Excel Industries Ltd.

Responsible Care®
OUR COMMITMENT TO SUSTAINABILITY

IS/ISO 9001:2008,
IS/ISO 14001:2004 &
IS 18001:2007
Certified by BIS.

13th August, 2018

BSE Ltd.
Listing Department,
Pheeroze Jeejeebhoy Towers,
Dalal Street,
Fort,
Mumbai-400 001

National Stock Exchange of India Ltd.
Listing Department,
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (E),
Mumbai-400 051

Sub: Submission of Annual Report

Ref: BSE Scrip Code: 500650; NSE Scrip Code: EXCELINDUS

Dear Sir/ Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached Annual Report of the Company for the year 2017-18 as approved and adopted at the Annual General Meeting of the Company held on 9th August, 2018.

For Excel Industries Limited

S. K. Singhvi
Company Secretary

Excel Industries Limited
184-87, S. V. Road, Jogeshwari (West),
Mumbai - 400 102, Maharashtra, India.
CIN : L24200MH1960PLC011807

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Growth & Expansion

EXCEL INDUSTRIES LIMITED
57th Annual Report 2017-18

AGM Map and details



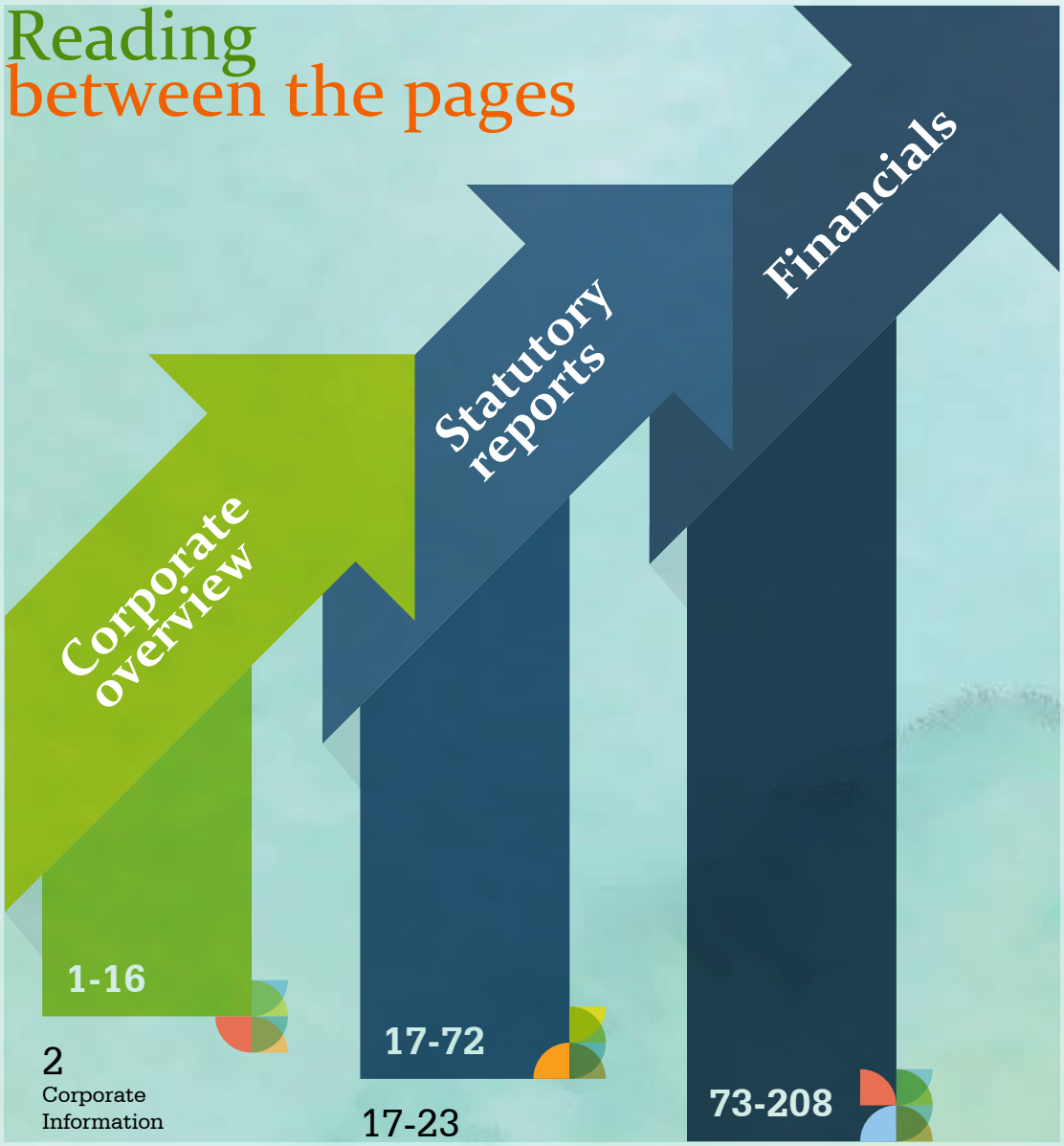
57th Annual General Meeting

on Thursday, 9th August, 2018 at 3.00 p.m.
at Rama and Sundri Watumull Auditorium,
Kishinchand Chellaram College,
Dinshaw Wachha Road,
Churchgate, Mumbai-400 020.

DISCLAIMER

This document contains statements about expected future events and financial and operating results of Excel Industries Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Excel Industries Limited Annual Report 2017-18.

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Cash Flow Statement
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Corporate Information

Chairman Emeritus
Kantisen C. Shroff
G. Narayana

Board of Directors
Ashwin C. Shroff: *Chairman & Managing Director*
Usha A. Shroff: *Executive Vice Chairperson*
Ravi A. Shroff: *Executive Director*
Atul G. Shroff: *Non-Executive Director*
Dipesh K. Shroff: *Non-Executive Director*
R. N. Bhogale: *Independent Director*
H. N. Motiwalla: *Independent Director*
P. S. Jhaveri: *Independent Director*
M. B. Parekh: *Independent Director*
S. S. Vaidya: *Independent Director*
R. M. Pandia: *Independent Director*
R. K. Sood: *Nominee Director (LIC)*

Chief Executive Officer
N R Kannan

President - Environment & Biotech Business and Corporate Services
Hrishit A. Shroff

Chief Financial Officer
Devendra Dosi

Company Secretary
Surendra K. Singhvi

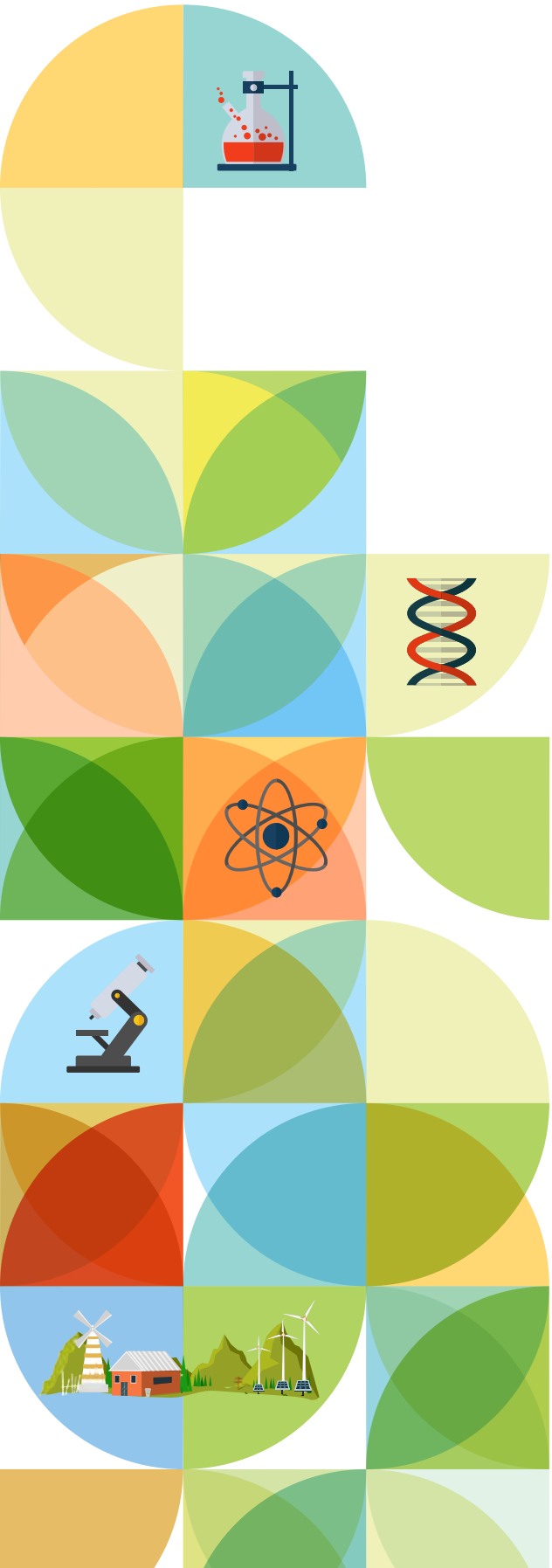
Auditors
Price Waterhouse Chartered Accountants LLP

Bankers
Bank of India
State Bank of India
Axis Bank Limited
HDFC Bank Limited

Registrar & Transfer Agent
Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg, Vikhroli (W),
Mumbai-400 083
Tel: +91 22 49186000, Fax: +91 22 49186060
e-mail : rnt.helpdesk@linkintime.co.in
web : http:\\www.linkintime.co.in

Registered office
184-87, Swami Vivekanand Road, Jogeshwari (West),
Mumbai 400 102. Tel : 6646 4200
e-mail: excel.mumbai@excelind.com
web : http:\\www.excelind.co.in

Factories
M.I.D.C. Area, Roha, Maharashtra.
M.I.D.C. Area, Lote Parshuram, Maharashtra.
Baherampura, Ahmedabad, Gujarat.



For over seven decades innovation and sustainable business practices have been the cornerstone of growth at Excel Industries Limited.

Yet in today's fast-paced and competitive business climate, it may even be more crucial to embrace growth-fuelling expansion opportunities.

We have always considered growth and expansion as an integral part of our business cycle. Over the years, we have successfully upgraded our existing product lines and introduced new products across all verticals. Besides, we have generously invested towards environment compliant practices and promoted sustainable business growth.

Growth and expansion is the result of our future demand anticipation and understanding customer's mindset. It further reflects our domain expertise and the sustainable edge that we have built over the years.

Investor information

BSE code: 500650
NSE code: EXCELINDUS
Bloomberg code: EXL:IN



Excelling Sustainability

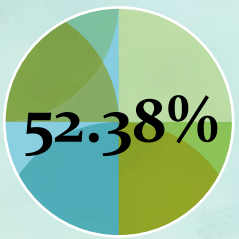
Established in 1941 and headquartered in Mumbai, we are amongst India's first domestic chemical manufacturers. We have pioneered indigenous chemical technology and adopted sustainable waste management practices in India.

Over the years, we have adopted several innovative chemical process breakthroughs and adopted best-in-class technological enhancement in our operations. Our product lines comprise chemicals for Agro Industry, Specialty Chemicals, Polymer Inputs and Pharmaceutical APIs & Intermediates.

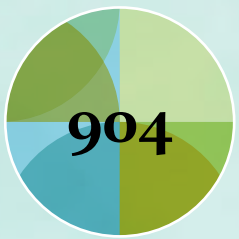
As a responsible corporate, we are equally sensitive to the needs of the environment and community. Our Environment & biotech division has recently installed state-of-the-art effluent treatment plant and developed innovative solutions in the areas of waste management, thus contributing to sustainable environmental practices.



Year of establishment



Promoters' holding as on 31st March 2018



Employees as on 31st March 2018

OUR CORE COMPETENCIES

- Innovation
- In-house research and development
- Backward integration
- Rich product portfolio
- Cost-efficiency
- Quality
- Environment-friendly processes
- Ethos and Ethics

OUR VALUES

We firmly believe that long term corporate success has its roots in strong value based growth.
Our values are the ideas that define and drive us, convey our vision for the future and the means with which we will realise this vision.

DYNAMISM

Agility and adaptability are essential qualities for a modern corporation. In a world where technology and market conditions are constantly in a state of flux, it is our ability to change that helps us emerge stronger.

COMPASSION

To balance the needs of others with our growth it is essential that we first understand their concerns. From the senior management to the workers on the factory floor, everyone at the Excel Family is committed to making a difference to our larger goals and it all begins with a sympathetic ear and an open mind.

EXPERTISE

From research to manufacturing, from factory floor to shipped goods, we strive for excellence in every facet of our operations.

TRADITION

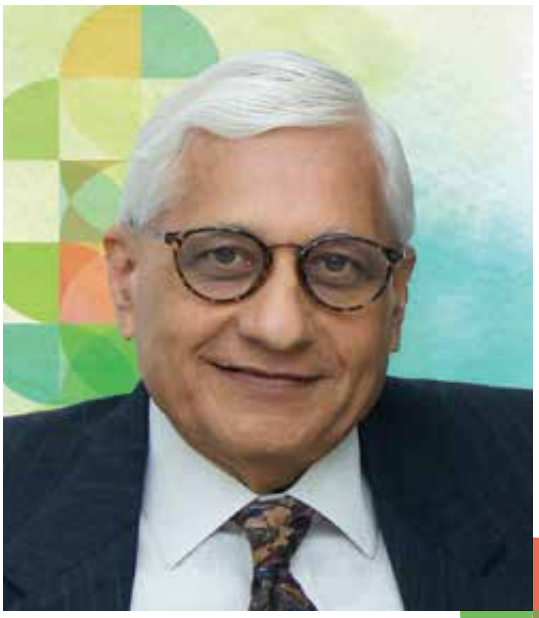
We are proud of our heritage and the ideals that have enabled our growth. As we poise for our next phase of growth, our company traditions and values, suitably adapted to the changing environment over the time, will be our guiding lights.

EMPLOYEES' LOYALTY

Average service years of the employees are 20 years which reflects their trust and loyalty towards the Company.



Chairman's Message



While we continue to strengthen our endeavours towards implementing environment-friendly practices, we have further charted out our next phase of sustainable growth and expansion path.

Dear Stakeholders,

It is my honour to present you this year's annual report. It is no secret that a successful business is one that has the ability to change in order to meet the societal needs. I am pleased to share that your Company has been successful in creating markets by understanding societal needs and generating solutions and has adopted progressive growth and expansion strategies for a bright future ahead.

The stakeholders are becoming increasingly interested in sustainability and our impact on the environment. We are constantly adopting new processes and analysing the impact they are having on the future. In order to build a customer-oriented product development company, we have introduced innovative production techniques and modelling high quality sustainable products. While we continue to strengthen our endeavours towards implementing environment-friendly practices, we have further charted out our next phase of sustainable growth and expansion path.

I am glad to report that Mr N R Kannan has joined us as the Chief Executive Officer. He possesses in-depth knowledge and experience in the chemicals business. His dynamic leadership qualities will further aid sustainable development of the Company.

We devote ourselves for the well-being of the business and society at large. Our continuous research and development efforts allow us to upgrade our product portfolio across the segment, with near-zero impact on the environment. We seek to maximize this value by focusing on the basics: a sound financial structure, solid revenue base, and steady growth. We also strive to earn your trust and respect by practicing corporate responsibility, ethics, and integrity in all areas of governance.

Thank you once again for your interest in the Company and relentless support. Everyone at Excel Industries pledges to do our best to become a global leading company. We shall achieve this recognition not only within the market, but also among customers around the world. We hope for your continued support and encouragement in 2018-19 as well.

Best Wishes,
Ashwin C Shroff



At Excel, we are preparing to capitalise on growth opportunities in the coming years and building a sustainable future

The financial year 2017-18 saw a massive shake up in the supply of chemicals across the world. The Chinese Ministry of Environmental Protection has enforced stringent norms and strict penalties on the chemical manufacturers flouting the environmental norms. This has resulted in many plant shutdowns and softening of China's chemical exports. The industry had to deal with this new normal and shortage of raw materials. The strong demand-pull owing to the vacuum created by the Chinese suppliers has created opportunities and challenges for the chemical industry globally. The Indian Chemical Industry is at an inflection point. Excel is well positioned to deal with the changing environment.

Our business model has sharply evolved over the years. It allows us to flexibly adapt to the changing business environment. We have also developed an efficient risk management framework that identifies the possible external risks and makes us ready to mitigate and deliver good results. At Excel, we are preparing to capitalise on growth opportunities in the coming years and building a sustainable future.

During the year, we continued to remain market-focussed and made continuous improvements in terms of quality and cost towards managing the customers in a better way. We have dedicated resources in place to capture further market share by becoming the preferred supplier for all of our products. Besides, our API intermediates products continued to witness stable demand. Over the years we have put steady efforts for the growth of this business. We also received DGCI approval for manufacturing Tenegliptin API. This gives us an opportunity to market this product. Today our products are successfully accepted and positioned for growth in the coming years.

At Excel Industries, it's our management philosophy to contribute to the progress of society through our products that meet the societal needs. Since inception of the Company sustainable and ethical way of working has always been our core focus. Our growth and expansion plans are largely centered around business well-being, keeping in mind the best environmental practices. During 2017-18, we have made significant investments in upgrading our effluent treatment plant to further reduce the environmental load. It further improves the process and overall efficiencies. We are also 'Responsible Care' certified member of ICC.

Going ahead, we aim to strengthen our market share and positioning for all our products. We also look forward to building strategic relations with our customers for a sustained growth and also focus on enhancing cash flow cycles and overall business efficiencies.

Ravi A Shroff
Executive Director



Sustainable practices have enabled innovative waste management techniques

India generates a whopping 69 million tonnes of Municipal Solid Waste (MSW) annually out of which 80% is indiscriminately disposed of at dump yards in an unhygienic manner. With Swachh Bharat and Smart Cities Mission, the limelight thrown on waste management is fast transforming the domain into a lucrative business space. India is definitely headed on the right path but how fast are we adapting and innovating for a revolutionary change is still the question.

Design and policy driven sustainable technological solutions are where we should be headed as a country fighting its garbage. With a well-grounded expertise in waste management, Excel is right at the forefront of this drive. Our journey has been evolutionary and disruptive at the same time, starting with urban scale centralised MSW treatment solutions, we transcended into decentralised organic waste converters (OWC) and recently introduced ORCOmin a well-designed compact composter to manage smaller quantities of waste. At Excel we are constantly exploring and iterating our solutions to make it smart, cost-effective and accessible to a larger audience.

Hrishit A Shroff
President – Environment & Biotech Business and Corporate Services

CEO's Perspective



As a business, we are now at a juncture that presents multiple opportunities.

Dear Shareholders,

Since my joining Excel Industries Limited in July 2017, it has been an exciting journey so far. There had been some rapid changes in the industry, which had tested our team's responsiveness and agility. While my primary role was to enhance customer and market focus, I also initiated rigorous monthly reviews of the operations to further enhance efficiencies.

As a business, we are now at a juncture that presents multiple opportunities. While our core phosphorous business presents good platform for growth, a strong focus on our customers in select export markets, backed up by commensurate service levels in these areas will be key to its success. In Pharma, we plan to consolidate our positions with aggressive growth in the market share for our existing products. Work is underway to obtain relevant regulatory approvals to support growth plans in both areas.

Future is built on what efforts we take now. A specific team has been formed to work on new business development to generate product ideas for future. Plans are to leverage on our core business while creating new verticals for future. Work has begun at both business and R&D side in this direction.

There is a new leadership team in place across several functions of the company. New perspectives, new thoughts bring in a churn to create new ideas. While this is so, it is equally important to remain grounded to Excel's core values, one of which has been people orientation. Increased focus on goal setting and performance orientation, both as individuals and as teams, is being emphasised to facilitate delivery of above plans.

Together, we look forward to building a responsive and sustainably growing organisation.

Best Wishes,
N R Kannan

Glimpses of 2018-19



Launch of ORCOmin

The Company added ORCOmin to Excel's family of organic waste converter systems. It is the most aesthetically pleasing composting machine that revolutionises composting. ORCOmin is available in two capacities of 25 kg/day and 50 kg/day at a price point that is significantly lower than any other solution available anywhere globally.

Effluent Treatment Plant – Reduce, Reuse and Recycle

Adopting conservation and best effluent treatment practices are very important pre-requisites for sustainability of chemical industries. Accordingly, your Company is committed to adopt and follow good environmental standards and the same is reflected in actual practice. Our fully operative effluent treatment facility is equipped with features of auto neutralisation, equalisation tanks, secondary and tertiary treatment. The sludge from primary and secondary treatment is removed mechanically, after which it is fed to a sludge dewatering unit and provided fully automatic filter press for efficient dewatering.

Result: Reducing trend in water consumption per ton of product produced. Our production volumes have increased and we have been able to minimize generation of hazardous wastes through consistent efforts.



