

signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company to be held on Saturday, the 9th day of September, 2017 at 11.00 a.m. at H. T. Parekh Hall, 1st Floor, Ahmedabad Management Association (AMA), AMA Complex, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad – 380 015 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

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## GUJARAT AMBUJA EXPORTS LIMITED

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**Registered Office: "Ambuja Tower", Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. Thaltej, Ahmedabad - 380 059**

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

### ATTENDANCE SLIP

**I hereby record my presence at the 26TH ANNUAL GENERAL MEETING of the Company held on Saturday, 9th September, 2017 at 11.00 a.m.**

Venue: H. T. Parekh Hall, 1st Floor, Ahmedabad Management Association (AMA), AMA Complex, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad – 380 015

Folio No./ DP-ID & Client ID : _____ No. of Shares held : _____

Name of Member(s)/Proxy : _____

Please tick whether Member [ ] Joint Holder [ ] Proxy [ ]

Member's / Proxy's Signature : _____

**Notes :**

1. Members/Proxies must bring the attendance slip duly completed and signed and hand over the same at the entrance.
2. Admission restricted strictly for members and valid proxy holders only. Please bring your copy of the Annual Report.
3. Members intending to require information about accounts, to be explained at the meeting, are requested to inform the Company atleast 10 days in advance of their intention to do so, so that the papers relating thereto may be made available, if the Chairman permits such information to be furnished.

| RESOLUTIONS | Vote-Refer Note No. 5 | | |
|---|---|---|---|
| | For | Against | Abstain |
| **Ordinary Business** | | | |
| 1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2017 and the Reports of the Board of Directors and the Auditors thereon for the financial year ended 31st March, 2017 | | | |
| 2. To declare Final Dividend on equity shares for the financial year 2016-17 | | | |
| 3. To appoint a Director in place of Shri Vijaykumar Gupta (holding DIN 00028173), who retires by rotation and being eligible, offers himself for re-appointment | | | |
| 4. To appoint a Director in place of Smt. Sulochana Gupta (holding DIN 00028225), who retires by rotation and being eligible, offers herself for re-appointment | | | |
| 5. To consider and approve appointment of Statutory Auditors and to fix their remuneration | | | |
| **Special Business** | | | |
| 6. Ratification of remuneration of Cost Auditors for the Financial Year 2017-18 | | | |
| 7. Revision in terms of remuneration of Shri Manish Gupta, Managing Director of the Company | | | |

Signed this _____ day of _____, 2017

_____
Signature of Member(s)

Affix Revenue Stamp of not less than ₹ 1/-

_____
Signature of first proxy holder

_____
Signature of second proxy holder

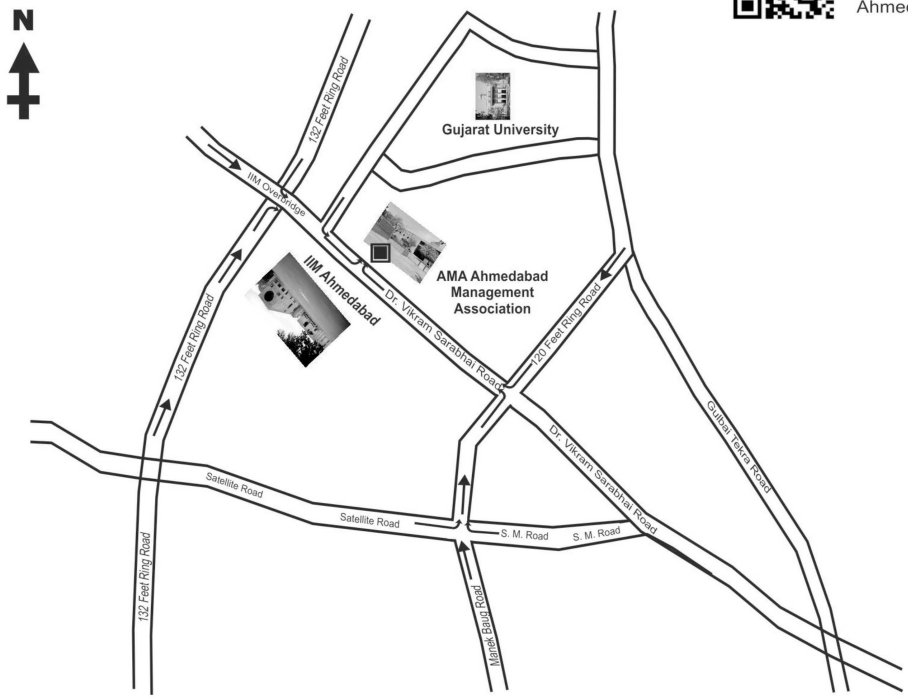
_____
Signature of third proxy holder

**Notes:**

1. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 26th Annual General Meeting
2. The Proxy Form must be lodged at the Registered Office of the Company, not less than 48 hours before the time of commencement of the aforesaid Meeting
3. The Form should be duly filled in, stamped and signed across the stamp as per specimen signature registered with the Company
4. A Proxy need not be a Member of the Company
5. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' or 'Abstain' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate

## Route map to the venue of the AGM

AMA
Ahmedabad Management Association
Dr. Vikram Sarabhai Road,
Vastrapur,
Ahmedabad - 380015



# SHAREHOLDERS' REFERENCER

**(I) Exchange of Shares:**

**(a) Members holding shares in physical form:**

1. Members of erstwhile Gujarat Ambuja Cotspin Limited (GACL) (Also known as Gujarat Ambuja Steel Limited and Ambuja Foods Limited), Gujarat Ambuja Proteins Limited (GAPL) and Jupiter Biotech Limited (Formerly known as Gujarat Vita Pharma Limited) (hereinafter also referred as Amalgamating Companies) are requested to send their shares of above companies for exchange at the Registered Office of the Company to get shares of Gujarat Ambuja Exports Limited (GAEL and/or Company).
2. Members holding equity shares of ₹ 10/- each of GAEL are also requested to send at the Registered Office of the Company their ₹ 10/- face value shares to get sub-divided ₹ 2/- face value equity shares certificates of GAEL.
3. Equity Shares of the Company are under compulsory dematerialization and to get benefits of dematerialization, please send equity shares of GAEL of ₹ 2/- each for dematerialization through your Depository Participant (DP). ISIN No. of the Company is INE036B01022.
4. Kindly get your shares transmitted in the name of second holder/ legal heirs, in case of death of first holder/single holder, as the case may be, at the earliest.
5. Kindly register your change of address with the Company and get acknowledgement for registration.
6. As per Regulation 40(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all transferee(s) as well as transferor(s) are compulsorily required to submit copy of PAN card alongwith transfer form, in absence of which, request for transfer will be rejected. In cases where PAN card is not available i.e. in case of residents of Sikkim, the requirement of PAN card may be substituted with Identity proof.
7. Members holding shares in physical form and desirous of making nomination may request for Form No. SH-13 from the Company or Share Transfer Agent, Jupiter Corporate Services Limited. Nomination Form is also available on the website of the Company i.e. www.ambujagroup.com
8. Please quote your Folio No. and other details in all communication/correspondence with the Company and/or Share Transfer Agent of the Company.

**(b) Members holding shares in dematerialised form:**

1. Kindly update your change of address and bank details/particulars alongwith MICR Code, Core Banking Account Number with your Depository Participant (DP) to get corporate benefits and serve you better.
2. Kindly quote your Client ID along with DP ID in all your correspondence/communication with the Company and/or Share Transfer Agent of the Company.

**(II) Dividend (Physical and Demat Shares):**

If you are holding unpaid dividend warrants/warrants not received by you for the financial year as referred in notes to Notice of the Meeting, you are requested to send the same for revalidation/apply for duplicate dividend warrants. In view of provisions of Sections 124 and 125 of the Companies Act, 2013, the amount of dividend remaining unclaimed for a period of 7 (seven) years shall be transferred to the Investor Education and Protection Fund (IEPF). In view of the above, all shareholders are requested to ensure that any dividend payable to them, are claimed without any delay.

**(III) Dematerialization of Equity Shares:**

Trading in the shares of the Company can be done in dematerialized form only. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to Members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. Hence, we request all those Members who have still not dematerialized their shares to get their shares dematerialized at the earliest.