Mr Ashwin Shroff received Lifetime Achievement Award from CHEMEXCIL

Board of Directors

Mr. Ashwin C. Shroff
Chairman and Managing Director

As a Chairman and Managing Director, Mr. Ashwin C Shroff has always led from the front. Affectionately called Ashwinbhai throughout Excel, he always leads by example and is the bearer of all the values that make life at Excel so special. He is firmly committed to the Excel way of working - building consensus and democratic processes. He has been serving the Company since over 50 years and his leadership continues to inspire the entire group to march ahead. He is on the Board of several companies including Transpek Industry Limited, Anshul Specialty Molecules Private Limited and Kamaljyot Investments Limited.

Mr. Shroff has been serving as a member on the Board of Governors of Rajiv Gandhi Indian Institute of Management, Shillong since 15.11.2017. He is also a member of the Research Council of the National Institute for Interdisciplinary Science and Technology (NIIST), Thiruvananthapuram and has served as a Co-chairman of the CII – Agri Biotech Committee. He has been richly recognised for his contributions to the growth of the Indian Chemical industry and received the ICC Lifetime Achievement Award in 2012.

Mrs. Usha A. Shroff
Executive Vice Chairperson

Mrs. Shroff serves as the Executive Vice Chairperson of the board. She holds a masters degree in commerce and has been a part of the Excel group since 1968. She has vast experience in the industry and has been actively involved in the affairs of the Company and contributed in the growth of the Company with her depth of wisdom and experience. She is on the Board of several companies including Agrocel Industries Private Limited, Anshul Specialty Molecules Private Limited, Kamaljyot Investments Limited and Excel Bio Resources Limited.

Mr. Ravi A. Shroff, *Executive Director*

Mr. Ravi A Shroff is a young and dynamic Executive Director of the Company since 3rd September, 2014. He is the third generation industrialist in the A C Shroff's group of companies. Before joining the Company, he served as Executive Director for 7 years with Anshul Specialty Molecules Private Limited and spearheaded Anshul to the path of growth and diversification. At Excel Industries, he has been steering the strategic new business of Pharmaceutical and Veterinary APIs and has launched several new pharmaceutical molecules / products under his stewardship. He is also a Director on the Board of reputed companies including Transpek Industry Limited, Anshul Specialty Molecules Private Limited, Kamaljyot Investments Limited and Transpek Industry (Europe) Limited. Academically, he is an Engineering Graduate (BE Chemical) from Mumbai University and a Post Graduate in Chemistry from Boston University, USA.

Mr. Dipesh K. Shroff, *Non-Executive Director*

An industrialist with vast experience in the Chemicals and Agrochemicals Industries, Mr. Dipesh K Shroff holds diploma in civil engineering and Owners'/ Presidents' Management Programme at Harvard Business School to his credit. He serves on the board of a number of companies including Agrocel Industries Private Limited, Excel Crop Care Limited, Transpek Industry Limited and TML Industries Limited.

Mr. Atul G. Shroff, *Non-Executive Director*

A highly experienced Industrialist Mr. Atul Shroff is Director of Transpek Industry Limited. He is actively involved with the Excel Group and is on the board for a number of Group Companies. He is part of the board for Transpek Industry (Europe) Limited, Transchem Agritech Private Limited and Madison Investments Private Limited.

Mr. H. N. Motiwalla, *Independent Director*

Mr. Motiwalla is a Chartered Accountant by profession and a highly respected professional in corporate India. He is a senior partner of H. N. Motiwalla & Co. and Chajjed & Doshi. Mr. Motiwalla has vast experience in the field of Accounting, Audit, Finance, Taxation,

Corporate Governance and Company Law. He serves as a board member in several companies including Hitech Corporation Limited, Multibase India Limited, Balkrishna Paper Mills Limited, Ashapura Minechem Limited, Siyaram Silk Mills Limited, LIC Nomura Mutual Fund Trustee Private Limited. He is also Chairman of the Audit Committee of several listed companies. Mr Motiwalla has been enriching Excel with his wisdom and rich experience since 2002.

Mr. Priyam S. Jhaveri, *Independent Director*

Mr. Jhaveri is an industrialist with vast experience in chemicals and textile auxiliary industry. He has been a Director of Excel Industries Limited since October 28, 2002. Apart from serving as the Managing Director of Phthalo Colours & Chemicals (I) Limited, he also holds directorship in quite a few companies including Indian Extractions Limited and Sadhana Nitro Chem Limited. Mr. Jhaveri holds a B.Com degree from Bombay University and a Diploma in Business Management.

Mr. R. N. Bhogale, *Independent Director*

Mr. Bhogale holds a Bachelor's degree in mechanical engineering and has a vast experience in auto components and kitchenware industries. He is an eminent industrialist and possesses versatile skills, experience and knowledge in the field of management and administration. He has been the President of Maharashtra Chamber of Commerce, Industry & Agriculture. Among others, he serves on the Board of Nirlep Appliances Private Limited and Umasons Auto Compo Private Limited.

Mr. R. M. Pandia, *Independent Director*

Mr. Rajeev M Pandia is a highly respected corporate professional in the chemical industry and is well known for his contribution to the Industry through various forums. He headed Herdillia Chemicals Limited (later Schenectady Herdillia Limited and SI Group – India) as Vice Chairman and Managing Director from 1992 until December 2008. He was, thereafter, Group Adviser and Director of SI Group (Global Markets), USA. During 2013, he was appointed on a Committee to draft the National Chemical Policy for India by the Ministry of Chemicals and Fertilisers, Government of India. He has been associated for many years with high level audits in respect of EHS, Sustainability and Technology functions. He was appointed on the Jury of World Chemistry Awards 2015, a global recognition program for the international chemical industry, being the only member from Asia. As a consultant, he now advises several Indian and international companies in the areas of Strategy, Project Execution and Operational Excellence. He is a graduate in Chemical Engineering from Indian Institute of Technology (IIT), Mumbai, India and holds the Master's degree in the same field from Stanford University, California. He is a director in GRP Limited, Supreme Industries Limited and Deepak Phenolic Limited. He has been an independent director on the Board of the Company since 8th August, 2014.

Mr. S. S. Vaidya, *Independent Director*

Mr. Shailesh Vaidya is a practicing advocate and solicitor. He is a partner in Messrs. Kanga and Company, a 125 year old and reputed law firm of advocates & solicitors. He was the President of Indian Merchants' Chamber (Premier Chamber of Commerce in Western India) for the year 2013-2014. He is a managing committee member of Indian Merchants' Chamber, Bombay Incorporated Law Society and IMC International ADR Centre. He is a director in several public limited companies, including Siyaram Silk Mills Limited and Apcotex Industries Limited. He has been an independent director on the Board of the Company since 8th August, 2014.

Mr. M. B. Parekh, *Independent Director*

Mr. M. B. Parekh holds a post graduate degree in chemical engineering from University of Wisconsin, USA and he is an industrialist with rich experience in chemical industry and consumer products. He is the Executive Chairman of Pidilite Industries Limited and Chairman & Managing Director of Vinyl Chemicals (India) Limited and also holds directorship in several other companies including Fevicol Company Limited.

Mr. R. K. Sood, *Nominee Director*

Mr. R.K. Sood is a Nominee Director on the Board representing LIC of India. He is B.Com (Hons.) and presently working as Executive Director with LIC of India, Mumbai, and has vast experience in the field of management and administration.

Corporate Social Responsibility

At Excel, Corporate Social Responsibility (CSR) involves integration of social, environmental and economic concerns. Aligned with the Company's vision, our CSR initiatives, enhance value-creation in the society through our services, conduct and initiatives, so as to promote sustainable growth for the society.

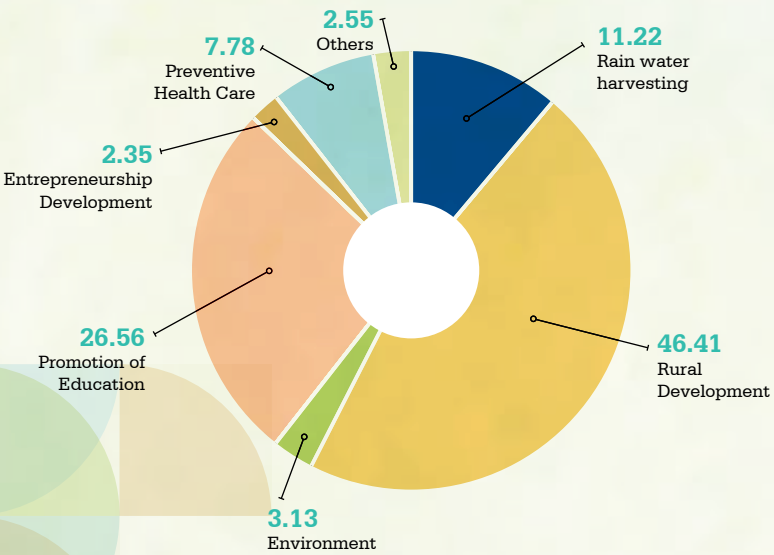
The projects undertaken are designed to work on conservation of natural resources, capacity building of farmers and rural community for their sustainable development and livelihood improvement through adaptation of climate smart agriculture methods, addressing acute health issues through effective preventive health measures, empowering women to become entrepreneurs and addressing GHG issues through tree plantation.

₹86.50
LAKHS
CSR Budget for 2017-18

CSR SPENDS IN 2017-18 (Rs lakhs)



ACTIVITY-WISE ACTUAL ALLOCATION (%)



After having started from one village Excel has now spread its activities to total of about 50 villages in Roha and Lote (Khed) in Maharashtra. In Kutch, Gujarat, Excel is working extensively to address the issues in agriculture caused especially by the climate change impact. It is working towards making the farmers adapt the climate smart agriculture methods with the help of Florida Agriculture and Mechanical University, USA.

Conservation of Natural Resources : About 18,500 Cubic Meter (185 lakh litre) water holding capacity is generated for rain water harvesting by constructing 5 permanent check dams, repairing one damaged check dam and deepening of 2 small rivers, benefiting 14 villages having 7,000 population and 2,000 cattle.

More than 900 temporary check dams were also built after monsoon which could hold 2.6 lakh cubic meter water, benefitting 15,000 population and cattle. This has also largely supported the Rabi crops like various types of vegetables, pulses, oil seeds and ground nuts.

Community participation is an important aspect of any sustainable rural development activity. People OWN up the responsibility very obviously when they themselves are the CREATORS.

Typical process of Check dam construction: Bhostekar Wadi, Roha.





Location survey by CSR Team with Mr. Padhye, the expert from Krushi Vidnyan Kendra, Roha, for its suitability, safety of the surrounding, storage stretch and capacity.

Shramadan by villagers. The entire village, men and women alike, participate in Shramadan. They work in rotation and with unprecedented discipline.

Excel provided the material like cement, gravel, sand and the design as endorsed by the experts. All the masonry work and allied work like clearing and levelling the place, collecting loose boulders is carried out by villagers.









Permanent check dam structure at Sakhar village in Khed, Ratnagiri



Permanent check dam structure at Boraj village in Khed, Ratnagiri



Loose boulder structure at Sakhar village, Khed, Ratnagiri



Vanarai Bandhara : A temporary barrier created for stopping flowing water and creating storage.

New Initiatives 2017-18

Recharging of borewell

With excessive drawing of water and very low rate of recharge, many of the borewells have the tendency to dry upon depletion of storage. Some of the borewells dried up without fetching much water. Artificial recharge was the solution which needed to be tried.

A Zilla Parishad School in Khed had dug a borewell which did not fetch much water and subsequently dried up. Provision for artificial recharge by rain water was made. Roof rain water was also harvested and led to borewell pit. Today, the school draws 1,000 litres of water per day which satisfies its needs. This experience was shared with the farmers in Roha during the two field days organised for dissemination of SRT method. Drawings printed on paper were distributed to willing farmers.

Preventive health measures : recycling of domestic waste water

Every house has soak pits for sewage which have the tendency to overflow if the waste water from kitchen and bathrooms is also led to the pits. This often spreads around the house in open. The puddles formed by this stinking water attracts mosquitoes and flies become a source of diseases.

About 100 women (houses) have responded to the appeal to recycle this waste water and use it for growing vegetables in their backyard. It allowed them to earn Rs. 1,000/- on an average in 2 months. This was a result of house-to-house campaign and awareness drive, undertaken before monsoon, on preventive health aspects such as personal hygiene, hazards of open sewage and the importance of overall cleanliness including the surroundings.

Low-cost ferro-cement tanks for water storage for community and individual households

Several villages in Roha (and in Konkan in general) especially in the hilly areas face acute water shortage. Their main source of water supply is dug wells of varying capacities.

Roof rain water harvesting and storing in durable tanks was one of the solutions which could help in keeping the water storage intact in dug wells, the source of supply.

Jalvardhini, a social organisation is extensively promoting low cost ferro-cement tanks for water storage. Iron mesh is used for preparing the structure of desired size tanks. A layer of cement with fine sand mixed well in water is applied from both the sides. Chicken mesh cover holds the cement layer further.

A demonstration cum training program was organised in Hardi village. The material cost is about Rs. 5000/- for about 1,300 litre tank as against Rs. 10,000/- required for equivalent plastic tank. The construction is simple and can be easily replicated by any common unskilled villager.







Co-operative farming : fresh vegetables fetch better price and get sold briskly

Farmers in Konkan posses marginal land. Vegetables fetch better money as compared to rice and pulses. Normally these vegetables are grown in rabi season in Konkan area unless the land is sloppy which prevents puddling. Cultivation of vegetables needs consistent attention because of the series of activities such as land preparation, fetching proper seeds, sowing, watering, fertigation, weeding, pest management etc. It becomes difficult for an individual to attend the stages in time.

For effectively managing these activities, we created two groups of women from two villages. They were encouraged to join hands together and work in co-operation. One group consisted of 30 women with total 10 acres land allotted to them. The other group consisted of 30 women with total 5 acre land allotted to them. The activities allowed them to earn about Rs. 4000/- to Rs. 6000/- each per month, from November till March. The success of these two groups will help in promoting co-operative farming going ahead.







Use of homemade sewage filter containing layers of coal, sand and gravels.

Kitchen garden : using domestic waste water

70% of 800 women between the age group of 12 to 40 were found having low haemoglobin and low BMI. Also, it was observed that though most of the houses have toilets connected to soak pits for sewage which overflow if the waste water from kitchen and bathrooms is also led to this pit. This spreads around the house in open. The puddles formed by this stinking water attracts mosquitoes and flies become a source of diseases.

House to House campaign and awareness drive, was under-taken before monsoon, on preventive health aspects such as personal hygiene, hazards of open sewage and the importance of overall cleanliness including the surrounding.

With the dual objectives of (i) prevention of spread of diseases like malaria, typhoid, loose motion, and (ii) to get green leafy vegetables, chilly / coriander even in summer as a concept of kitchen garden using sewage / waste water was promoted. Seeds were provided at subsidised prices.

About 100 women (houses) have responded to the appeal to collect this waste water and use it for growing vegetables in their backyard which created an average saving of Rs. 1000/- in 2 months. Homemade filters containing charcoal, sand, gravel are also being used for filtering sewage water.

ONGOING PROJECTS :

Collaboration with agriculture department in promoting climate smart agriculture techniques, increasing response to Ragi cultivation and making and marketing value-added products are major achievements in the ongoing projects under agriculture and women empowerment. Activities under Swachch Bharat Abhiyan, tree plantation and campaign for preventive health measures were also carried out.





NOTICE

NOTICE is hereby given that the **57th ANNUAL GENERAL MEETING** of the members of EXCEL INDUSTRIES LIMITED will be held at Rama & Sundri Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wachha Road, Churchgate, Mumbai-400 020 on **Thursday, the 09th August, 2018 at 3.00 p.m.** to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the **audited** standalone and consolidated **financial statements** of the Company for the financial year ended 31st March, 2018, together with the reports of the Board of Directors and Auditors thereon.

2. To declare a **Dividend** for the financial year ended 31st March, 2018, on Equity Shares of the Company.

3. To appoint a Director in place of **Mr. R. K. Sood** (DIN 07127966), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To ratify the remuneration of the **Cost Auditors** and in this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of Cost Auditors **M/s. Kishore Bhatia & Associates** (Firm Registration Number: 00294) for the financial year 2018-19, fixed at Rs. 3,75,000/- plus service tax and out-of-pocket expenses, by the Board of Directors at its meeting held on 25th May, 2018 be and is hereby approved and ratified."

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE, ONLY ON A POLL, INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

   Proxies submitted on behalf of limited companies, LLP, etc., must be supported by appropriate resolution/authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Pursuant to the provisions of Section 102 of the Companies Act, 2013, an explanatory statement relating to the special business to be transacted at the meeting is annexed hereto.

3. Additional information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Director retiring by rotation and being reappointed has been provided in the Corporate Governance Report forming part of this annual report.

4. The register of members and the share transfer books of the Company will remain closed from **Friday, the 03rd August, 2018 to Thursday, the 09th August, 2018** (both days inclusive).

5. Payment of dividend as recommended by the Directors, if declared at the meeting, will be made from **16th August, 2018** as follows: (a) to the Members holding shares in physical form and whose names appear in the Register of Members on the close of the day on **09th August, 2018**; and (b) to the Members holding shares in dematerialized form and whose names are furnished by the National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners on the close of business hours on **02nd August, 2018**.

6. Payment of dividend will be made through National Electronic Clearing Service (NECS) by crediting the dividend amount to the bank account of the shareholders wherever relevant information is made available to the Company. Members holding shares in physical form and who wish to avail of NECS facility to receive dividend from the Company may furnish the information to Link Intime India Private Limited, the Registrars and Transfer Agents. Members holding shares in electronic form may furnish the information to their Depository Participants in order to receive dividend through NECS mechanism.

7. All the documents referred to in this notice are open for inspection by the members at the Registered Office of the Company on all working days except Saturdays, Sundays and public holidays, during 2.00 p.m. to 4.00 p.m. up to the date of the Annual General Meeting.

8. Members are requested to notify immediately any change in their communication address to their Depository Participants (DPs) in respect of their electronic share accounts quoting Client ID Number and to Link Intime India Private Ltd, Company's Registrar & Share Transfer Agent, in respect of their holding in physical shares, quoting Folio No.

9. Electronic copy of annual report for 2017-18 is being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the annual report for 2017-18 are being sent to them.

10. To support the green initiatives of the Government, members who have not registered their e-mail address so far are requested to register their e-mail address, in respect of their electronic holdings with the Depository through their concerned Depository Participants and members who hold shares in physical form are requested to register their e-mail address with the Registrar of the Company i.e. M/s Link Intime India Pvt. Ltd., C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai-400 083.

11. Pursuant to the provisions of Sections 123 and 125 of the Companies Act, 2013, the amounts of dividends remaining unclaimed for a period of seven years from the date of declaration of dividend shall to be transferred to the Investor Education and Protection Fund.

    The details of dividend paid for the financial year 2010-11 onwards are given below:

Date of Declaration	Dividend for the year	Dividend ₹ / Per Share	Due date of transfer of dividend to the Investor Education & Protection Fund
22.07.2011	2010-11	3.75	27.08.2018
20.07.2012	2011-12	2.00	25.08.2019
26.07.2013	2012-13	3.00	31.08.2020
26.09.2014	2013-14	3.75	01.11.2021
31.10.2014	2014-15	3.00	06.12.2021
10.09.2015	2014-15	4.00	16.10.2022
26.07.2016	2015-16	4.50	31.08.2023
03.08.2017	2016-17	6.00	09.09.2024

Members who have not encashed the dividend warrants for the year 2010-2011 and/or any subsequent year(s) are requested to write to the Company for revalidation of dividend warrants before such unclaimed dividend is transferred to the Investor Education and Protection Fund.

The Members, whose unclaimed dividend/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF 5 available on www.iepf.gov.in.

12. **Facility for voting:**

(A) In compliance with the provisions of section 108 of the Companies Act, 2013 read with 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, the Company is pleased to provide to its members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-voting services provided by Central Depository Services (India) Limited (CDSL).

(B) The Company will also provide voting facility through ballot paper at the meeting. Members who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting.

(C) 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.

13. **Instructions for remote e-voting:** Following are the instructions for remote e-voting for members receiving an e-mail or a physical copy of this notice of Annual General Meeting:

(a) The voting period begins on **Monday, the 06th August, 2018 at 9.00 a.m. and ends on Wednesday, the 08th August, 2018 at 5.00 p.m.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date** i.e. **02nd August, 2018**, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

(b) The shareholders should log on to the e-voting website **www.evotingindia.com**

(c) Click on Shareholders tab

(d) Now Enter your User ID

i. For CDSL: 16 digits beneficiary ID,

ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

iii. Members holding shares in physical form should enter Folio Number registered with the Company.

(e) Next enter the Image Verification as displayed on the screen and then click on Login.

(f) 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.

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

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the "Sequence Number" which is printed on Ballot Paper/Attendance Slip at the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company's records in order to login. • If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (d).

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

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

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

(k) Next click on the EVSN for the Company '**Excel Industries Limited**'.

(l) On the voting page, you will see "**RESOLUTION DESCRIPTION**" and the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(m) Click on the "**RESOLUTIONS FILE LINK**" if you wish to view the entire Resolution details.

(n) 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.

(o) Once you "**CONFIRM**" your vote on the resolution, you will not be allowed to modify your vote.

(p) You can also take out print of the voting done by you by clicking on "**Click here to print**" option on the Voting page.

(q) If Demat account holder has forgotten the same 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.

(r) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone 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.

(s) Note for **Non-Individual** Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to **www.evotingindia.com** and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com.**
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and remote e-voting manual available at **www.evotingindia.com**, under help section or write an email to **helpdesk.evoting@cdslindia.com** or **call 18000225533**.

Mr. Prashant Diwan, Practicing Company Secretary, (Membership No. FCS 1403), has been appointed as the Scrutinizer to scrutinize the remote e-voting process to be conducted for the Annual General Meeting, in a fair and transparent manner.

The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on **Thursday, 02nd August, 2018.**

The Scrutinizer shall unblock the remote e-voting facility at the end of the remote e-voting period, in the presence of atleast two witnesses who are not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman or person authorized by him in writing.

The Chairman or the person authorized by him in writing shall declare the result of the voting on or before **11th August, 2018.** The results declared along with the Scrutinizer's Report shall be placed on the Company's website **www.excelind.co.in** and on the website of CDSL immediately after the result is declared and the same shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

REQUEST TO THE MEMBERS

1. Members are requested to bring their attendance slip.
2. Members who have multiple folios in identical names in the same order are requested to send all the Share Certificates to the Company Secretary or to the Registrar and Transfer Agent, M/s Link Intime India Private Limited for consolidation of such folios into one to facilitate better services.

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Chairman & Managing Director
DIN: 00019952

Registered Office:

184-87, Swami Vivekanand Road,
Jogeshwari (W),
Mumbai-400 102.

Mumbai, May 25, 2018.

Route Map to the venue of the AGM



ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Particulars of the Director, retiring by rotation and being eligible, offers himself for re-appointment, are as under:

Name of the Director	Mr. Ravinder Kumar Sood
Date of Birth	31.07.1959
Academic Qualifications	B.Com (Hons), Fellow of Insurance Institute of India
Experience and Expertise	Vast experience in field of management and administration
Date of Appointment	27.03.2015
Other Public Companies in which Directorship is held	NIL
No. of Membership(s)/Chairmanship(s) of Board Committees in other Companies	NIL
No. of Shares held in the Company	NIL
DIN	07127966
Relation with other Directors or Key Managerial Personnel	Nil
Number of Board Meeting attended during the financial year	3
Remuneration and other terms & conditions of appointment	He is entitled to sitting fees for attending Board meetings and commission as approved by the Board of Directors. Remuneration paid to LIC of India in the F.Y. 2017-18 is ₹ 2,35,000/-

Item No. 4

The Board of Directors at its meeting held on 25th May, 2018 appointed M/s Kishore Bhatia & Associates, practicing cost accountants, as Cost Auditors of the Company, in term of Section 148 of the Companies Act, 2013 and fixed a sum of ₹ 3,75,000/- plus out of pocket expenses and taxes, as applicable, as the remuneration payable for the financial year 2018-19.

The remuneration, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the members of the Company, as per the requirements of the Companies (Audit and Auditors) Rules, 2014, read with the Section 148(3) of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the resolution for approval of the members.

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Chairman & Managing Director
DIN: 00019952

Registered Office:

184-87, Swami Vivekanand Road,
Jogeshwari (W),
Mumbai-400 102.

Mumbai, May 25, 2018.

DIRECTORS' REPORT

To,
The Members,
Excel Industries Limited

Your Directors are pleased to present herewith the 57th Annual Report on the business and operations of your Company and the Audited Financial Statements of the Company for the year ended 31st March, 2018 together with the Auditors Report thereon.

KEY FINANCIAL HIGHLIGHTS

The Company's financial performance, for the year ended March 31, 2018 is summarized below:

₹/Lacs

	2017-18		2016-17	
Revenue from Continuing Operations		**59414.50**		48727.21
Profit before Tax		**10630.12**		2794.39
Provision for Taxation:				
– Current Tax	**2664.01**		997.83	
– Tax in respect of earlier years	**(1.99)**		(105.51)	
– Deferred Tax	**661.37**	**3323.39**	(211.30)	681.02
Profit After Tax from continuing operations		**7306.73**		2113.37
Add: Profit/(loss) from discontinuing operations	**(80.57)**		(51.52)	
Tax on discontinuing operations	**27.88**		17.83	
Profit/(Loss) from discontinuing operations (after tax)		**(52.69)**		(33.69)
Profit for the year		**7254.04**		2079.68
Other Comprehensive Income		**1876.99**		3663.40
Total Comprehensive Income		**9131.03**		5743.08

DIVIDEND

Your Directors have recommended a dividend of ₹ 12.50/- (250%) per equity share of Face Value of ₹ 5/- each as against the dividend of ₹ 6/- (120%) paid for the previous financial year 2016 -17. The dividend payout is subject to the approval of the members at the ensuing Annual General Meeting.

AMOUNT TRANSFERRED TO RESERVE

Your Company has transferred ₹ 4500.00 lacs to the General Reserve.

OPERATIONS

During the year under review, the net sales from continuing operations increased from ₹ 48727.21 lacs to ₹ 59414.50 lacs, registering an increase of 21.93%. The exports decrease from ₹ 9616.25 lacs to ₹ 9266.18 lacs registering a decrease of 3.64%. Further, the Company made a profit from its continuing operation before exceptional item and tax ₹ 10630.12 lacs compared to ₹ 2794.39 lacs in the previous year. Net profit after adjusting net loss from discontinuing operation is ₹ 7254.04 lacs as compared to ₹ 2079.68 lacs in the previous year registering an increase of 248.81%.

During the year CRISIL Limited has improved the Credit Rating of the Company to A / stable for Long Term and A1 for Short Term.

MATERIAL CHANGES AFFECTING THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business of the Company.

NEW PROJECTS/EXPANSIONS/IMPROVEMENTS

The Company has plans to expand capacities of its various products. It has already initiated activities to obtain necessary regulatory approvals and will follow it up with capacity increase.

The Company has undertaken installation of Multiple Effect Evaporator (MEE) system at Roha site which will be commissioned during the course of the financial year 2018-19. This up gradation of our waste water treatment facility is in line with our future needs.

OUTLOOK

Weather agencies have predicted a normal monsoon during the year 2018-19 which augurs well for the demand of agrochemicals. Hence, the Company expects a favorable demand situation for the agrochemical intermediates manufactured by it.

The Company also expects to do well in the other product segments.

The measures taken by the Chinese Government to enforce pollution control norms and also progress towards a market economy will mean that the operating costs for Chinese companies are likely to rise to realistic levels making it easy for Indian companies to compete with them. This development will be favourable for the Company.

The Company is taking several initiatives like debottlenecking/expansions and new product development for taking advantage of the opportunities.

Overall the outlook for the year 2018-19 is positive.

HUMAN RESOURCES

Nurturing human talent is integral part of all human resource practices. Every passing year as your company is growing in years it's also getting younger by way of young talent coming onboard. This year was focused more on learning and development, performance management and implementation of new human resource system.

At our sites we focused on Safety and System trainings. Extensively training was given in the area of safety to ensure sustainable safety practices, culture and human action. In performance management your Company has done documentation of job role, Key Result Areas for all its key positions. The newly implemented HRMS is a cloud based solution which helps managers to attend to people management responsibilities such as attendance, approvals etc. on the go and swiftly.

Your Company has generally enjoyed cordial relations with its employees. Workers and staff are paid in accordance with the wage agreement established with trade unions.

Employee strength of the Company as on 31st March, 2018 was 904.

ENVIRONMENT, HEALTH AND SAFETY

The Company accords the highest importance to Environment, Health and Safety (EHS). Continuous investment in infrastructure like MEE & ATFD in Environment management & skill development is being done to ensure that the EHS of the Company is maintained at the highest standards.

The Company, has introduced a new material handling system, thereby vastly improving ergonomics and safety in plant.

QUALITY

Our focus is not only in quality control but also on quality assurance for continual improvement in process and product quality through operational audits, carrying out of technical analysis and the giving of advice on quality improvement. The role of Quality Assurance is to consult with the departments and make sure that product passes to customer standards.

In keeping with this, not only we have been fulfilling evolving need of ISO standards, but also our quality systems and also continuously meeting customer expectations, like Eco Vadis by European customers, Pharma companies audits as well as Responsible Care requirements.

INSURANCE

The Company continues to carry adequate insurance cover for all its assets against foreseeable perils like fire, flood, earthquake, fidelity etc. The Company continues to maintain consequential Loss (Fire) Policy and the Liability Policy as per the provisions of Public Liability Act. The Company has also taken a policy for Directors and Officers Responsibility Policy.

PUBLIC DEPOSITS

Details of deposits, covered under Chapter V of the Act are as under:

(a) The Company stopped accepting and renewing the fixed deposits with effect from 1st April, 2014.

(b) There are no existing deposits from the public and the shareholders of the Company at the end of the FY 2017-18.

Total 28 Deposit holders did not claim their deposits after the date on which the deposits became due for payment. The amount due on such deposits and remaining unclaimed as on 31st March, 2018, was ₹ 9.96 lacs.

(c) There has been no default in repayment of deposits or payment of interest thereon during the year under review.

(d) All unclaimed deposits of the Company are in compliance with the requirements of Chapter V of the Act.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Your Company has not made any loans, guarantees or investments during the financial year 2017-18.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATES COMPANIES

The Company has two subsidiaries namely, Kamaljyot Investments Limited and Excel Bio Resource Limited. Also, the Company has one Associate company namely, MobiTrash Recycle Ventures Private Limited.

The salient features of the financial statements of the subsidiaries and the associate as required under Section 129(3) of the Companies Act, 2013 are furnished in Form AOC-1 as **Annexure I**, forming part of this Report.

The Policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website at the link http://excelind.co.in/companyPolicies.html.

The financial statements of the subsidiary companies are not attached with this Annual Report. The Company will make available the annual accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same in accordance with Section 136 of the Companies Act, 2013. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and are also available on the Company's website: http://excelind.co.in/annualReports.html. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

UPDATE OF ENVIRONMENT AND BIO-TECH DIVISION OF THE COMPANY

The Board of Directors of the Company at their meeting held on 29th March, 2017 had approved the transfer of Environment and Bio-Tech (ENBT) Division of the Company to Excel Bio Resources Limited, a wholly owned subsidiary of the Company together with all related assets and liabilities, on a going concern basis by way of a slump sale for a consideration of not more than ₹ 10 crores. A Business Transfer Agreement (BTA) was executed between the Company and Excel Bio Resources Limited on 31.03.2017 for the said purpose. One of the condition in BTA pertaining to transfer of Municipal Solid Waste (MSW) Treatment Plant at Ahmedabad, is pending due to non-execution of the renewal Agreement for MSW treatment by the Ahmedabad Municipal Corporation (AMC). The Company is pursuing the matter with AMC and on resolution of the matter the ENBT Division will be transferred to the Subsidiary company.

NUMBER OF MEETINGS OF THE BOARD

During the FY 2017-18 eight meetings of the Board of Directors were held, details of the meetings held are provided in the Corporate Governance Report forming part of this annual report.

APPOINTMENT AND RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. R. K. Sood, Nominee Director of the Company, will retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offers himself for re-appointment. The brief resume of the Director and other related information is provided in the Corporate Governance Report forming part of this Annual Report. Your Directors recommend his re-appointment as a nominee Director.

Mr. N. R. Kannan was appointed as Chief Executive Officer on 14.07.2017.

Mr. Devendra Dosi was appointed as Chief Financial Officer with effect from 08.02.2018 in place of Mr. Kailas D. Dabholkar.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules and disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in **Annexure II**, forming part of this Report.

EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Nomination and Remuneration Committee has defined the evaluation criteria for the Performance Evaluation of the Board, its Committees and individual Directors.

Pursuant to the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out a formal annual evaluation of its Committees and individual Directors at its meeting held on 30th March, 2018.

The evaluation of each of the Directors was done, *inter-alia*, on the basis of their advisory role and contribution in the decision making. Further, the evaluation of the Board as a whole and all the Committees of the Directors was done, *inter-alia*, on the basis of the overall directions and guidance provided to the senior executives and supervision over their performance.

INDEPENDENT DIRECTOR

(i) Declaration from Independent Directors

The Board has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) Criteria for Performance Evaluation

Nomination and Remuneration Committee has laid down various criteria for performance evaluation of Independent Directors which, *inter-alia*, includes preparedness and attendance at the meetings, understanding of Company's operations and business and contribution at Board Meetings.

(iii) Details of Familiarization Programme

The details of programme for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link *http://excelind.co.in/companyPolicies.html*

RELATED PARTY TRANSACTIONS

There were no material transactions during the year with the related party, therefore form AOC 2 which forms part of this Annual Report as **Annexure III** shows no transaction details.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link http://excelind.co.in/companyPolicies.html.

VIGIL MECHANISM/WHISTLE BLOWER POLICY FOR THE DIRECTORS AND EMPLOYEES

Your Company believes in promoting a fair, transparent, ethical and professional work environment. The Board of Directors of the Company pursuant to the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has framed "Whistle Blower Policy" for Directors and employees of the Company for reporting the genuine concerns or grievances or cases of actual or suspected, fraud or violation of the Company's code of conduct and ethics policy. The Whistle Blower Policy of the Company is available on the Company's website http://excelind.co.in/companyPolicies.html.

NOMINATION AND REMUNERATION POLICY

On recommendation of Nomination and Remuneration Committee, the Board of Directors at its Meeting held on Friday, 30th January, 2015 has approved a Nomination and Remuneration Policy for the appointment and remuneration of the Directors, key managerial personnel and other employees.

The key objectives of the Policy are to lay down the criteria for appointment and remuneration of Directors, Key Managerial Personnel and Executives at Senior Management level and recommend to the Board their appointment, and also to formulate criteria for evaluation of performance of Independent Directors and the Board and to devise a policy on Board diversity.

The Policy, *inter-alia*, includes criteria for determining qualifications, positive attributes, independence of a director, and expertise and experience required for appointment of Directors, KMP and Senior Management.

As per the Policy, the remuneration/compensation to whole time Directors shall be recommended by the Nomination and Remuneration Committee to the Board for its approval. However, the remuneration/compensation to whole-time Directors shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required. Further, the Non-Executive Directors shall be entitled to the fees for attending meetings of Board and Committees, and also to the commission within the overall limit prescribed in the Companies Act, 2013.

The Nomination and Remuneration Policy is available on the Company's website http://excelind.co.in/companyPolicies.html.

CORPORATE SOCIAL RESPONSIBILITY

The Company firmly believes that the industry owes duty of welfare to the society at large and it shall pursue the commitment of Social Responsibility and carry out the social work directly and/or through other registered voluntary organizations.

The Company's policy on Corporate Social Responsibility states various CSR activities that the Company could undertake to discharge its responsibilities towards the society.

In the FY 2017-18, the Company has undertaken various CSR activities at Roha, Lote and Mumbai. The CSR activities include Conservation of Natural Resources, Rural Development, Promotion of Education, Preventive Health Care, Empowering Women and ensuring Environmental Sustainability.

For the year ended 31st March, 2018, the Company has spent ₹ 85.10 lacs on aforesaid CSR activities directly or through other registered voluntary organizations like Vivekanand Research & Training Institute, etc.

Details on CSR spending as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are set out in **Annexure IV**, forming part of this Report.

RISK MANAGEMENT

Your Company has voluntarily constituted a Risk Management Committee to formulate a policy for risk management for implementing and monitoring the risk management plan of the Company.

The risk management committee is composed of four Directors including two independent Directors, and two senior executive of the Company.

Your Company recognizes that the risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses the risks in the internal and external environment along with treating the risks and incorporates risk management plans in its strategy, business and operational plans.

Your Company, through its risk management process strives to contain the impact and likelihood of the risks within the risk taking ability as agreed from time to time with the Board of Directors.

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 which forms part of this Report.

AUDIT COMMITTEE

The Audit Committee of Directors comprises of Mr. H. N. Motiwalla (Chairman of the Committee), Mr. P. S. Jhaveri, Mr. R. N. Bhogale, Mr. Ravi A. Shroff, Mr. R. M. Pandia and Mrs. Usha A. Shroff. All the recommendations made by the Audit Committee during the year were accepted by the Board of Directors of the Company. The terms of reference and other details of the Audit Committee are available in the Corporate Governance Report forming part of this annual report.

AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS

At the 56th annual general meeting of the Company held on 03rd August, 2017, the members of the Company had approved the appointment of M/s Price Water House, Chartered Accountants, LLP, Mumbai, as the Auditors of the Company for a term of 5(five) consecutive years from the conclusion of the 56th annual general meeting until the conclusion of the 61st annual general meeting, subject to ratification of such appointment by the members at every annual general meeting, in pursuance of the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014. However, vide the Companies (Amendment) Act, 2017 and the Companies (Audit and Auditors) Amendment Rules, 2018, the requirement for 'seeking ratification of appointment of the auditors (appointed for five year term) at every annual general meeting' has been omitted. This amendment has come into effect on 7th May, 2018. In view of the this amendment, the ratification of the appointment of the auditors is not necessary.

The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

The Board has appointed, Mr. Prashant Diwan, Practising Company Secretary as the Secretarial Auditor of the Company for the year 2017-18 to conduct the Secretarial Audit of the Company. The Secretarial Audit Report of the Company issued by Mr. Prashant Diwan for the financial year ended 31st March 2018 is attached with this Report as **Annexure V**.

COST AUDITORS

The Board of Directors at their meeting held on 26th May, 2017 had appointed M/s Kishore Bhatia & Associates (Firm Registration No. 00294), Practicing Cost Accountants, as the Cost Auditors of the Company for the financial year 2017-18 for all the applicable products of the Company. The Cost Report for the year ended 31.03.2017 which was required to be filed with the Ministry of Corporate Affairs on or before 26.10.2017, was filed on 12.10.2017.

CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. Your Company continues to follow the principles of good Corporate Governance and the Board of Directors lays strong emphasis on transparency, accountability and integrity. Your Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis and Corporate Governance Report together with Auditors' Certificate thereon form part of this Report.

EXTRACT OF ANNUAL RETURN

Pursuant to provisions of Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, extract of Annual Return in Form MGT 9 is available on the Company's website http://www.excelind.co.in/. and forms part of Annual Report as **Annexure VI.**

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The information on conservation of energy and technology absorption and foreign exchange earnings and outgo as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is set out in **Annexure VII**, forming part of this Report.

MATERIAL ORDERS PASSED BY THE REGULATORY AUTHORITIES OR COURT / MATERIAL CHANGES OR COMMITMENTS

There are no significant material order passed by the regulators/courts which can impact the going concern status of the Company and its future operations. There are no material changes or commitments occurring after 31st March, 2018 which may affect the financial position of the Company.

INTERNAL FINANCIAL CONTROLS

The Company has adequate systems of internal financial controls to safeguard and protect its assets from unauthorized use or misappropriation. All the financial transactions are properly authorized, recorded and reported to the Management. The Company follows all the applicable Accounting Standards for proper maintenance of books of accounts for financial reporting.

SECRETARIAL STANDARDS

The Directors state that all applicable Secretarial Standards have been duly followed by the Company.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2018, the Board of Directors hereby confirms that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the Company for that period;

(c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) they had prepared the annual accounts on a going concern basis;

(e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and

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

EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE

The reports of Statutory Auditors and Secretarial Auditors are free from any qualification, reservation or adverse remark or disclaimer.

ACKNOWLEDGEMENTS

Your Directors acknowledge with gratitude the support and co-operation received from the Shareholders, Government Authorities, Bankers, Investors, Customers and Suppliers.