**(IV) Bank Mandate:**

1. The Securities and Exchange Board of India (SEBI) vide its press release dated 3rd September, 2015 had issued the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") applicable from 1st December, 2015 to all listed entities pursuant to which the listed entities are required to use any of the electronic mode of payment facility approved by the Reserve Bank of India, in the manner specified in Schedule I of the Regulations, for the payment of (a) dividends; (b) interest; (c) redemption or repayment amounts. Accordingly, the Members, holding shares in physical form, are requested to update their address or provide / update their bank mandate (including details of MICR, IFSC etc.) with the Company or Share Transfer Agent, Jupiter Corporate Services Limited (STA) and Members holding shares in dematerialized form are requested to intimate any change in their address or to change / update bank mandate with their Depository Participant (DP) to enable the Company or STA for making arrangements for electronic credit of dividend / other benefits to Members.
2. Kindly note that as per RBI notification, with effect from 1st October, 2009 the remittance of money through Electronic Clearing Service (ECS) is replaced by National Electronic Clearing Service (NECS) and banks have been instructed to move to the NECS platform with immediate effect. The advantages of NECS over ECS include faster credit of remittances to beneficiary's account, coverage of more bank branches and ease of operations for remitting agencies.
3. NECS essentially operates on the new and unique bank account number allotted by banks post implementation of Core Banking Solutions (CBS) for centralized processing of inward instructions and efficiency in handling bulk transactions.
4. In this regard, if you hold shares in electronic form, please furnish the new Bank Account Number allotted to you by your bank after implementation of CBS, along with a photocopy of a cheque pertaining to the concerned account, to your DP, at your convenience and for shares held in physical form to Share Transfer Agent, Jupiter Corporate Services Limited. This will further facilitate to comply with Regulation 12 of the Regulations in terms of printing the bank account details of the Members on physical payment instruments.
5. If you do not provide your new account number allotted after implementation of CBS by your bank to your DP, please note that ECS to your old account may either be rejected or returned.
6. NRI Members of the Company are requested to update their bank account details with the Share Transfer Agent/Company, for getting the electronic credit of dividend/other benefits.
7. Please ignore the instruction above, in case you have already submitted the necessary details to your DP/ Share Transfer Agent of the Company, as the case may be.

**(V) Updation of Email Ids - A Green Initiative:**

With a view to conserve natural resources, we request Members to update and register their email addresses with their Depository Participants (DP) or with the Company, as the case may be, to enable the Company to send communications including Annual Report, Notices, Circulars etc. electronically.

**(VI) Share Transfer Agent:**

Kindly note that Share Transfer Agent of the Company is **Jupiter Corporate Services Limited, "Ambuja Tower", Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. Thaltej, Ahmedabad - 380 059** and Members/ beneficial owners of equity shares are requested to address all correspondences to Jupiter Corporate Services Limited and/or to the Company only.

**1. FORMAT FOR REGISTERING EMAIL ID**

DP/Client ID / Folio No.:

Name of the sole / first holder:

Postal Address:

Email Address:

Contact Telephone No.:

Signature

**2. FORMAT OF MANDATE FOR PAYMENT OF DIVIDEND BY NECS / NEFT**

Folio No.:

Name of the sole / first holder:

Postal Address:

Email Address:

I hereby authorize M/s Gujarat Ambuja Exports Limited to make payment of dividend by direct credit to my bank account the details of which are furnished below:

Bank Name:

Branch Name:

Branch Address:

MICR code:

IFSC code:

Account Type:

Account No.:

I enclose herewith the following documents in proof of the above details:

Photocopy of Bank Pass Book / Bank Statement Photocopy of a Blank cheque leaf of the Account

Signature

**3. FORMAT FOR CLAIMING UNPAID DIVIDENDS OF PREVIOUS YEARS**

DP / Client ID / Folio No.:

Name of the sole / first holder:

Postal Address:

Years for which dividend not received:

Email:

Contact Telephone No.:

Signature

## NOTES

NOTES

# Our Products Portfolio


Bakery Shortening


Corn / Maize Starch


Corn Gluten Meal


Dextrose Anhydrous


Cotton Yarn


Dextrose Monohydrate


Non GMO Defated Soya Flour (Untoasted)


Maize Fiber


High Maltose Syrup


Indian Compound Cattle feed


Liquid Glucose


Liquid Sorbitol 70% Solution


Liquid Soya Lecithin


Malto Dextrin


Non GMO Soya Granules & Soya Nuggets (TVP)


Cotton Seed Refined Oil


Non GMO Defatted Soya Flakes (Toasted)


Soyabean Refined Oil


Vanaspati Ghee


Wheat Flour

**GUJARAT AMBUJA EXPORTS LIMITED**




Corporate & Registered Office:

**GUJARAT AMBUJA EXPORTS LIMITED**

CIN: L15140GJ1991PLC016151

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Sindhu Bhavan Road, Bodakdev, P.O. Thaltej,
Ahmedabad - 380 059

Phone: 079-61556677

Fax: 079-61556678

Website: www.ambujagroup.com

Email Id: info@ambujagroup.com


If undelivered, please return to:

**JUPITER CORPORATE SERVICES LIMITED**

Unit: GUJARAT AMBUJA EXPORTS LIMITED
"Ambuja Tower", Opp. Sindhu Bhavan,
Sindhu Bhavan Road, Bodakdev, P.O. Thaltej,
Ahmedabad - 380 059

Kosher Checked. Globally Accepted.