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Chairman & Managing Director
DIN: 00019952

Date: May 25, 2018
Place: Mumbai

ANNEXURE I TO DIRECTORS' REPORT

Form AOC 1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART A – Subsidiaries

₹ in lacs

Sr. No.	Particulars	Name of the Subsidiary	
		Kamaljyot Investments Limited	**Excel Bio Resources Limited**
1.	The date on which the subsidiaries were acquired	09.08.1983	18.12.2007
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	NA	NA
4.	Share capital	199.98	51.00
5.	Reserves and Surplus	2344.50	6.47
6.	Total Assets	2547.39	63.52
7.	Total Liabilities	2547.39	63.52
8.	Investments (total)	2218.61	0.20
9.	Turnover	151.27	9.05
10.	Profit before taxation	130.62	2.92
11.	Provision for taxation	3.47	4.27
12.	Profit after taxation incl. earlier years adjustment	127.15	(1.35)
13.	Proposed Dividend	Nil	Nil
	% of shareholding	100%	100%

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Chairman & Managing Director
DIN: 00019952

Date: May 25, 2018
Place: Mumbai

ANNEXURE I TO DIRECTORS' REPORT

Form AOC 1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Part B - Associates and Joint Ventures

Sr. No.	Name of Associate or Joint Ventures	MobiTrash Recycle Ventures Private Limited
1.	Latest Audited Balance Sheet date	31.03.2018
2.	Date on which the Associate or Joint Venture was associated or acquired	15.10.2015
3.	Shares of Associate or Joint Venture held by the Company on the year end	
	(a) No. Shares held	N.A.
	(b) Amount of Investment is Associates/Joint Venture	—
	(c) Extent of Holding %	39.98
4.	Description of how there is significant influence	Shares held by Subsidiaries
5.	Reason why Associate/Joint Venture not consolidated	N.A.
6.	Net worth attributable to shareholding as per latest Balance Sheet	(3,410,321)
7.	Profit/(Loss) for the year	
	i. Considered in Consolidation	—
	ii. Not considered in Consolidation	(400,549)

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Chairman & Managing Director
DIN: 00019952

Date: May 25, 2018
Place: Mumbai

ANNEXURE II TO DIRECTORS' REPORT

Disclosure required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. **Ratio of the remuneration of each Director to the median remuneration of the employees for the FY 2017-18 and percentage change in the remuneration of each Director in the FY 2017-18:**

Name of Directors	Designation	Ratio of remuneration of the Director to the median remuneration	% increase in Remuneration
Ashwin C. Shroff	Chairman & Managing Director	42.03	110.45
Usha A. Shroff	Executive Vice Chairperson	32.88	116.51
Ravi A. Shroff	Executive Director	28.37	144.22
Dipesh K. Shroff	Non Executive Director	0.74	14.52
Atul G. Shroff	Non Executive Director	0.61	-7.81
H. N. Motiwalla	Independent Director	1.61	-7.74
R. N. Bhogale	Independent Director	1.32	-23.49
M. B. Parekh	Independent Director	0.69	-32.65
P. S. Jhaveri	Independent Director	1.28	-2.38
S. S. Vaidya	Independent Director	0.81	-7.14
R. M. Pandia	Independent Director	1.08	-21.21
R. K. Sood	Nominee Director	0.49	-9.62

2. **Percentage increase in the remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary in the FY 2017-18:**

Name	Designation	% increase in Remuneration
N.R. Kannan	Chief Executive Officer, w.e.f 14.07.2017	N.A
Devendra Dosi	Chief Financial Officer, w.e.f 08.02.2018	N.A
S. K. Singhvi	Company Secretary	2.19%
K. D. Dabholkar	Chief Financial Officer, upto 07.02.2018	1.95%

Notes:

(i) Managerial personnel includes, Chairman & Managing Director and Whole-time Directors.

(ii) Chairman and Managing Director and Whole-time Directors had forgone commission for the year 2016-17.

(iii) Remuneration includes commission paid to all Directors and sitting fees paid to Non-Executive Directors.

(iv) Commission to the Non-Executive Directors pertains to the FY 2016-17, which was paid in the FY 2017-18.

ANNEXURE II TO DIRECTORS' REPORT

3. **The median remuneration of employees of the Company has been increased by 4.57% in the FY 2017-18 over the median remuneration of employees of the Company in FY 2016-17.**

4. **There were 904 permanent employees on the rolls of the Company at the end of the FY 2017-18.**

5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof.**

   The average increase in the salary of the employees other than the managerial personnel in FY 2017-18 is 5.61% and for managerial personnel is 120.80%.

   The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also as per market trend.

6. **Affirmation that the remuneration is as per the remuneration policy of the Company**

   Remuneration paid to Directors, KMP and other employees is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Chairman & Managing Director
DIN: 00019952

Date: May 25, 2018
Place: Mumbai

ANNEXURE II TO DIRECTORS' REPORT

Disclosure required under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. Top Ten Employees in terms of Remuneration drawn.

Sr. No.	Name of the Employee	Designation	Remuneration (₹ in lac)	Nature of employment, (Contractual or otherwise)	Qualifications	Experience (Years)	Joining Date	DOB	Age (Years)	Last employment	% of Equity shares held by the Employee along with spouse and children	Relative of any Director / Manager
1.	ASHWIN CHAMPRAJ SHROFF	Chairman & Managing Director	202.18	Contractual	B.Sc.	52	01.09.1965	22.01.1945	73	NA	83070	—
2.	USHA ASHWIN SHROFF	Executive Vice Chairperson	158.17	Contractual	M.Com.	50	01.11.1968	28.03.1947	71	NA	6497	Wife of MD
3.	RAVI ASHWIN SHROFF	Executive Director	136.46	Contractual	BE – Chemical PG in Chemistry, Boston University, USA	15	03.09.2014	05.02.1978	40	Anshul Specialty Molecules Pvt Ltd	47670	Son of Mr. Ashwin Shroff & Mrs. Usha A. Shroff
4.	HRISHIT ASHWIN SHROFF	President — Environment and Biotech Business and Corporate Services	69.40	Permanent	CA	17	01.02.2017	21.02.1980	38	Excel Crop Care Ltd.	47669	Son of Mr. Ashwin Shroff & Mrs. Usha A. Shroff
5.	N.R. KANNAN	CEO	58.97	Permanent	B.Sc., B.Sc. (Tech.)	30	17.07.2017	08.09.1963	54	Sanmar Specialty Ltd	0	—
6.	B. BALACHANDRAN	President – Chemicals Business	64.78	Permanent	M.Tech.	39	16.04.1979	01.09.1953	64	NA	902	—
7.	ADITYA KUMAR NIGAM	Sr. VP – Manufacturing	39.57	Permanent	B.Tech.	31	18.08.2017	21.08.1962	55	Cheminova	0	—
8.	DEVENDRA P. DOSI	CFO	7.50	Permanent	CA	21	01.11.2017	22.06.1972	45	H R Jhonson	0	—
9.	PRADEEP N. GHATTU	Sr. VP – Chemicals Business	50.88	Permanent	MBA	25	03.11.2004	02.01.1970	48	ABB	50	—
10.	SAURABH ANIL SHAH	VP – E&BT Business	49.77	Permanent	MS, MBA	14	03.10.2012	14.12.1980	37	Deccan Aviation Pvt. Ltd.	0	—

Note: Employees at Sr. No. 5, 7 and 8 have been in service only for part of the year.

ANNEXURE III TO DIRECTORS' REPORT

Form No. AOC-2

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

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

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

Name(s) of the related party and nature of relationship	**NIL**
Nature of contracts/arrangements/transactions	
Duration of the contracts/arrangements/transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Justification for entering into such contracts or arrangements or transactions	
Date(s) of approval by the Board	
Amount paid as advances, if any	
Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

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

Name(s) of the related party and nature of relationship	Nil
Nature of contracts/arrangements/transactions	
Duration of the contracts/arrangements/transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Date(s) of approval by the Board, if any	
Amount paid as advances, if any	

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Chairman & Managing Director
DIN: 00019952

Date: May 25, 2018
Place: Mumbai

ANNEXURE IV TO DIRECTORS' REPORT

Details on CSR Activities of the Company for the financial year 2017-18

1. Excel believes that the industry seeks a license to exist from the community around it. Hence, it shall pursue the commitment of Corporate Social Responsibility and carry out the welfare work directly and/or through other committed organizations. Excel's CSR Policy focuses on following key areas for carrying out its social responsibility.

   Rural development

   Environment

   Natural Resources Management

   Promotion of Education

   Capacity building

   Preventive health care

   Animal welfare

   The company's CSR Policy is available at http://excelind.co.in/companyPolicies.html

2. The CSR Committee consists of:

   Mr. Ashwin C. Shroff, Chairman

   Mrs. Usha A. Shroff

   Mr. R. N. Bhogale

   Mr. M. B. Parekh

   Mr. R. M. Pandia

3. Average net profit of the Company calculate as per Section 198 for the last three FY preceeding 31st March, 2018 is **₹ 3592.63 Lacs**

4. CSR expenditure prescribed under Section 135 of the Companies Act, 2013 for the FY 2017-18 is **₹ 71.85 Lacs**

5. (a) The total amount spent by the Company on CSR activities in FY 2017-18 is **₹ 85.10 Lacs**

   (b) Amount unspent, if any: **N.A.**

   (c) Manner in which the total amount spent by the Company on CSR activities in FY 2017-18 is detailed below:

(₹ in Lacs)

Sr. No.	CSR Project/Activity Identified	Sector in which the project is covered	Area of project implementation (Name of the Dist./state/ where project/ programme was undertaken)	Amount outlay (budget) project or program wise	Amount spent on project of program – Direct expenses	Amount spent on project or program – Overhead expenses	Cumulative expenditure up to reporting period	Name and amount spend through implementing agency	
								Amount	Agency
1.	Awareness on Rain water harvesting, Recharging of Bore wells and, Construction of permanent check dams.	Conservation of Natural Resources	State: Maharashtra Dist.: Raigad/ Ratnagiri & State: Gujarat	10	9.55	—	9.55	9.55	Shri. Vivekananda Research and Training Institute

(₹ in Lacs)

Sr. No.	CSR Project/Activity Identified	Sector in which the project is covered	Area of project implementation (Name of the Dist./state/ where project/ programme was undertaken)	Amount outlay (budget) project or program wise	Amount spent on project of program – Direct expenses	Amount spent on project or program – Overhead expenses	Cumulative expenditure up to reporting period	Name and amount spend through implementing agency	
								Amount	Agency
2.	Promoting Smart/ Conservation agriculture Technique, Developing Training Centre for farmers, Imparting training, Installation of weather stations, for keeping farmers updated on weather conditions, Community Development,	Rural Development	State: Maharashtra Dist.: Raigad/ Ratnagiri	39.60	39.50	—	39.50	39.50	Shri Vivekananda Research and Training Institute NCCSD
3.	Conducting Career guidance, Personality development programs, provided LCD projector, and hardware for digitization of schools, supporting maintenance of school buildings, Sanitation and drinking water facility and Conducting overall Personality Development program, Teachers' training for adaptation of Pradnya Vikas program by Schools.	Promotion of Education	State: Maharashtra Dist.: Raigad/ Ratnagiri	22.75	22.6	—	22.6	22.6	Shri Vivekananda Research and Training Institute and Jnan Prbodhini, Pune
4.	Creating Awareness on "Preventive Health Measures & Sanitation" in villagers. Promoting use of domestic wastewater for Vegetable cultivation in the Back yard.	Preventive Health Care	State: Maharashtra Dist.: Raigad/ Ratnagiri	6.75	6.62	—	6.62	6.62	Shri Vivekananda Research and Training Institute
5.	Supporting entrepreneurial Women group in making value added products on commercial level from Ragi and marketing.	Entrepreneurship development	State: Maharashtra Dist.: Raigad/ Ratnagiri	2	2	—	2	2	Shri Vivekananda Research and Training Institute
6.	Developing Biodiversity Parks, tree plantation.	Ensuring Environmental Sustainability	State: Maharashtra Dist.: Raigad/ Ratnagiri	3	2.66	—	2.66	2.66	Shri Vivekananda Research and Training Institute
7.	Animal Vaccination, Fodder and Construction of Cowshed.	Animal welfare	State: Maharashtra Dist.: Raigad/ Ratnagiri	0.90	0.90	—	0.90	0.90	Shri Vivekananda Research and Training Institute
8.		Operating Expenses	State: Maharashtra Dist.: Raigad/ Ratnagiri	1.5	—	1.27	1.27	1.27	Shri Vivekananda Research and Training Institute
	Grand Total			**86.5**	**83.83**	**1.27**	**85.10**	**85.10**	

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Chairman & Managing Director
and Chairman of the CSR Committee
DIN: 00019952

Date: May 25, 2018
Place: Mumbai

ANNEXURE V TO DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT
FORM NO. MR-3
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
EXCEL INDUSTRIES LIMITED
184-187, Swami Vivekanand Road
Jogeshwari (West)
Mumbai – 400 102

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **EXCEL INDUSTRIES LIMITED** having **CIN: L24200MH1960PLC011807** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

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

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

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

(iv) 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 (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(v) The Drugs and Cosmetics Act, 1940 and The Drugs and Cosmetics Rules, 1945.

As per the explanations given to me in the representations made by the management and relied upon by me, during the period under review, provisions of the following regulations/guidelines were not applicable to the Company:

(i) 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;

(ii) 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 (Share Based Employee Benefits) Regulations, 2014;

(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

(e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

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

(i) Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India under the Companies Act, 2013.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that:

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

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

Majority decision is carried through and as informed, there were no dissenting members' views and hence not recorded as part of the minutes.

I further report that as per the explanations given to me in the representations made by the management and relied upon by me, 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.

As per the explanations given to me and the representations made by the management and relied upon by me, I further report that, during the audit period, there were no other specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

PRASHANT DIWAN
Practicing Company Secretary
FCS: 1403 CP: 1979

Date: 25th May, 2018
Place: Mumbai

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
EXCEL INDUSTRIES LIMITED
184-187, Swami Vivekanand Road
Jogeshwari (West)
Mumbai – 400 102

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of Accounts of the company.

4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

PRASHANT DIWAN
Practicing Company Secretary
FCS: 1403 CP: 1979

Date: 25th May, 2018
Place: Mumbai

ANNEXURE VI TO DIRECTORS' REPORT

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March, 2018

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

I. REGISTRATION AND OTHER DETAILS:

CIN	:	L24200MH1960PLC011807
Registration Date	:	05.09.1960
Name of the Company	:	Excel Industries Limited
Category of the Company	:	Company limited by shares
Sub-Category of the Company	:	Indian Non Government Company
Address of the Registered office and contact details	:	184-87, Swami Vivekanand Road, Jogeshwari (West), Mumbai 400 102. Maharashtra Tel : 91 22 66464200 Fax: 91 22 26783657 Email : excel.mumbai@excelind.com
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Share Transfer Agents, if any:	:	Link Intime India Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai 400 083 Tel : 022 49186000 / 91 22 49186270 Fax: 91 22 49186060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1.	Diethyl Thio Phosphoryl Chloride	20119	50.73%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN	Holding/ subsidiary/ associate	% of shares held	Applicable section
1.	Kamaljyot Investments Limited **Address:** 184-87 Swami Vivekanand Road, Jogeshwari (W), Mumbai 400 102	U65990MH1983PLC030597	Subsidiary	100%	2(87)(ii)
2.	Excel Bio Resources Limited **Address:** 184-87 Swami Vivekanand Road, Jogeshwari (W), Mumbai 400 102	U01403MH2007PLC176907	Subsidiary	100%	2(87)(ii)
3.	Mobitrash Recycle Ventures Private Limited **Address:** 184-87 Swami Vivekanand Road, Jogeshwari (W), Mumbai 400 102	U37100MH2015PTC269272	Associate	39.98%*	2(6)

* Shares held by subsidiaries of the Company.

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	423848	0	423848	3.37	423943	0	423943	3.37	—
b) Central Govt	—	—	—	—	—	—	—	—	—
c) State Govt(s)	—	—	—	—	—	—	—	—	—
d) Bodies Corp.	6057100	0	6057100	48.18	6057100	0	6057100	48.18	—
e) Banks/FI	—	—	—	—	—	—	—	—	—
f) Any other	—	—	—	—	—	—	—	—	—
Sub-total (A)(1):	**6480948**	**0**	**6480948**	**51.56**	**6481043**	**0**	**6481043**	**51.56**	**—**
(2) Foreign									
a) NRIs – Individuals	104082	0	104082	0.83	104082	0	104082	0.83	—
b) Other – Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corp.	—	—	—	—	—	—	—	—	—
d) Banks/FI	—	—	—	—	—	—	—	—	—
e) Any other	—	—	—	—	—	—	—	—	—
Sub-total (A)(2):	**104082**	**0**	**104082**	**0.83**	**104082**	**0**	**104082**	**0.83**	**—**
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	**6585030**	**0**	**6585030**	**52.38**	**6585125**	**0**	**6585125**	**52.38**	**—**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	825	25	850	0.01	825	0	825	0.01	0.00
b) Venture Capital Funds	—	—	—	—	—	—	—	—	—
c) Alternate investments fund	—	—	—	—	—	—	—	—	—
d) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
e) Foreign portfolio investors	0	100	100	0.00	18837	100	18937	0.15	0.15
f) Banks/FI	970247	194	970441	7.72	972075	194	972269	7.73	0.01
g) Insurance Companies	0	1	1	0.00	0	1	1	0.00	0.00
h) Provident funds/Pension funds	—	—	—	—	—	—	—	—	—
i) Others (specify)	24	398	422	0.00	24	398	422	0.00	—
Sub-total (B)(1):	**971096**	**718**	**971814**	**7.73**	**991761**	**693**	**992454**	**7.89**	**0.16**
(2) Non-Institutions									
a) Bodies Corp.	—	—	—	—	—	—	—	—	—
i) Indian	—	—	—	—	—	—	—	—	—
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	3359800	319815	3679615	29.27	3120609	275738	3396347	27.02	(2.25)
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	667237	0	667237	5.31	827636	0	827636	6.58	1.27
c) Non Resident	—	—	—	—	—	—	—	—	—
d) Others (specify)	649931	17065	666996	5.31	757132	11998	769130	6.12	0.81
Sub-total (B)(2):	**4676968**	**336880**	**5013848**	**39.89**	**4705377**	**287736**	**4993113**	**39.72**	**(0.17)**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**5648064**	**337598**	**5985662**	**47.62**	**5697138**	**288429**	**5985567**	**47.61**	**(0.01)**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**12233094**	**337598**	**12570692**	**100.00**	**12282263**	**288429**	**12570692**	**100.00**	**0.00**

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		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.	Mr. Atul Govindji Shroff	41109	0.33	0	59784	0.48	0	0.15
2.	Mr. Atul Govindji Shroff – HUF	18675	0.15	0	0	0	0	(0.15)
3.	Mrs. Shruti Atul Shroff	22018	0.18	0	22018	0.18	0	0
4.	Ms. Vishwa Atul Shroff	810	0.01	0	905	0.01	0	0
5.	Mrs. Chetna P. Saraiya	8610	0.07	0	8610	0.07	0	0
6.	Mr. Praful M. Saraiya	2033	0.02	0	2033	0.02	0	0
7.	Mrs. Hiral Tushar Dayal	10960	0.09	0	10960	0.09	0	0
8.	Mr. Tushar Charandas Dayal	1310	0.01	0	1310	0.01	0	0
9.	Ms. Ami Kantisen Shroff	31882	0.25	0	31882	0.25	0	0
10.	Mr. Kantisen Chaturbhuj Shroff	51546	0.41	0	51546	0.41	0	0
11.	Mr. Kantisen Chaturbhuj Shroff-HUF	5494	0.04	0	5494	0.04	0	0
12.	Mr. Dipesh Kantisen Shroff	8619	0.07	0	8619	0.07	0	0
13.	Mrs. Preeti Dipesh Shroff	14110	0.11	0	14110	0.11	0	0
14.	Mr. Abhay Sunil Saraiya	150	0	0	150	0	0	0
15.	Mr. Ashwin Champraj Shroff	83070	0.66	0	83070	0.66	0	0
16.	Mrs. Usha Ashwin Shroff	6497	0.05	0	6497	0.05	0	0
17.	Mrs. Anshul Ambrish Bhatia	21616	0.17	0	21616	0.17	0	0
18.	Mr. Ravi Ashwin Shroff	47670	0.38	0	47670	0.38	0	0
19.	Mr. Hrishit Ashwin Shroff	47669	0.38	0	47669	0.38	0	0
20.	Mr. Dilipsinh G. Bhatia (NRI)	104082	0.83		104082	0.83		0
21.	M/s Anshul Specialty Molecules Pvt. Ltd.	0	0	0	5358682	42.63	0	42.63
22.	M/s Dipkanti Investments & Financing Pvt. Ltd.	235732	1.88	0	235732	1.88	0	0
23.	M/s Vibrant Greentechindia Pvt. Ltd.	149991	1.19	0	149991	1.19	0	0
24.	M/s Hyderabad Chemical Products Ltd.	46833	0.37	0	46833	0.37	0	0
25.	M/s Pritami Investments Pvt. Ltd.	79862	0.64	0	79862	0.64	0	0
26.	M/s Shrodip Investments Pvt. Ltd.	29350	0.23	0	29350	0.23	0	0
27.	M/s Transpek Industry Limited	156650	1.25	0	156650	1.25	0	0
28.	M/s Utkarsh Global Holdings Pvt. Ltd.	5358682	42.63	0	0	0	0	(42.63)
	Total	**6585030**	**52.38**	**0**	**6585125**	**52.38**	**0**	**0**

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

Sr. No.		Cumulative Shareholding at the beginning of the year 2016-17		Cumulative Shareholding during the year 2017-18	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	6585030	**51.02**	6585030	**52.38**
	Purchase of 95 shares by Miss Vishwa Atul Shroff on 07.04.2017	0	0	95	0.00
	At the End of the year	6585030	52.38	6585125	52.38

- The total numbers of shares during 2016-17 reduced by 334938 due to Buyback hence number of shares reduced from 12905630 to 12570692.

iv. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Increase/Decrease in shareholding during the year			Date of change	Cumulative shareholding during the year/Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No of Shares Decreased	No of Shares Increased	Reason		No. of Shares	% of total Shares of the Company
1.	Life Insurance Corp of India	962799	7.66	0	0			962799	7.66
2.	Custodian (Special Court) Rina Mehta & Sudhir S Mehta	84824	0.67	0	0			84824	0.67
3.	Investor Education And Protection Fund Authority Ministry of Corporate Affairs	0	0	0	58728	Transfer	24.11.2017	58728	0.004
4.	Deep J. Master	77500	0.62		250	Market Purchase	26.05.2017	77750	0.62
					250	Market Purchase	02.06.2017	78000	0.62
					2000	Market Purchase	09.06.2017	80000	0.64
					1000	Market Purchase	16.06.2017	81000	0.64
					500	Market Purchase	23.06.2017	81500	0.65
					5500	Market Purchase	21.07.2017	87000	0.69
					15000	Market Purchase	28.07.2017	102000	0.81
					3813	Market Purchase	04.08.2017	105813	0.84
					24687	Market Purchase	11.08.2017	130500	1.04
					5500	Market Purchase	18.08.2017	136000	1.08
					500	Market Purchase	25.08.2017	136500	1.09
					250	Market Purchase	08.09.2017	136750	1.09
					250	Market Purchase	15.09.2017	137000	1.09
					2250	Market Purchase	22.09.2017	139250	1.11
					992	Market Purchase	29.09.2017	140242	1.12
					258	Market Purchase	06.10.2017	140500	1.12
				3000		Transfer	12.01.2018	137500	1.09
5.	Rajju D Shroff	112350	0.89		2	Market Purchase	21.04.2017	112352	0.89

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Increase/Decrease in shareholding during the year			Date of change	Cumulative shareholding during the year/Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No of Shares Decreased	No of Shares Increased	Reason		No. of Shares	% of total Shares of the Company
6.	Maya Rawat	84991	0.68	0	0	—	—	84991	0.68
7.	Vinod Kumar Ohri	70000	0.56	0	0	—	—	70000	0.56
8.	Musaddilal Rawat	64416	0.51	0	0	—	—	64416	0.51
9.	Koushik Sekhar	63362	0.50	0	0	—	—	63362	0.50
10.	Archana Khandelwal	20819	0.17	500		Transfer	22.09.2017	20319	0.16
					500	Market Purchase	22.12.2017	20819	0.17
					32401	Market Purchase	29.12.2017	53220	0.42

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Increase/Decrease in shareholding during the year			Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No of Shares Decreased	No of Shares Increased	Reason	No. of Shares	% of total Shares of the Company
	DIRECTORS							
1.	Mr. Ashwin C .Shroff	83070	0.66	0	0	0	83070	0.66
2.	Mrs. Usha A. Shroff	6497	0.05	0	0	0	6497	0.05
3.	Mr. Ravi A. Shroff	47670	0.38	0	0	0	47670	0.38
4.	Mr. Atul G. Shroff	41109	0.33	0	0	0	59784	0.48
5.	Mr. Atul G. Shroff — HUF	18675	0.15	18675	0	Transferred to Atul G. Shroff	0	0
6.	Mr. Dipesh K. Shroff	8619	0.07	0	0	0	8619	0.07
7.	Mr. R. N. Bhogale	0	0	0	0	0	0	0
8.	Mr. H. N. Motiwalla	0	0	0	0	0	0	0
9.	Mr. P S. Jhaveri	0	0	0	0	0	0	0
10.	Mr. M. B. Parekh	0	0	0	0	0	0	0
11.	Mr. R. K .Sood	0	0	0	0	0	0	0
12.	Mr. Shailesh Vaidya	0	0	0	0	0	0	0
13.	Mr. Rajeev M. Pandia	0	0	0	0	0	0	0
	Key Managerial Personnel (KMP)							
1.	Mr. Kailas Dabholkar	365	0.003	0	0	0	365	0.003
2.	Mr. S. K. Singhvi	100	0.000	0	0	0	100	0.000
3.	Mr. Devendra Dosi	0	0	0	0	0	0	0
4.	Mr. N. R. Kannan	0	0	0	0	0	0	0

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director and Whole-time Directors: (Amt. in ₹)

Sr. No.	Particulars of Remuneration	Name of Managing Director and Whole-time Directors			Total Amount
		Mr. Ashwin C Shroff Chairman and Managing Director	Mrs. Usha A Shroff Executive Vice Chairperson	Mr. Ravi A Shroff Executive Director	
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	55,50,000	41,12,903	35,20,000	1,31,82,903
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	35,68,130	36,63,603	30,85,897	1,03,17,630
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission	1,11,00,000	80,40,000	70,40,000	2,61,80,000
	– as % of profit	—	—	—	—
	– others, specify	—	—	—	—
5.	Others, please specify				
	Total (A)	**2,02,18,130**	**1,58,16,506**	**1,36,45,897**	**4,96,80,533**
	Ceiling as per the Act	11,41,34,000			

B. Remuneration to Non-Executive Directors

1. Independent Directors

Sr. No.	Particulars of Remuneration	Name of Independent Directors						Total Amount
		Mr. R. N. Bhogale	Mr. H. N. Motiwalla	Mr. P. S. Jhaveri	Mr. M. B. Parekh	Mr. S. S. Vaidya	Mr. R. M. Pandia	
1.	Fee for attending Board/ Committee Meetings	2,60,000	4,00,000	2,40,000	80,000	1,40,000	1,70,000	12,90,000
2.	Commission	3,75,000	3,75,000	3,75,000	2,50,000	2,50,000	3,50,000	19,75,000
3.	Others, please specify	—	—	—	—	—	—	—
	Total (B1)	**6,35,000**	**7,75,000**	**6,15,000**	**3,30,000**	**3,90,000**	**5,20,000**	**32,65,000**

2. Other Non-Executive Directors

Sr. No.	Particulars of Remuneration	Name of Non-Executive Directors		Name of the Nominee Director	Total Amount
		Mr. Atul G. Shroff	Mr. Dipesh K. Shroff	Mr. R. K. Sood	
1.	Fee for attending Board/ Committee Meetings	1,20,000	1,80,000	60,000	3,60,000
2.	Commission	1,75,000	1,75,000	1,75,000	5,25,000
3.	Others, please specify	—	—	—	—
	Total (B2)	**2,95,000**	**3,55,000**	**2,35,000**	**8,85,000**

Total Managerial remuneration to Non-Executive Director (B1 + B2)		**41,50,000**
Overall Ceiling as per the Act + Sitting Fees		1,30,63,000

Notes: 1. Commission to the Non-Executive Directors pertains to the FY 2016-17, has been paid in the FY 2017-18.
2. Ceiling limits are for the year 2017-18.

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

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel				Total Amount
		Mr. Kailas Dabholkar (up to 7th Feb., 2018)	Mr. Surendra Singhvi	Mr. N. R. Kannan (w.e.f. 14th July, 2017)	Mr. Devendra Dosi (w.e.f. 08th Feb, 2018)	
		Chief Financial Officer	Company Secretary	Chief Executive Officer	Chief Financial Officer	
1.	Gross salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	34,74,476	17,71,335	56,97,547	7,50,396	1,16,93,754
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	94,350	21,600	1,99,348	—	3,15,298
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	—	—	—	—	
2.	Stock Option	—	—	—	—	—
3.	Sweat Equity	—	—	—	—	—
4.	Commission	—	—	—	—	—
	– as % of profit	—	—	—	—	—
	– others, specify	—	—	—	—	—
5.	Others, please specify	—	—	—	—	—
	Total	**35,68,826**	**17,92,935**	**58,96,895**	**7,50,396**	**120,09,052**

VI. 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)
A. COMPANY					
Penalty			**NIL**		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			**NIL**		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			**NIL**		
Punishment					
Compounding					

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Chairman & Managing Director
DIN: 00019952

Date: May 25, 2018
Place: Mumbai

ANNEXURE VII TO DIRECTORS' REPORT 2017-18

(A) CONSERVATION OF ENERGY

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

1. Reduction in lighting load throughout site by replacing conventional lamps with LED.
2. Installation of energy efficient pumps in utility services reducing equivalent power consumption by 10%.

(ii) The steps taken by the company for utilizing alternate sources of energy.

1. We have initiated the activity of purchase of solar power from external sources through group captive scheme.

(B) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

1. To strengthen R&D analysis, Gas Chromatography Mass Spectroscopy (GCMS) installed to decipher results of product and its impurity profile during product development and process scale up.
2. Use of an upgraded distillation technique for capacity enhancement and cost reduction in a Pharma intermediate for in-house & market.
3. Cost Reduction initiatives of existing products undertaken.
4. Introduction of automated PLC controls in ETP plant for smooth functioning & also installed online effluent quality measurement.
5. Increase in capacity of refrigeration units and switchover from ammonia to green gas based chill water unit and capacity enhancement.

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

1. We had launched a new agrochemical intermediate in October 2016. We have successfully established production of this intermediate on a commercial scale. In this financial year 2017-18, we have completely replaced the imports with our material.
2. We have introduced two new products (one intermediate and one API) in the Pharma business.

(iii) The expenditure incurred on R&D for the FY 2017-18:

(₹ in Lacs)

Capital	181.32
Recurring	672.47
Total	853.79
Total R&D expenditure as a percentage of total turnover	1.44%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earned in terms of actual inflows during the FY 2017-18 is ₹ 104.78 and the foreign exchange outgo in terms of actual outflows during the FY 2017-18 is ₹ 140.57.

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Chairman & Managing Director
DIN: 00019952

Date: May 25, 2018
Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

The Businesses in which the Company operates can be categorised as follows:

- Chemicals
- Pharmaceutical Intermediates and Actives
- Environment & Biotech

Management Discussion and Analysis – Chemicals Business

The Company is a leading producer of specialty and performance chemicals. The annual turnover of the Chemicals Business for the year 2017-18 was ₹ 594.15 crores compared to ₹ 487.27 crores in the financial year 2016-17.

The product portfolio of Chemicals Business comprises of Agrochemical Intermediates, Specialty Chemicals and Polymer Inputs.

In this report, the industry structure, outlook, opportunities and threats for each of the above product groups are sought to be discussed.

INTERMEDIATES FOR AGROCHEMICALS

Industry Structure

The Company is a leading supplier of specialty intermediates to agrochemical producers.

The Agrochemicals Sector has an important role to play in food security and improvement of agricultural productivity. In recent years, India has emerged as a hub for the production of generic agrochemicals. India is the fourth largest producer of agrochemicals (after USA, China and Japan).

Production of Agrochemical Technicals requires several basic and advanced intermediates. In the last decade, China had emerged as a major supplier for many key intermediates. Till recently, the agrochemical intermediate industry in China was characterized by multiple players with large capacities. Hence for many years, there was easy availability of key agrochemical intermediates from China due to which the prices remained at low levels. The Indian producers of agrochemical intermediates faced intense price competition from China.

In the last one year, the Chinese Government started to enforce the pollution control norms very strictly. Due to this, several Chinese producers of agrochemical intermediates who were not complying with the norms had to abruptly stop production. This led to a tightness in availability of these intermediates, resulting in opportunities for Indian producers to increase volumes with improved realizations.

The industry view is that the above changes in China are structural in nature and part of a long term lasting trend. This will bring about rationalization of capacities with bigger companies upgrading their treatment systems for environmental compliance. Smaller companies who are unable to upgrade their treatment systems will cease to operate. These changes are likely to result in scales of operations that are realistically aligned to market demands, thereby resulting in improved realizations to Indian manufacturers.

Outlook for the Industry

- As per the advance forecasts, the country is likely to experience a normal monsoon during the year 2018-19.
- The change in industry structure/dynamics due to the developments in China augurs well for Indian producers of Agrochemical Intermediates. Many multinational companies have started looking at India as a reliable long term partner for supply of Agrochemical Intermediates and Indian Companies with good R & D and Manufacturing strengths and a track record in Environment, Health and Safety (EHS) stand to gain.
- Considering the above, the outlook for Indian Agrochemical Industry looks favorable in the short as well as medium term.

Opportunities

- The Company is a leader in the production of intermediates required for the production of Organophosphorous (OP) Insecticides. Because of the factors mentioned in the section "Outlook for the Industry", the demand conditions for OP insecticides are expected to be favourable in the financial year 2018-19.
- The Company has focused on building on its strength in process R & D and manufacturing. We have continuously invested in manufacturing, R & D, Effluent Treatment and Safety. Thus the Company is well poised to take advantage of opportunities accorded by the favorable demand situation and the structural changes in the agrochemical intermediates industry.

Threats

- Agrochemicals are under the constant scanner of regulatory agencies and environmental activists. Any adverse impact due to regulatory action on any of the major molecules consuming the intermediates produced by the Company can have a negative impact on the Company's products. In order to mitigate this risk, the Company is actively pursuing development of intermediates based on chemistries other than the ones in which it is currently established.

Speciality Chemicals

The Company is a major producer of a wide range of Specialty and Performance Chemicals like Organophosphonates, Biocides, and mining chemicals.

Industry Structure

- Organophosphates and related products account for a major portion of the turnover of the Specialty Chemicals Product group. The Company produces a biocide which gives good performance and is highly cost effective. The Company is the major producer of this biocide in the country.
- Traditionally, Orgnanophosphonates have been characterized by excess supply, commoditization and intense price competition. For the past few years, prices were at unsustainably low levels. Above mentioned changes in China had helped Indian manufacturers with improved realization. On the raw material front, there has been a substantial increase in the prices of certain key inputs, mainly driven by the commodity cycle. This has partly offset the gains of improved price realizations. Going forward, we expect the pressures of price competition and high raw material prices to continue for this product segment.
- Production of Specialty and Performance Chemicals call for certain core competencies and strengths in R&D, manufacturing and Applications Development. Effluent Treatment is an important factor in the sustainable production of these chemicals. India is being looked at as a future hub for manufacture of such specialty chemicals.

Opportunities

- The US Government has imposed an anti-dumping duty on the import from China of one of the large volume Organophosphonates. The Company has taken advantage of this situation and increased its exports to US.
- The Company has all the strengths in R & D, Manufacturing, Environment, Health and Safety (EHS) and Effluent Treatment (ETP) which are required for sustainable production of specialty chemicals. Thus it is well positioned to take advantage of the opportunities in the specialty chemicals space. The Company is working on certain new chemistries which will yield a pipeline of downstream specialty chemicals. Work on some of these products are currently underway and is expected to be commercialized soon.

Threats

- As mentioned above, the organophosphonate group products are characterized by excess supply, commoditization and intense price competition. China is a major player with huge manufacturing capacities. This makes these products vulnerable to pricing pressures.
- The biocide manufactured by the company has been under regulatory scanner for some time now. There is a threat of the same being phased out.

POLYMER INPUTS

Industry Structure

Polymer Inputs/Additives are a class of functional chemicals which are used to impart special properties/functional characteristics to Polymers. These include Catalysts, Flame Retardants, Clarifying Agents, Branching and Cross-Linking Agents, Plasticisers etc. With the increasing use of Polymers in various applications like automobiles, electronics, construction industry, power equipment, aerospace etc. there is a good potential for Polymer Inputs and Additives.

In recent years, the Company has been able to establish itself as a leader in the range of polymer inputs produced by it.

The Company has been able to attain market leadership for the products produced by it.

Opportunities

With its established position for the polymer input products manufactured by it, the Company is ideally placed to take advantage of the market opportunities by expanding on the range of its offerings.

Threats

- The market for the polycarbonate branching agent manufactured by the company has reached a phase of maturity and demand is likely to remain stable / gradually decline in the future.
- A shift to new generation products by the customer might adversely impact the sale of some of the products manufactured by the Company.
- The Company is actively working on expanding its product range in order to mitigate this threat. Phosphorous based Polymer Additives is one of the areas of focus.

PHARMACEUTICAL INTERMEDIATES AND ACTIVES

The Indian pharma industry, which is expected to grow over 15 per cent per annum between 2015 and 2020, will outperform the global pharma industry, which is set to grow at an annual rate of 5 per cent between the same periods. The Indian market is expected to grow to about US$ 55 billion by 2020, thereby forecast to emerge as the sixth largest pharmaceutical market globally by absolute size. Branded generics dominate the pharmaceuticals market, constituting nearly 80 per cent of the market share (in terms of revenues). The sector is expected to generate 58,000 additional job opportunities by the year 2025.

The Indian API industry and its latest trends

India's API manufacturing industry is 3rd largest in world in terms of volume & 13th largest In terms of value & is expected to grow at a CAGR of 17%. India's API production has doubled in the last couple of years in generic sector. API market in India is currently highly fragmented but is expected to become consolidated in the coming years due to increasing competition. According to a report by Frost & Sullivan, in the pharmaceutical industry, sourcing of APIs is now being considered as a crucial part of industry's strategic plan and India is one of the top countries from which APIs are sourced. Although in terms of value the demand for APIs still comes from the United States and Europe, the role of the Asia Pacific region as an important demography for sourcing of APIs is becoming more prominent. Another noticeable aspect in the pharmaceutical industry today is the patent expiry of proprietary products resulting in expansion of generic sector. As a result of this the Contract Manufacturing Organizations in countries like India are expected to witness a strong upsurge in demand of APIs in generics.

The increased environmental restrictions within China and consequent shutting down of several chemical factories has resulted in improved prices for several intermediates and APIs. Non-availability of basic and critical building blocks has prompted Indian importers to explore with domestic manufacturers, resulting in better capacity utilization for Indian manufacturers.

Performance and Outlook

The Pharma business recorded a turnover of ₹ 32.42 crore in the financial year 2017-18. The turnover increased by 35.08% Y-O-Y basis. The growth is majorly due to increase in market share of existing molecules and launch of new molecules. The Company has obtained DCGI approval for manufacture and sale of an Anti-diabetic molecule.

ENVIRONMENT AND BIOTECH

Industry Structure and Development

Municipal Solid Waste Management activity in India continues to move ahead with a lot of intent and regulatory push since the advent of 'Swachh Bharat Abhiyaan' 3 years ago. What appeared to be a campaign focusing merely on clean appearance of the city and building of toilets in the rural areas, the country witnessed a conscious shift in focus towards de-centralized composting.

Many Urban Local Bodies (Municipalities) mandated Bulk Waste Generators via written notices to segregate waste and treat their wet waste within their premises. Your Company has played a significant role in providing Organic Waste Converter systems to these Bulk Waste Generators in India.

Opportunities and Threats

Conducted by the Ministry of Housing and Urban Affairs, 'Swachh Survekshan' has become an important annual survey for ranking cleanest cities in India. The Swachh Survekshan has laid enough emphasis on successful installation and operation of de-centralized composting systems by Bulk Waste Generators in cities. One sees more cities aspiring to rank among the cleanest cities, thereby adopting various solid waste management measures. This opens up huge opportunities for Excel's Organic Waste Converter machines as well as sale of treat range products such as Bioculum and Sanitreat.

While the opportunities are immense, the threat of competition is also increasing. Since the concept of de-centralized composting is still very fresh, various low cost and low performing solutions have flooded the market. Since the adoption of these systems by Bulk Waste Generators is primarily due to the strict mandate, there is a lot of price sensitivity and the lowest priced product have won business in many cases.

Your Company will need to actively explore the opportunities, weigh the risk of liabilities and also ensure we remain competitive at all times. Continuous innovation, newer solutions with high barrier to entry and focus on differentiation continue to be our strategy to face the above threat.

Segment Performance and Outlook

The ENBT business recorded a turnover of ₹ 16.95 crore in the financial year 2017-18. The turnover increased by 1.60% Y-O-Y basis. The growth is mainly due to increase in sales.

The FY 2018-19 will see a steady increase in demand for de-centralized composting systems such as Excel's OWC and ORCO min. It is expected that the Indian government will continue to push the case for Swachh Bharat Mission in the wake of it's commitment to offer a 'Clean India' by 2nd October 2019. The market is also likely to mature in that a lot of non performing solutions in the market may not be able to sustain and the ones that are able to offer a good solution at a good price will continue to do well. Opportunities for centralized Municipal Solid Waste Management will continue to be fewer than expected as the municipalities still grapple with issues of uniform concession agreements, funding, land availability and remunerative returns on the output such as compost, RDF and power.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has put in place adequate internal financial controls with reference to the financial statements, some of which are outlined below:

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. These are in accordance with generally accepted accounting principles in India. Changes in policies, if any, are approved by the Audit Committee in consultation with the Auditors.

The policies to ensure uniform accounting treatment are prescribed to the subsidiaries of your Company. The accounts of the subsidiary companies are audited and certified by their respective Auditors for consolidation.

The Company has proper and adequate system of internal audit and control which ensures that all the assets are safeguarded against loss from unauthorized use and that all transactions are authorized recorded and reported correctly.

The Company continuously improves upon the existing practices for each of its major functional areas with a view to strengthen the internal control systems.

The Company has assigned internal audit function to a firm of Chartered Accountants. Regular internal audit and checks are carried out to ensure that the responsibilities are discharged effectively. All major findings and suggestions arising out of internal audit are reported and reviewed by the Audit Committee. The management ensures implementation of these suggestions and reviews them periodically.

FINANCIAL PERFORMANCE AND ANALYSIS

During the year under review, the net sales from continuing operations increased from ₹ 48727.21 lacs to ₹ 59414.50 lacs, registering an increase of 21.93%. The exports decrease from ₹ 9616.25 lacs to ₹ 9266.18 lacs registering a decrease of 3.64%. Further, the Company made a profit from its continuing operation before exceptional item and tax ₹ 10630.12 lacs compared to ₹ 2794.39 lacs in the previous year. Net profit after adjusting net loss from discontinuing operation is ₹ 7254.04 lacs as compared to ₹ 2079.68 lacs in the previous year registering an increase of 248.81%.

During the year CRISIL Limited has improved the Credit Rating of the Company to A / Stable for Long Term and A1 for Short Term.

HUMAN RESOURCE DEVELOPMENT/INDUSTRIAL RELATIONS

Nurturing human talent is integral part of all human resource practices. Every passing year as your company is growing in years it's also getting younger by way of young talent coming onboard. This year was focused more on learning and development, performance management and implementation of new human resource system.

At our sites we focused on Safety and System trainings. Extensively training was given in the area of safety to ensure sustainable safety practices, culture and human action. In performance management your company has done documentation of job role, Key Result Areas for all its key positions. The newly implemented HRMS is a cloud based solution which helps managers to attend to people management responsibilities such as attendance, approvals etc. on the go and swiftly.

Your Company has generally enjoyed cordial relations with its employees. Worker and staff are paid in accordance with the wage agreement established with trade unions.

Employee strength of the Company as on 31st March, 2018 was 904.

CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis relating to the Company's objectives, projections, estimates, expectations or prediction may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, raw materials cost, availability and prices of finished goods, foreign exchange market movements, changes in Government regulations, tax structure, economic and political developments within India and the countries where the Company conducts its business and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2018, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance includes transparency, accountability, reporting and independence. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world. Globalization, widespread of shareholders, changing ownership structure, greater expectations, etc. have made a good Corporate Governance sine-qua-non of modern management.

1. **Company's Philosophy on the Code of Governance**

   Corporate Governance primarily involves transparency, complete disclosure, independent monitoring of the state of affairs and being fair to all stakeholders.

   The objective of your Company is not only to meet the statutory requirements of the code but to go well beyond it by instituting such systems and procedures as are in accordance with the latest global trend of making management completely transparent and institutionally sound.

   Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhance stakeholder value. The Company has professionals on its Board of Directors who get actively involved in the deliberations of the Board as well as Committees of Directors on all important policy matters.

2. **Board of Directors**

   (a) As on March 31, 2018 the Company's Board consists of twelve (12) Directors out of which three (3) are Whole-time Directors, two (2) are Non-Executive Directors, six (6) are Independent Directors and one (1) is Nominee Director (LIC of India).

   The Company has obtained the requisite disclosures from the Directors in respect of their directorship in other companies and membership in committees of other companies. Composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting as also number of other directorships/ memberships of committees of other companies are as under:

Name	Category	No. of Board Meetings Attended During 2017-18	Attendance at last AGM (03/08/2017)	No. of Directorship held in Other Public Limited Companies	No. of Positions held in the Committees* of Directors of Other Public Companies	
					As a Member	As a Chairman
Mr. Ashwin C. Shroff (promoter) (DIN: 00019952)	Chairman & Managing Director	8	YES	1	Nil	Nil
Mrs. Usha A. Shroff (promoter) (DIN: 00020519)	Executive Vice Chairperson	7	YES	Nil	Nil	Nil
Mr. Ravi A Shroff (promoter) (DIN: 00033505)	Executive Director	8	YES	1	Nil	Nil
Mr. Atul G. Shroff (promoter) (DIN: 00019645)	Promoter – Non-Executive	6	YES	1	1	Nil

Name	Category	No. of Board Meetings Attended During 2017-18	Attendance at last AGM (03/08/2017)	No. of Directorship held in Other Public Limited Companies	No. of Positions held in the Committees* of Directors of Other Public Companies	
					As a Member	As a Chairman
Mr. Dipesh K. Shroff (promoter) (DIN: 00030792)	Promoter – Non-Executive	7	YES	2	1	Nil
Mr. R. N. Bhogale (DIN: 00292417)	Independent Director	5	YES	Nil	Nil	Nil
Mr. H. N. Motiwalla (DIN: 00029835)	Independent Director	8	YES	6	3	4
Mr. P. S. Jhaveri (DIN: 00045038)	Independent Director	5	NO	2	2	Nil
Mr. M. B. Parekh (DIN: 00180955)	Independent Director	2	YES	2	2	Nil
Mr. S. S. Vaidya (DIN: 00002273)	Independent Director	6	NO	2	Nil	Nil
Mr. R. M. Pandia (DIN: 00021730)	Independent Director	6	YES	2	1	1
Mr. R. K. Sood (DIN: 07127966)	Nominee Director (LIC of India)	3	YES	Nil	Nil	Nil

Notes:

1) Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.

2) Chairmanship/Membership of Committee includes only Audit Committee and Stakeholders Relationship Committee in Indian Public Limited companies other than Excel Industries Limited. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairman of more than five such Committees.

3) Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.

4) Brief profiles of each of the above Directors are available on the Company's website:http://www.excelind.co.in/leadershipTeam.html

(b) Date of Board meetings of the Company held during the year 2017-18.

20/04/2017	26/05/2017	14/07/2017	03/08/2017
26/09/2017	24/11/2017	07/02/2018	30/03/2018

(c) Mr. Ashwin C. Shroff, Mr. Atul G. Shroff and Mr. Dipesh K. Shroff are cousin brothers. Mrs. Usha A. Shroff is wife of Mr. Ashwin C. Shroff and Mr. Ravi A. Shroff is son of Mr. Ashwin C. Shroff.

(d) No. of Shares held by Promoter Non-Executive Directors as on March 31, 2018

Name of the Director(s)	Shares Held (No.)
Mr. Atul G. Shroff	59,784
Mr. Dipesh K. Shroff	8,619

(e) Familiarization Programme for Independent Directors: The Company has conducted familiarization Programme during the year for Independent Directors so as to assist them in performing their role as Independent Directors. Details of the Programme is available on Company's website at http://www.excelind.co.in/companyPolicies.html

(f) Particulars of the Director, retiring by rotation and being eligible, offers himself for re-appointment, are as under:

Name of the Director	Mr. Ravinder Kumar Sood
Date of Birth	31/07/1959
Academic Qualifications	B.Com (Hons), Fellow of Insurance Institute of India
Experience and Expertise	Vast experience in field of management and administration
Date of Appointment	27/03/2015
Other Public Companies in which Directorship is held	NIL
No. of Membership(s)/Chairmanship(s) of Board Committees in other Companies	NIL
No. of Shares held in the Company	NIL
DIN	07127966
Relation with other Directors or Key Managerial Personnel	NIL
Number of Board Meeting attended during the financial year	3
Remuneration and other terms & conditions of appointment	He is entitled to sitting fees for attending Board meetings and commission as approved by the Board of Directors. Remuneration paid to LIC of India in the F.Y. 2017-18 is ₹ 2,35,000/-

3. **Audit Committee**

(a) The role of the Audit Committee is to supervise the Company's financial reporting process, internal control and disclosure of its financial information, to approve appointment of CFO, to recommend the appointment of Statutory Auditors, Cost Auditors and Internal Auditors and fixation of their remuneration, to review and discuss with the Auditors about adequacy internal control systems, the scope of audit including observations of the Auditors, major accounting policies and practices, compliances with IND AS, Listing Regulations and other legal requirements concerning financial statements and related party transactions. The Committee also reviews the Company's risk management systems and the Quarterly, Half Yearly and Annual financial statements before they are submitted to the Board of Directors.

(b) The Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed in the Board meetings and taken on record.

(c) The Company has complied with the requirements of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as regard to the composition of the Audit Committee.

(d) The Audit Committee of the Board of Directors of the Company comprised of the following Six Members as on March 31, 2018:

Mr. H. N. Motiwalla, Chairman	Independent Director
Mr. P. S. Jhaveri, Member	Independent Director
Mr. R. N. Bhogale, Member	Independent Director
Mr. R. M. Pandia, Member (w.e.f. 07/02/2018)	Independent Director
Mrs. Usha A. Shroff, Member	Promoter, Executive Vice Chairperson
Mr. Ravi A. Shroff, Member (w.e.f. 07/02/2018)	Promoter, Executive Director

The Secretary of the Company acts as the Secretary to the Committee.

(e) The Audit Committee meetings were held on the following dates during the financial year 2017-2018.

24/05/2017	03/08/2017	26/09/2017	24/11/2017
07/02/2018			

(f) Attendance at the Audit Committee Meetings during the financial year 2017-2018 was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Mr. H. N. Motiwalla	5	5
Mrs. Usha A. Shroff	5	5
Mr. P. S. Jhaveri	5	3
Mr. R. N. Bhogale	5	4
Mr. R. M. Pandia (w.e.f. 07/02/2018)*	NA	NA
Mr. Ravi A. Shroff (w.e.f. 07/02/2018)*	NA	NA

* Mr. Ravi A. Shroff and Mr. Rajeev M. Pandia were appointed as Committee members on 07/02/2018.

Audit Committee meetings are also attended by senior finance executives, Statutory Auditors and Internal Auditors. The Cost Auditors are also invited to the meetings, whenever required.

4. **Nomination and Remuneration Committee**

(a) Terms of reference and composition:

The Broad terms of reference of the Company's Nomination and Remuneration Committee are 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 to recommend to the Board their appointment/removal, to formulate the criteria for evaluation of Independent Directors and the Board, to determine and recommend to the Board the remuneration payable to Whole-time Directors, to determine and advise the Board for the payment of annual increments and commission to the Whole-time Directors and to determine and recommend policy for remuneration to directors, key managerial personnel and other employees.

(b) The Nomination and Remuneration Committee comprised of the following three Members as on March 31, 2018:

Mr. H. N. Motiwalla, Chairman	Independent Director
Mr. R. N. Bhogale, Member	Independent Director
Mr. P. S. Jhaveri, Member	Independent Director

(c) The Nomination and Remuneration Committee meetings were held on the following dates during the financial year 2017-2018.

24/05/2017	14/07/2017	07/02/2018

(d) Attendance at the Nomination and Remuneration Committee Meetings during the financial year 2017-2018 was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Mr. H. N. Motiwalla	3	3
Mr. R. N. Bhogale	3	2
Mr. P. S. Jhaveri	3	3

5. **Remuneration of Directors:**

(a) The Non-Executive Directors are paid sitting fees for attending meetings of the Board and Committees of Directors and commission, if any. There is no other pecuniary relationship or transaction of the non-executive directors with the Company.

(b) The Company pays remuneration to its Chairman & Managing Director, Executive Vice Chairperson and Executive Director by way of salary, commission, perquisites and allowances. Salary is paid within the range as approved by the Shareholders. The Board, on the recommendations of the Nomination and Remuneration Committee, approves annual increments to the Whole-time Directors. Commission of Whole-time Directors is range bound not exceeding 24 months salary and is calculated with reference to the net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendations of the Remuneration Committee, subject to the overall ceiling as stipulated in Section 197 of the Companies Act, 2013.

(c) Given below are the details of remuneration paid to the Directors during the financial year 2017-18:

Directors	Sitting Fees for Board/Committee Meetings (₹)	Salaries, Wages, Bonus and Other Perquisites (₹)	Commission* (₹)	Total (₹)
Mr. Ashwin C. Shroff (Chairman & Managing Director)	N.A.	91,18,130	1,11,00,000	2,02,18,130
Mrs. Usha A. Shroff (Executive Vice Chairperson)	N.A.	77,76,506	80,40,000	1,58,16,506
Mr. Ravi A. Shroff (Executive Director)	N.A.	66,05,897	70,40,000	1,36,45,897
Mr. Atul G. Shroff (Non-Executive Director)	1,20,000	N.A.	1,75,000	2,95,000
Mr. Dipesh K. Shroff (Non-Executive Director)	1,80,000	N.A.	1,75,000	3,55,000
Mr. R. N. Bhogale (Independent Director)	2,60,000	N.A.	3,75,000	6,35,000
Mr. H. N. Motiwalla (Independent Director)	4,00,000	N.A.	3,75,000	7,75,000
Mr. P. S. Jhaveri (Independent Director)	2,40,000	N.A.	3,75,000	6,15,000
Mr. M. B. Parekh (Independent Director)	80,000	N.A.	2,50,000	3,30,000
Mr. S. S. Vaidya (Independent Director)	1,40,000	N.A.	2,50,000	3,90,000
Mr. R. M. Pandia (Independent Director)	1,70,000	N.A.	3,50,000	5,20,000
Mr. R. K. Sood (Nominee Director)	60,000	N.A.	1,75,000	2,35,000

(d) The employment of the Chairman & Managing Director, Executive Vice Chairperson and Executive Director is contractual. The employment is for a period of five years and terminable by either party giving 3 months' notice.

(e) Severance compensation is payable to the Whole-time Directors, if their employment is terminated before the contractual period, subject to the provisions and limitations specified in the Companies Act, 2013. There are no stock options or performance linked incentive to the Directors.

(f) The Company offers benefits to retiring Whole-time Directors as per a scheme in force duly approved by the Shareholders. The quantum of benefits in each individual case is decided by the Board of Directors at their discretion.

(g) The Independent Directors were appointed for a period of five years pursuant to the provisions of sections 149, 150, 152 read with schedule IV and all other applicable provisions, and are not liable to retire by rotation.

(h) Commission to the Chairman, Vice-Chairperson and Executive Director pertains to the financial year 2017-18.

(i) Commission to the Non-Executive Directors and Independent Directors pertains to the financial year 2016-17, which has been paid during current financial year 2017-18.

(j) **Performance evaluation criteria for Independent Directors:**

The Company has laid down evaluation criteria separately for Independent Directors. The criteria for evaluation of Directors includes parameters such as attendance, maintaining effective relationship with fellow Board members, providing quality and valuable contribution during meetings, successfully bringing their knowledge and experience for formulating strategy of the company etc. Based on such criteria, the evaluation is done in a structured manner through consultation and discussion.

6. **Stakeholders' Relationship Committee:**

(a) The Stakeholders' Relationship Committee looks into the stakeholders' complaints, if any, and redress the same expeditiously.

(b) The Stakeholders' Relationship Committee comprised of the following Members as on March 31, 2018:

Mr. Dipesh K. Shroff, Chairman	Promoter, Non-Executive Director
Mrs. Usha A. Shroff, Member	Promoter, Executive Vice Chairperson
Mr. H. N. Motiwalla, Member	Independent Director
Mr. Ravi A. Shroff, Member	Promoter, Executive Director

(c) Mr. S. K. Singhvi, Company Secretary, is also designated as the Compliance Officer of the Company.

(d) The Stakeholders' Relationship Committee meetings were held on the following dates during the financial year 2017-2018.

08/05/2017	26/05/2017	15/06/2017	22/06/2017
17/07/2017	03/08/2017	24/08/2017	05/09/2017
25/09/2017	01/11/2017	24/11/2017	05/12/2017
19/12/2017	04/01/2018	11/01/2018	15/01/2018
07/02/2018	14/03/2018		

(e) Attendance at the Stakeholders' Relationship Committee meetings during the financial year 2017-2018 was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Mr. Dipesh K. Shroff	18	4
Mrs. Usha A. Shroff	18	18
Mr. H. N. Motiwalla	18	5
Mr. Ravi A. Shroff	18	18

(f) During the year 9 complaints were received from the investors, all of which were resolved to the satisfaction of shareholders. There are no shares pending for transfer as on March 31, 2018.

7. **Corporate Social Responsibility Committee (CSR):**

(a) The Board of Directors of the Company in its meeting held on March 28, 2014 constituted the Corporate Social Responsibility Committee.

(b) The Role of the Committee is to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, to recommend the amount to be spent on the CSR activities, and institute a transparent monitoring mechanism for implementation of the CSR Projects undertaken by the Company, and to review and amend, the Corporate Social Responsibility Policy of the Company whenever required.

(c) The Corporate Social Responsibility Committee comprised of the following Members as on March 31, 2018:

Mr. Ashwin C. Shroff, Chairman	Promoter, Chairman and Managing Director
Mrs. Usha A. Shroff, Member	Promoter, Executive Vice Chairperson
Mr. R. N. Bhogale, Member	Independent Director
Mr. M. B. Parekh, Member	Independent Director
Mr. R. M. Pandia, Member	Independent Director

(d) The Corporate Social Responsibility Committee meetings were held on the following dates during financial year 2017-2018.

26/05/2017	24/11/2017	30/03/2018

(e) Attendance at the Corporate Social Responsibility Committee meetings during the financial year 2017-2018 was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Mr. Ashwin C. Shroff	3	3
Mrs. Usha A. Shroff	3	3
Mr. R. N. Bhogale	3	2
Mr. M. B. Parekh	3	2
Mr. R. M. Pandia	3	2

8. **Risk Management Committee:**

(a) The Role of Committee is to review the risk policy and plan of the Company from time to time and to guide and advise the executives in managing the business risks of the Company.

(b) The Committee comprises of the following Members as on March 31, 2018:

Mr. H. N. Motiwalla	Independent Director
Mr. Rajeev M. Pandia	Independent Director
Mr. Ravi A. Shroff	Executive Director
Mr. B. Balachandran	President (Chemicals Division)
Mr. N. R. Kannan (w.e.f. 07.02.2018)*	Chief Executive Officer

* Mr. N. R. Kannan was appointed as Member of the committee on 07.02.2018

(c) The Risk Management Committee meetings was held on the 26/09/2017 during financial year 2017-2018.

(d) Attendance at the Risk Management Committee meetings during the financial year 2017-2018 was as follows:

Name of Director	No. of Meetings held	No. of Meetings attended
Mr. H. N. Motiwalla	1	1
Mr. Rajeev M. Pandia	1	1
Mr. Ravi A. Shroff	1	1
Mr. B. Balachandran	1	0
Mr. N. R. Kannan (w.e.f. 07.02.2018)*	1	0

* Mr. N. R. Kannan was appointed as Member of the Committee on 07.02.2018.

9. **General Body Meetings**

(a) Location and time of the last three Annual General Meetings

AGM	Year	Location	Day/Date	Time	No. of Special Resolutions
54th	2014-15	Rama and Sundri Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai 400 020	Thursday, 10th September, 2015	3.00 p.m.	2
55th	2015-16	Rama and Sundri Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai 400 020	Tuesday, 26th July, 2016	3.00 p.m.	1
56th	2016-17	Rama and Sundri Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai 400 020	Thursday, 03rd August, 2017	3.00 p.m.	1

(b) Postal Ballot:

During the year there was no resolution which required to be passed through postal ballot.

10. **Means of Communication:**

(a) The Un-audited quarterly/half yearly results are announced within forty-five days of the close of the quarter. The audited annual results areannounced within sixty days from the closure of the financial year as per the requirement of the Listing Regulations.

(b) The financial results of the Company are published in the newspapers viz. Business Standard and Free Press Journal (English), and Navshakti (Marathi).

(c) The financial results are also displayed on the Company's Website: http://www.excelind.co.in

(d) NEAPS and BSE Listing are web-based application designed by NSE and BSE respectively for corporate filing. All periodical compliance filings, inter-alia, shareholding pattern, corporate governance report, corporate announcements, amongst others are also filed electronically through their portal.

(e) No presentation has been made by the Company to Institutional investors or analysts.

(f) Management Discussion and Analysis Report forms part of the Annual Report.

11. **General Shareholder Information**

(a) **Annual General Meeting**

Date and Time	:	Thursday, the August 09, 2018 at 3.00 p.m.
Venue	:	Rama and Sundri Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wachha Road, Churchgate, Mumbai-400 020.
(b) **Financial Year**	:	April 01, 2017 to March 31, 2018
(c) **Dates of Book Closure**	:	From August 3, 2018 to August 9, 2018 (both days inclusive).
(d) **Dividend payment date**	:	From August 16, 2018
(e) **Listing on Stock Exchanges**	:	The Company's Equity shares are listed on the following Stock Exchanges: 1) BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 2) National Stock Exchange of India Ltd. (NSE) Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai 400 051 The Company has paid the listing fees to these Stock Exchanges for the year 2017-18.

(f) **Stock Codes (for shares):**

The Bombay Stock Exchange (Physical Segment)	:	650
The Bombay Stock Exchange (Demat Segment)	:	500650
National Stock Exchange of India Limited	:	EXCELINDUS
Demat ISIN Number in NSDL and CDSL	:	INE 369A01029

(g) **Market Price Data:**

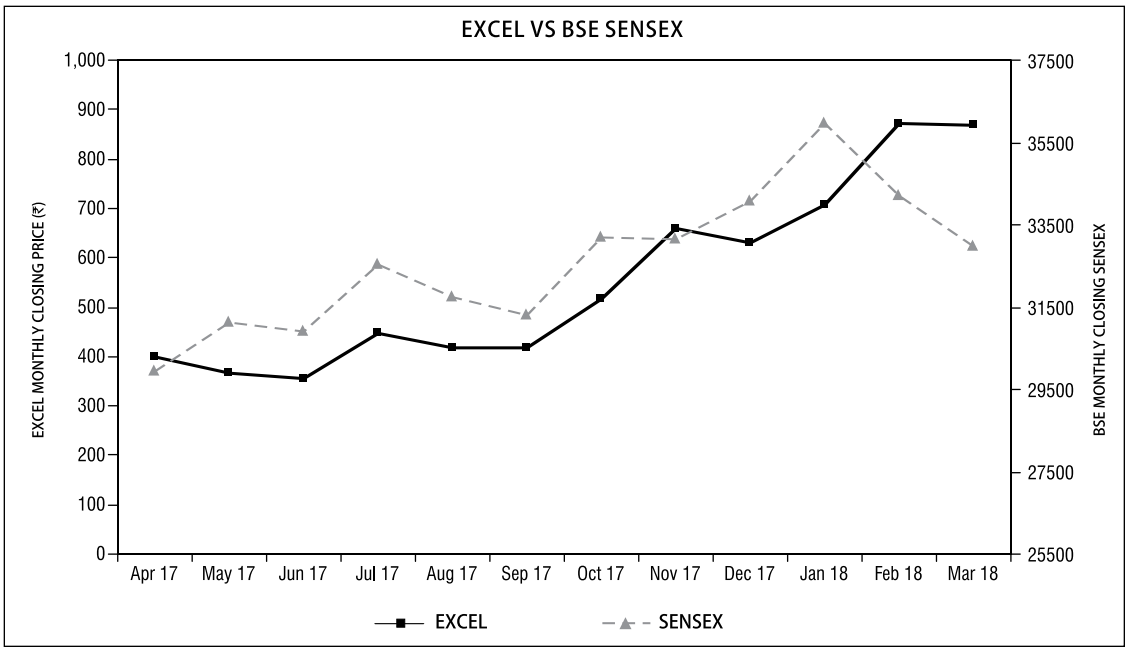
(IN ₹)

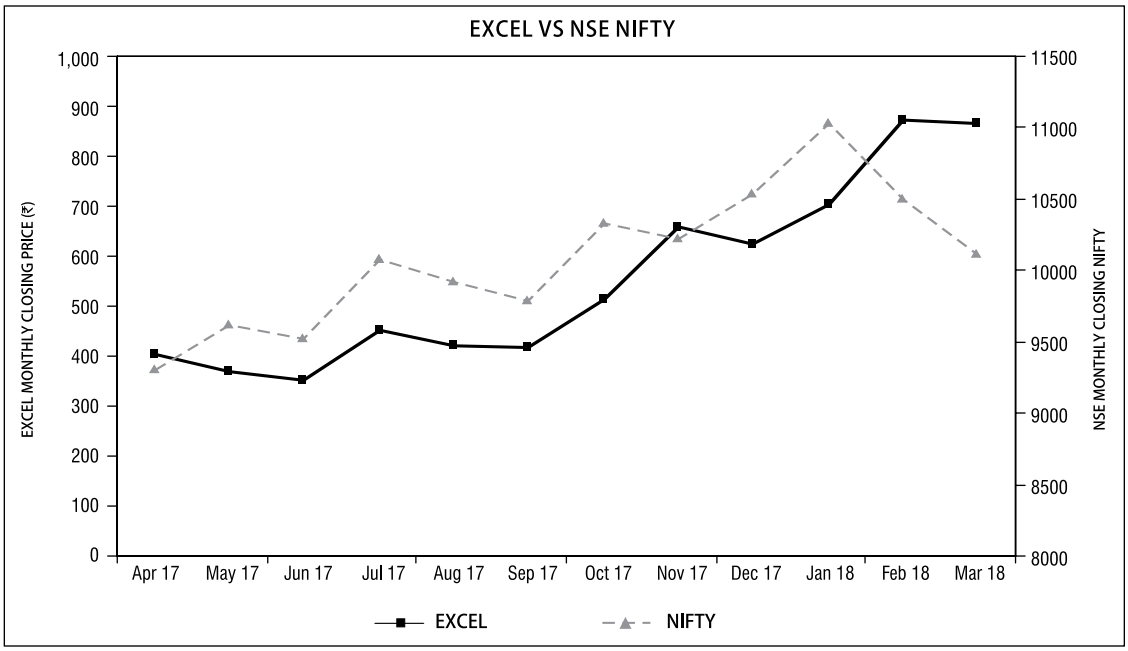
	Bombay Stock Exchange		National Stock Exchange	
	High	**Low**	**High**	**Low**
April-2017	423.00	379.60	422.40	378.00
May-2017	406.00	365.00	409.95	352.10
June-2017	374.00	343.30	375.00	341.15
July-2017	479.00	354.95	475.70	351.00
August-2017	459.50	399.00	456.05	400.00
September-2017	443.00	402.10	448.00	399.00
October-2017	533.40	415.00	533.00	411.00
November-2017	699.00	502.05	697.90	500.95
December-2017	677.75	592.00	677.25	585.50
January-2018	775.00	603.00	772.45	603.25
February-2018	968.60	650.00	966.00	652.30
March-2018	951.60	840.00	950.00	800.10

(Source: This information is compiled from the data available from the website of BSE and NSE)

(h) **Share Price Movements:**

Share Price Movement for the period from April, 2017 to March 2018 Excel Industries Limited v/s BSE Sensex & NSE Nifty.





(i) **Share Transfer System:** The share transfer function is carried out by the Registrar and Transfer Agent-Link Intime India Pvt. Ltd. Share transfers in physical form can be lodged at their office at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083 (Tel: +91 22 49186000 Fax: +91 22 49186060).

Share transfers and other share related requests are considered for approval every fortnight by the Company's Officials who are authorized in this behalf.

(j) **Distribution of Shareholdings as on March 31, 2018**

- Folio wise

Category	No. of Shareholders	Percentage	No. of Shares	Percentage
1 - 500	12,061	89.55	14,05,415	11.18
501 - 1000	765	5.68	5,62,098	4.47
1001 - 2000	321	2.38	4,61,235	3.67
2001 - 3000	101	0.75	2,51,118	1.99
3001 - 4000	45	0.33	1,58,256	1.26
4001 - 5000	36	0.27	1,65,002	1.31
5001 - 10000	56	0.41	3,80,549	3.027
Above 10000	83	0.62	91,87,019	73.08
Total	**13,468**	**100.00**	**1,25,70,692**	**100.00**

Categories of Shareholders as on March 31, 2018

Category	No. of Shareholders	No. of Shares	Voting Strength %
Promoters	34	65,85,125	52.38
Companies	230	3,31,363	2.64
Non-Resident Individuals	225	1,13,358	0.90
Indian Banks, Financial Institutions and Mutual Funds	16	9,73,094	7.74
Foreign Institutional Investors & Foreign Banks	12	19,359	0.15
Others	12,951	45,48,393	36.18
Total	**13,468**	**1,25,70,692**	**100.00**

(k) **Dematerialization of Shares and Liquidity:**

97.71% of the Company's share capital is held in dematerialized form as on March 31, 2018. The Company's shares are regularly traded on the Bombay Stock Exchange Ltd., (BSE) and the National Stock Exchange of India Ltd., (NSE).

(l) **Unclaimed Shares**

During the year, as per Regulation 39(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has, after completing all the procedures, transferred the unclaimed shares to "Excel Industries Limited Unclaimed Share Suspense Account". Status of account is as under:

Outstanding shares lying in the account at the beginning of the year		Number of shareholders approached and to whom the Company transferred shares from the Unclaimed Share Suspense Account to shareholder account during the year		Number of shares were transfer to IEPF Account u/s 124 (6) of The Companies Act, 2013		Outstanding shares lying in the Unclaimed Suspense Account at the end of the year	
No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares
260	36,670	12	4,734	204	24,208	44	7,728

(m) **The details of unclaimed dividends and shares transfer to IEPF during the year 2017-18 are as follows:**

Financial year	Amount of unclaimed dividend transferred	Number of shares transferred
2009-10	2,75,550	58,728
Total	**2,75,550**	**58,728**

Voting rights on their shares shall remain frozen till the rightful owner of the shares claim their shares.

(n) **Plant Locations:**

(a)	Plot No. 112, M.I.D.C. Industrial Area, Dhatav, Roha, Dist. Raigad-402 116.	(c)	Narol Sarkhej Octroi Naka, Near Sewage Farm, Baherampura, Ahmedabad-380 022.
(b)	D-9, M.I.D.C., Lote Parshuram, Tal: Khed, Dist. Ratnagiri-415 722.		

(o) **Address for correspondence:**

Excel Industries Limited,
184-87, Swami Vivekanand Road, Jogeshwari (West),
Mumbai-400 102.
Tel.: 66464200
Fax.: 6696 3514 / 2678 3657
excel.mumbai@excelind.com

(p) **Address for correspondence for share related work:**

LINK INTIME INDIA PVT. LTD.
C-101, 247 Park,
L.B.S. Marg, Vikhroli (W),
Mumbai-400 083
Tel: +91 22 49186000 Fax: +91 22 49186060

Help Desk contact

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

E-mail Address for Investor Grievances:

ranjan.desai@excelind.com

12. **Other Disclosures**

Particulars	Legal requirement	Details	Website link for details/policy
Related party transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	There are no material related party transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company (Related Party Transaction Policy).	http://www.excelind.co.in/companyPolices.html
Details of Non-Compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets	Schedule V(C) 10(b) to the SEBI Listing Regulations	There were no cases of non-compliance during the last three financial years 2015-16, 2016-17 and 2017-18.	

Particulars	Legal requirement	Details	Website link for details/policy
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company (Whistle Blower Policy).	http://www.excelind.co.in/companyPolices.html
Subsidiary Companies	Regulation 24 of SEBI Listing Regulations	The Audit Committee reviews the quarterly financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company. The Company does not have any material unlisted Indian subsidiary company. The Company has a policy for determining material subsidiaries which is disclosed on its website (Material Subsidiary).	http://www.excelind.co.in/companyPolices.html
Policy on determination of materiality for disclosures	Regulation 23 of SEBI Listing Regulations	The Company has adopted a policy on determination of materiality for disclosures (Determining Materiality of Events).	http://www.excelind.co.in/companyPolices.html
Policy on archival and preservation of documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted a policy on archival and preservation of documents (Preservation of Documents).	http://www.excelind.co.in/companyPolices.html
Code of Conduct	Regulation 17 of SEBI Listing Regulations	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2018. The Annual Report of the Company contains a certificate by the Chief Executive Officer and Managing Director, on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management (EIL Code of Conduct & Ethics).	http://www.excelind.co.in/companyPolices.html
Terms of Appointment of Independent Directors	Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and conditions of appointment of Independent Directors are available on the Company's website (Term of appointment of Independent Directors).	http://www.excelind.co.in/companyPolices.html

13. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause (b) to (i) of sub-regulation (2) of Regulation 46

14. Commodity Price Risk and Commodity Hedging Activities: The Company is not exposed to any commodity price risk.

15. **Particulars of Cost Auditor**

Name of the Cost Auditor	M/s. Kishore Bhatia & Associates
Firm Registration No.	00294
Date of Appointment for the year 2017-18:	26/05/2017
Filing of Cost Audit Report for FY 2016-17:	
Due Date	26/10/2017
Actual Date	12/10/2017

16. **Managing Directors Declaration on Code of Conduct and Ethics:**

The Board of Directors of the Company has laid down Code of Conduct and Ethics (The Code) for the Company's Directors and Senior Executives. All the Directors and the Senior Executives covered by the code have affirmed compliance with the code on an annual basis.

For and on behalf of the Board of Directors

ASHWIN C. SHROFF
Chairman & Managing Director
DIN: 00019952

Date: May 25, 2018
Place: Mumbai

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of Excel Industries Limited

We have examined the compliance of conditions of Corporate Governance by Excel Industries Limited, for the year ended March 31, 2018 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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.

For and on behalf of
Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Vipin R. Bansal
Partner
Membership No: 117753

Place: Mumbai
Date: May 25, 2018

TEN-YEAR HIGHLIGHTS

(₹ in lacs)

		2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
I.	CAPITAL ACCOUNTS										
	A. Share Capital	**628.53**	628.53	645.28	595.28	545.28	545.28	545.28	545.28	545.28	545.28
	B. Reserves	**43412.01**	35188.76	31053.23	17582.26	14119.45	12849.76	11750.98	10536.63	9670.21	9127.96
	C. Convertible Warrants	**—**	—	—	172.50	345.00	—	—	—	—	—
	D. Shareholders' Funds (A+B+C)	**44040.54**	35817.29	31698.51	18350.55	15009.73	13395.04	12296.26	11081.91	10215.49	9673.24
	E. Borrowings	**750.25**	5958.12	7772.62	7881.65	9462.45	6887.10	6371.31	5181.78	6011.05	7523.50
	F. Deferred Tax Liability (Net)	**5244.47**	4208.72	3735.83	1633.77	1382.83	1472.50	1406.24	1369.61	1468.26	1019.22
	G. Capital Employed (D+E+F)	**50035.26**	45984.13	43206.96	27865.97	25855.01	21754.64	20073.81	17633.30	17694.80	18215.96
	H. Gross Block	**24471.91**	20114.18	16565.88	26350.90	27900.95	24923.78	23246.53	21251.31	21507.89	21474.10
	I. Net Block	**22210.60**	18789.96	16573.53	15835.04	14664.19	12310.04	11256.31	10096.98	10440.01	10650.45
	J. Debt-Equity Issue	**0.02:1**	0.17:1	0.25:1	0.43:1	0.63:1	0.51:1	0.52:1	0.47:1	0.59:1	0.78:1
II.	REVENUE ACCOUNTS										
	A. Gross Revenue**	**61,482.51**	51,376.25	49307.71	53655.32	46101.74	42454.83	34376.84	29647.53	25497.38	26963.53
	B. Profit/(Loss) before Taxes	**10,549.55**	2,697.87	3655.28	5029.33	2053.42	2168.09	1176.75	2035.25	1139.61	137.08
	% of Gross Revenue	**17.16%**	5.25%	7.41%	9.37%	4.44%	5.11%	3.42%	6.86%	4.47%	0.51%
	C. Exceptional Item	—	—	—	—	—	—	724.01	—	—	—
	D. Profit/(Loss) after Taxes	**7254.04**	2,079.68	2519.56	4056.43	1748.15	1479.31	1514.33	1430.90	607.06	74.49
	% of Gross Revenue	**11.80%**	4.05%	5.11%	7.56%	3.78%	3.48%	4.41%	4.83%	2.38%	0.28%
	E. Return on Shareholders' Funds %	**16.47%**	5.81%	12.17%	22.11%	11.65%	11.04%	12.32%	12.91%	5.94%	0.77%
III.	EQUITY SHAREHOLDERS' EARNINGS										
	A. Earning per Equity Share * ₹	**58.13**	16.75	20.05	36.22	16.03	13.59	13.46	12.30	7.30	0.40
	B. Dividend per Equity Share * ₹	**12.50**	6.00	4.50	7.00	3.75	3.00	2.00	3.75	2.00	0.50
	C. Equity Dividend ₹	**1571.33**	754.24	565.68	803.40	408.96	327.17	218.11	408.96	218.11	54.53
	D. Net Worth per Equity Share* ₹	**350.35**	284.93	245.62	154.13	137.63	122.83	112.75	101.62	93.67	88.70
	E. Market Rate as on 31st March ₹	**866.75**	380.40	217.10	280.90	69.00	60.00	68.70	74.15	58.25	26.45

* Face Value of Equity Share – ₹ 5/-.

** Includes Gross revenue of discontinuing operation.

***BS numbers of FY15-16/16-17 and FY17-18 are as per IND - AS and hence not comparable with earlier years.

****P&L numbers of FY16-17 and FY17-18 are as per IND - AS and hence not comparable with earlier years.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EXCEL INDUSTRIES LIMITED

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

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

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

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

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date..

Other Matters

9. The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended), which were audited by the predecessor auditor who expressed an unmodified opinion vide reports dated May 26, 2017 and May 27, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

   Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. 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 standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

    (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

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

(i) The Company has disclosed the impact of pending litigations as at March 31, 2018 on its financial position in its standalone Ind AS financial statements – Refer Note 48;

(ii) The Company has long-term contracts as at March 31, 2018 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2018;

(iii) There was a delay in transfer to Investor Education and Protection Fund of Rs. 1.27 lakhs in respect of proceeds of fractional bonus shares issued in the earlier years.

(iv) The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
May 25, 2018

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Excel Industries Limited on the standalone Ind AS financial statements for the year ended March 31, 2018.

Report on the Internal Financial Controls with reference to standalone Ind AS financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone Ind AS financial statements of Excel Industries Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 deemed to be prescribed under section 143(10)

of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

5. 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
May 25, 2018

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Excel Industries Limited on the standalone Ind AS financial statements as of and for the year ended March 31, 2018

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

(b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the standalone Ind AS financial statements, are held in the name of the Company.

(ii) The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

(iii) 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 Act. Therefore, the provisions of Clause 3(iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the investments made by it. The Company has not provided any loans or gaurantees and securities to the parties covered under Section 186. The Company has not granted any loans or made any investments, or provided any guarantees or securities to the parties covered under Section 185 of the Companies Act 2013.

(v) In our opinion, and according to the information and explanations given to us, the Company has complied with the applicable provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

(vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have 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 the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed \ statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax (with effect from July 1, 2017), cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, duty of customs and duty of excise duty as at March 31, 2018 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Lacs)*	Period to which the amount relates	Forum where the dispute is pending
The Customs Act, 1962	Custom duty	144.88	FY 2011-2013	Customs, Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	87.03	From April 2005 to November 2015	Customs, Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	12.17	January 2015 to June 2017	Commissioner Appeals
Income Tax Act, 1961	Income Tax	281.04	Assessment year 2010-2011 to 2012-2013	Income Tax Appellate Tribunal

Further, according to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, service-tax, value added tax and goods and services tax as at March 31, 2018 which have not been deposited on account of any dispute.

(viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank as at the balance sheet date. The Company does not have any loans or borrowings from Government nor has it issued any debentures as at the balance sheet date.

(ix) In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained. The Company has not raised any money by way of initial public offer and further public offer (including debt instruments).

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

(xi) The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

(xiii) The Company has entered into transactions with related parties 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 financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

(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, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

(xv) The Company has not entered into any non cash transactions with its directors or persons connected with him covered within the meaning of section 192 of Companies Act, 2013. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
May 25, 2018

STANDALONE BALANCE SHEET AS AT MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	3	19,784.10	17,841.72	16,151.97
Capital work-in-progress		2,328.83	848.26	311.62
Investment property	4	97.67	99.98	102.29
Intangible assets	5	48.17	50.51	101.81
Intangible assets under development		—	—	7.65
Investments in subsidiaries and joint venture	6	421.47	421.47	421.47
Financial assets				
i. Investments	7	16,962.24	14,821.94	13,334.08
ii. Loans	8	367.57	337.23	1,087.33
iii. Other financial assets	9	—	168.00	73.00
Current tax assets (net)		1,296.39	1,394.14	1,060.17
Other non-current assets	10	348.37	42.71	264.13
Total non-current assets		**41,654.81**	**36,025.96**	**32,915.52**
Current assets				
Inventories	11	5,256.06	5,216.53	6,289.40
Financial assets				
i. Investments	12	127.06	—	—
ii. Trade receivables	13	11,898.32	11,622.79	12,689.27
iii. Cash and cash equivalents	14	124.69	298.88	356.68
iv. Bank balances other than (iii) above	15	102.79	96.31	44.07
v. Loans	16	93.76	19.20	325.85
vi. Other financial assets	17	190.44	51.42	118.76
Other current assets	18	843.63	1,392.88	1,184.56
Total current assets		**18,636.75**	**18,698.01**	**21,008.59**
Assets classified as held for sale	19	1,486.70	1,133.91	—
Total assets		**61,778.26**	**55,857.88**	**53,924.11**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	20	628.53	628.53	645.28
Other equity	21	43,412.01	35,188.76	31,053.23
Total equity		**44,040.54**	**35,817.29**	**31,698.51**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
i. Borrowings	22	89.51	914.80	1,010.40
Employee benefit obligations	23	1,227.30	1,127.45	1,022.55
Deferred tax liabilities (net)	24	5,244.47	4,208.72	3,735.83
Total non-current liabilities		**6,561.28**	**6,250.97**	**5,768.78**
Current liabilities				
Financial liabilities				
i. Borrowings	25	660.74	5,043.32	6,762.22
ii. Trade payables	26	8,549.60	6,100.39	7,071.04
iii. Other financial liabilities	27	863.80	1,365.51	1,557.15
Employee benefit obligations	28	382.53	735.72	689.58
Current tax liabilities (net)		50.46	—	—
Other current liabilities	29	357.28	327.82	376.83
Total current liabilities		**10,864.41**	**13,572.76**	**16,456.82**
Liabilities directly associated with assets classified as held for sale	30	312.03	216.86	—
Total liabilities		**17,737.72**	**20,040.59**	**22,225.60**
Total equity and liabilities		**61,778.26**	**55,857.88**	**53,924.11**
Significant accounting policies	1			
Critical estimates and adjustment	2			

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

VIPIN R. BANSAL
Partner
Membership No 117753

Place : Mumbai
Date: May 25, 2018

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF
Chairman and Managing Director
DIN: 00019952

USHA A. SHROFF
Executive Vice Chairperson
DIN: 00020519

RAVI A. SHROFF
Executive Director
DIN: 00033505

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: May 25, 2018

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

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
CONTINUING OPERATIONS			
Revenue from operations	31	59,414.50	48,727.21
Other income	32	372.78	980.53
Total income		**59,787.28**	**49,707.74**
EXPENSES			
Cost of raw materials consumed	33	26,953.68	22,498.86
Purchase of stock in trade	34	66.87	299.14
(Increase)/decrease in inventories of finished goods, work-in-progress and stock-in-trade	35	(510.12)	954.07
Excise duty	36	1,235.87	4,158.09
Employee benefits expense	37	7,046.97	6,189.25
Depreciation and amortisation expense	38	1,494.02	1,391.79
Other expenses	39	12,288.19	10,435.24
Finance Costs	40	581.68	986.91
Total expenses		**49,157.16**	**46,913.35**
Profit before tax from continuing operations		**10,630.12**	**2,794.39**
Tax expense for continuing operations	24		
— Current tax		2,664.01	997.83
— Deferred tax		661.37	(211.30)
— Tax in respect of earlier years		(1.99)	(105.51)
Total tax expense		**3,323.39**	**681.02**
Profit for the year from continuing operations (after tax)		**7,306.73**	**2,113.37**
Discontinuing operations			
Loss from discontinuing operations	46	(80.57)	(51.52)
Tax on discontinuing operations	24, 46	27.88	17.83
Loss from discontinuing operations (after tax)		**(52.69)**	**(33.69)**
Profit for the year		**7,254.04**	**2,079.68**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gains/(losses) on net defined benefit plans	41	111.07	(175.31)
Changes in Fair Value of Equity Instruments	21	2,140.30	4,522.90
(ii) Tax relating to above	24	(374.38)	(684.19)
B (i) Items that will be reclassified to profit or loss		—	—
(ii) Tax relating to above		—	—
Other Comprehensive Income for the year, net of tax		**1,876.99**	**3,663.40**
Total comprehensive income for the year		**9,131.03**	**5,743.08**
Total comprehensive income/(loss) from			
Continuing Operations		9,183.72	5,776.77
Discontinuing Operations		(52.69)	(33.69)
Earnings per share for profit from continuing operations (in INR)	49		
Basic		58.13	16.75
Diluted		58.13	16.75
Earnings per share for profit from discontinuing operations (in INR)	49		
Basic		(0.42)	(0.27)
Diluted		(0.42)	(0.27)
Earnings per share for profit from continuing and discontinuing operations (in INR)	49		
Basic		57.71	16.48
Diluted		57.71	16.48

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

VIPIN R. BANSAL
Partner
Membership No 117753

Place : Mumbai
Date: May 25, 2018

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF
Chairman and Managing Director
DIN: 00019952

USHA A. SHROFF
Executive Vice Chairperson
DIN: 00020519

RAVI A. SHROFF
Executive Director
DIN: 00033505

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: May 25, 2018

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax from Continuing operations	10,630.12	2,794.39
(Loss) before tax from Discontinuing operations	(80.57)	(51.52)
Adjustments for:		
Depreciation and amortisation expenses	1,494.02	1,391.79
Finance costs	581.68	986.91
Provision for doubtful debts Receivables (net)	80.58	81.18
Unrealised exchange differences (net)	(38.21)	90.04
Dividend Income	(283.08)	(635.44)
Interest Income	(37.54)	(285.49)
Gain on fair valuation of investments through profit and loss	(4.18)	—
Net loss on sale / discard of property, plant and equipment	110.33	89.19
Operating profit before working capital changes	**12,453.15**	**4,461.05**
Adjustments for:		
(Increase) / decrease in Inventories	(73.34)	778.30
(Increase) / decrease in Trade Receivables	(489.36)	456.16
(Increase) / decrease in Other Bank balances	(0.01)	(44.84)
(Increase) / decrease in Loans (Current and Non current)	(140.95)	30.62
(Increase) / decrease in Other Financial Assets (Current)	(138.01)	62.31
(Increase) / decrease in Other Assets (Current and Non current)	515.08	(235.88)
Increase / (decrease) in Trade Payables	2,492.70	(788.93)
Increase / (decrease) in Other Financial Liabilities (Current)	(4.03)	44.54
Increase / (decrease) in Employee benefit obligations (Current and Non current)	(53.35)	(24.15)
Increase / (decrease) in Other Current Liabilities	(5.67)	(23.23)
	14,556.21	**4,715.95**
Less: Income taxes paid (net of refunds)	2,563.78	1,208.46
NET CASH INFLOW GENERATED FROM OPERATING ACTIVITIES — [A]	**11,992.43**	**3,507.49**
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of tangible assets (including capital work-in-progress, capital advances and capital vendor)	(5,217.70)	(3,700.77)
Purchase of intangible assets	(31.12)	(16.27)
Proceed from sale of fixed assets	23.23	81.93
Intangible assets under development	—	7.65
Fixed Deposits with Banks (net)	168.00	(95.00)
Proceeds from sale of Investments	—	3,035.04
Interest received	35.31	119.41
Dividend received	283.08	635.44
Loan recovered from subsidiary company	—	1,140.00
Purchase of current Investments	(122.88)	—
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES — [B]	**(4,862.08)**	**1,207.43**

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Particulars	**Year ended March 31, 2018**	**Year ended March 31, 2017**
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Borrowings	5,991.43	7,773.48
Repayment of Borrowings	(11,790.91)	(9,891.16)
Repayment of Fixed deposits accepted from public (including Interest)	(6.32)	(7.51)
Dividend Paid (Including DDT)	(907.78)	(680.84)
Interest Paid	(592.40)	(1,016.35)
Amount paid for buy-back of equity shares	—	(943.46)
NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES — [C]	**(7,305.98)**	**(4,765.84)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS — [A+B+C]	(175.63)	(50.92)
Add: Cash and cash equivalents at the beginning of the year (Refer note 14)	305.76	356.68
Cash and cash equivalents at the end of the year	**130.13**	**305.76**
Components of cash and cash equivalents		
Balances with Banks		
In current accounts	124.69	188.88
Fixed deposits	—	110.00
Cash and cash equivalents pertaining to discontinued operations	5.44	6.88
Total cash and cash equivalents	130.13	305.76

Notes:

1. The standalone cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
2. The accompanying notes are an integral part of these standalone financial statements.
3.. Refer Note 46 for disclosure relating to discontinuing operations.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

VIPIN R. BANSAL
Partner
Membership No 117753

Place : Mumbai
Date: May 25, 2018

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF
Chairman and Managing Director
DIN: 00019952

USHA A. SHROFF
Executive Vice Chairperson
DIN: 00020519

RAVI A. SHROFF
Executive Director
DIN: 00033505

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: May 25, 2018

STANDALONE STATEMENT OF CHANGES IN EQUITY

(All amounts in INR lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Notes	Amount
As at April 1, 2016		**645.28**
Changes in equity share capital	20	(16.75)
As at March 31, 2017		**628.53**
Changes in equity share capital	20	—
As at March 31, 2018		**628.53**

B. OTHER EQUITY

Particulars	Notes	Attributable to owners of Excel Industries Limited						
		Reserves and surplus			Other reserves			
		Securities premium reserve	General Reserve	Capital redemption reserve	Capital Reserve	Retained Earnings	FVOCI – Equity investments	Total Other Equity
Balance at April 1, 2016		**1,461.08**	**16,554.07**	**—**	**0.01**	**2,722.78**	**10,315.29**	**31,053.23**
Profit for the year		—	—	—	—	2,079.68	—	2,079.68
Other comprehensive income		—	—	—	—	(114.64)	3,778.04	3,663.40
Total comprehensive income for the year		**—**	**—**	**—**	**—**	**1,965.04**	**3,778.04**	**5,743.08**
Adjustment on account of buyback	21	(926.71)	(16.75)	16.75	—	—	—	(926.71)
Transfer from Retained Earnings		—	3,500.00	—	—	(3,500.00)	—	—
Transfer from FVOCI on derecognition of Equity Investments	54(c) (2)(ii)	—	—	—	—	2,668.78	(2,668.78)	—
Dividends paid (including dividend distribution tax)		—	—	—	—	(680.84)	—	(680.84)
Balance at March 31, 2017		**534.37**	**20,037.32**	**16.75**	**0.01**	**3,175.76**	**11,424.55**	**35,188.76**
Profit for the year		—	—	—	—	7,254.04	—	7,254.04
Other comprehensive income		—	—	—	—	48.03	1,828.96	1,876.99
Total comprehensive income for the year		**—**	**—**	**—**	**—**	**7,302.07**	**1,828.96**	**9,131.03**
Transfer from Retained Earnings		—	4500.00	—	—	(4500.00)	—	—
Dividends paid (including dividend distribution tax)		—	—	—	—	(907.78)	—	(907.78)
Balance at March 31, 2018		**534.37**	**24,537.32**	**16.75**	**0.01**	**5,070.05**	**13,253.51**	**43,412.01**

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

VIPIN R. BANSAL
Partner
Membership No 117753

Place : Mumbai
Date: May 25, 2018

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF
Chairman and Managing Director
DIN: 00019952

USHA A. SHROFF
Executive Vice Chairperson
DIN: 00020519

RAVI A. SHROFF
Executive Director
DIN: 00033505

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: May 25, 2018

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

BACKGROUND

Excel Industries Limited (the Company) is a public limited company domiciled in India. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The Company is engaged in manufacturing and selling of Chemicals, Pharma intermediates and Environmental products. Chemicals comprising of Industrial and Specialty chemicals and Pesticides Intermediates. Environmental products comprising of Soil Enricher, Bio-Pesticides and other Bio-products. The Company caters to both domestic and international markets. The Company is also engaged in manufacturing activity on behalf of third parties.

1. SIGNIFICANT ACCOUNTING POLICIES:

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These accounting policies have been consistently applied to all the years presented by the Company unless otherwise stated.

These standalone financial statements were authorised for issue by the Company's Board of Directors on May 25, 2018.

A. Basis of preparation

(i) Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

These financial statements for the year ended March 31, 2018 are the first financial statements of the Company prepared in accordance with Ind AS. For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the Generally Accepted Accounting Principles (hereinafter referred to as 'previous GAAP') used for its statutory reporting requirement in India. Refer Note 54 for an explanation of how the transition from the previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows. The Company has adopted the Ind AS standards in accordance with Ind AS 101 *First time adoption of Indian Accounting Standards*.

The date of transition to Ind AS is April 01, 2016. Refer Note 54 for the first time adoption exemptions availed by the Company.

(ii) Historical Cost Convention

The standalone financial statements have been prepared on historical cost basis except the following:

- certain financial assets and liabilities (including derivative instruments) is measured at fair value;
- assets held for sale – measured at lower of carrying amount or fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value;

(iii) Amended standards adopted by the company

The amendments to Ind AS 7 require disclosure of changes in liabilities arising from financing activities, refer note 25(f).

(iv) Current and 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.

B. Segment Reporting

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). The Chairman and Managing Director is designated as CODM. Refer Note 45 for segment information presented.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

C. Foreign Currency translation

(i) Functional and presentation currency

Items included in the standalone financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian Rupee (INR) which is the functional and presentation currency of the Company.

(ii) Transaction and balances

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transaction. Foreign exchange gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the year-end exchange rates are generally recognized in the profit and loss.

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

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign entity are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or fair values determined. Exchange differences arising on the settlement of monetary items or on translating monetary items are recognized in the Statement of Profit or Loss.

D. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes, goods and service tax (GST) and amounts collected on behalf of third parties.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of goods:

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer usually on delivery of the goods. The Company collects sales taxes and value added taxes (VAT) and Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Income from services

Revenues from service contracts are recognised pro-rata over the period of the contract as and when services are rendered. The Company collects service tax GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Export incentives

Income from export incentives such as Duty drawback / MEIS scheme etc. are recognised on accrual basis to the extent the ultimate realisation is reasonably certain.

Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Dividend

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.

E. Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

F. Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the Balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income-tax is recognized as an item in deferred tax asset by crediting the statement of profit and loss only when and to the extent there is convincing evidence that the company will be able to avail the said credit against normal tax payable during the period of fifteen succeeding assessment years.

G. Leases

As a lessee

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

H. Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

I. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

J. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

K. Inventories

Raw materials, stores and spares, packing material, work in progress, stock in trade and finished goods are stated as lower of cost and net realisable value. Cost of Raw material and traded goods comprises of cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowings costs. Costs are assigned to individual items of inventory on the basis of first-in first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

L. Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

M. Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit and loss are expensed in profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt Instruments

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. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair Value through Other Comprehensive Income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

Fair Value through Profit and Loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit and loss and is not part of a hedging relationship is recognised in profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit and loss following the derecognition of the investment. Dividends from such investments are recognised in profit and loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit and loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Impairment of financial assets

The company assesses if there is any significant increase in credit risk pertaining to the assets and accordingly creates necessary provisions, wherever required.

N. Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period and impact is recorded in the profit and loss account.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are also classified as a current asset or liability when expected to be realised/settled within 12 months of the balance sheet date. Refer note 43 for disclosure of various derivatives financial instruments.

O. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

P. Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation/amortisation and impairments, if any. Historical cost includes tax, duties, freight and other incidental expenditure that is directly attributable to the acquisition of the items. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the management and are directly attributable to bringing the asset to its position, are also capitalized. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the year end.

Transition to IND AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

As per technical evaluation of the company the useful life considered for the following items are different than the life stipulated in Schedule II to the Companies Act 2013

Description of Asset	*Depreciation rates	Schedule II Rates (SL Method)
Buildings	1.58%-31.67%	1.58%
Road	9.50%-20.58%	9.50%
Plant and Machinery - Metallic	5.28%	4.75%
Plant and Machinery - Non-metallic	11.88%	4.75%
Electrical Installations	9.50%-32.64%	9.50%

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Assets individually costing INR 25,000 or less are depreciated fully in the year of acquisition.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit and loss within other gains/(losses).

Q. Investment property

Investment properties are properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Company, is classified as investment property.

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

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have useful life of 25-40 years. The useful life has been determined based on technical evaluation performed by the management expert.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

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

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of its investment properties recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

R. Intangible assets and Amortisation

Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis, but not exceeding the period given here under:

Category	Useful life
Computer software	4 years

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

S. Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

T. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit and loss as other gains/(losses)

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

U. Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

V. Provisions, Contingent Liabilities and Contingent Assets

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent asset is disclosed and not recognised, where an inflow of economic benefits is probable.

W. Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other Long-term employee benefit obligations

Leave Obligation:

The liabilities for leave obligation (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related services. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Profit and Loss.

Long Service awards:

The Company provides for the long service awards for eligible employees as per the scheme announced by the Company. The liability towards the long services awards is provided at each balance sheet date on the basis of independent actuary valuation.

Defined benefit plan — Gratuity

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The estimated future payments are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit and loss as past service cost.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Defined benefit plan — Voluntary early separation scheme:

The Company also have a defined benefit plan for its employees, i.e. Medical Voluntary retirement scheme in which employees suffering from continued ill-health not amounting to occupational disease and thereby unable to perform normal duties of their post. Under the Scheme, the benefits will be given for a retired employee for a maximum period up to 10 years or age of retirement, whichever is earlier. In case of early death of the employee, the legal heir of the employee shall get 50% of separation benefit for the rest of the benefit period. The costs of providing benefits under the said plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. This Scheme is not funded.

Defined Contribution Plan — Provident Fund:

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Defined Contribution Plan — Superannuation Fund:

The Company makes contribution to the Superannuation Scheme, a defined contribution scheme, administered by insurance companies. The Company has no obligation to the scheme beyond its monthly contributions.

There are no obligations other than the contribution payable to the Superannuation Fund Trust. The Company recognises contribution payable to the Superannuation Fund as an expenditure, when an employee renders the related service. The contribution is charged to the statement of profit and loss of the year when the contribution accrues. The scheme is funded with a insurance company in the form of qualifying insurance policies.

(iii) Bonus plans

The company recognises a liability and an expense for bonuses. The company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

X. Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Y. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

Z. Earnings Per Share

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

AA. Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to exercise judgment and to make estimates and assumptions. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affect only that period, or in the period of the revision and future periods if the revision affects both current and future period.

The areas involving critical estimates or judgements are as under:

(a) Estimation of current tax expenses and payable:

Taxes recognized in the financial statements reflect management's best estimate of the outcome based on the facts known at the balance sheet date. These facts include but are not limited to interpretation of tax laws of various jurisdictions where the Company operates. Any difference between the estimates and final tax assessments will impact the income tax as well the resulting assets and liabilities.

(b) Estimated fair value of unlisted securities:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on the market conditions existing at the end of each reporting period.

(c) Useful lives of property, plant and equipment and Intangible assets:

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

(d) Estimation of defined benefit obligation:

The liabilities of the Company arising from employee benefit obligations and the related current service cost, are determined on an actuarial basis using various assumptions.

(e) Impairment of financial assets (including trade receivables):

Allowance for doubtful receivables represent the estimate of losses that could arise due to inability of the Customer to make payments when due. These estimates are based on the customer ageing, customer category, specific credit circumstances and the historical experience of the group as well as forward looking estimates at the end of each reporting period.

(f) Estimation of Provisions and contingencies:

Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Company. The Company exercises judgement and estimates in recognizing the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgement is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and machinery	Data processing equipments	Electrical installation	Laboratory equipments	Furniture, fixture and office equipments	Vehicles	Technical books	Total
Year ended March 31, 2017											
Gross carrying amount											
Deemed cost as at April 1, 2016	**171.85**	**216.47**	**2,974.97**	**11,869.42**	**121.12**	**336.73**	**165.89**	**173.21**	**121.08**	**1.23**	**16,151.97**
Additions	350.00	—	665.39	2,000.91	42.84	227.89	8.94	117.15	107.63	—	3,520.75
Disposals	—	—	(11.32)	(122.64)	(3.02)	(2.46)	(22.32)	(0.45)	(8.89)	(0.02)	(171.12)
Assets included in disposal group held for sale (Refer Note 46)	(21.54)	—	(11.61)	(282.23)	(1.86)	—	(0.16)	(1.96)	(18.59)	(0.02)	(337.97)
Closing gross carrying amount	**500.31**	**216.47**	**3,617.43**	**13,465.46**	**159.08**	**562.16**	**152.35**	**287.95**	**201.23**	**1.19**	**19,163.63**
Accumulated Depreciation											
Depreciation charge during the year	—	3.69	111.86	1,031.62	38.84	50.12	12.62	51.75	21.22	0.19	1,321.91
Disposals	—	—	—	—	—	—	—	—	—	—	—
Closing accumulated depreciation	**—**	**3.69**	**111.86**	**1,031.62**	**38.84**	**50.12**	**12.62**	**51.75**	**21.22**	**0.19**	**1,321.91**
Net carrying amount	**500.31**	**212.78**	**3,505.57**	**12,433.84**	**120.24**	**512.04**	**139.73**	**236.20**	**180.01**	**1.00**	**17,841.72**

Particulars	Land free hold	Land lease hold	Buildings	Plant and machinery	Data processing equipments	Electrical installation	Laboratory equipments	Furniture fixture and office equipments	Vehicles	Technical books	Total
Year ended March 31, 2018											
Gross carrying amount											
Opening gross carrying amount	**500.31**	**216.47**	**3,617.43**	**13,465.46**	**159.08**	**562.16**	**152.35**	**287.95**	**201.23**	**1.19**	**19,163.63**
Additions	24.50	—	582.14	2,399.60	47.01	109.00	198.00	121.15	52.79	—	3,534.19
Disposals/adjustments	—	—	3.50	(123.39)	(0.45)	(0.59)	(2.48)	(10.15)	—	—	(133.56)
Closing gross carrying amount	**524.81**	**216.47**	**4,203.07**	**15,741.67**	**205.64**	**670.57**	**347.87**	**398.95**	**254.02**	**1.19**	**22,564.26**
Accumulated Depreciation											
Opening accumulated depreciation	**—**	**3.69**	**111.86**	**1,031.62**	**38.84**	**50.12**	**12.62**	**51.75**	**21.22**	**0.19**	**1,321.91**
Depreciation charge during the year	—	3.69	122.77	1,084.72	42.96	69.50	31.25	70.67	32.51	0.18	1,458.25
Disposals	—	—	—	—	—	—	—	—	—	—	—
Closing accumulated depreciation	**—**	**7.38**	**234.63**	**2,116.34**	**81.80**	**119.62**	**43.87**	**122.42**	**53.73**	**0.37**	**2,780.16**
Net carrying amount	**524.81**	**209.09**	**3,968.44**	**13,625.33**	**123.84**	**550.95**	**304.00**	**276.53**	**200.29**	**0.82**	**19,784.10**

Notes:

(a) Buildings include cost of shares in co-operative housing societies **INR 0.01 lakhs** (Previous Year: INR 0.01 lakhs).

(b) Leased assets.

Property, plant and equipment includes the following assets where the Company is a lessee under a finance lease:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Plant & Machinery			
Cost/Deemed Cost	1,619.86	1,614.69	1,204.18
Accumulated depreciation	(204.82)	(110.98)	—
Net carrying amount	**1,415.04**	**1,503.71**	**1,204.18**

The lease term in respect of assets acquired under finance leases generally expire within three to five years. The legal title to these items vests with lessor during lease period. At the expiry of lease period, the Company has the option to acquire the leased assets at a nominal price as mentioned in lease arrangement. As at March 31, 2018, Plant and Machinery having carrying value of INR 850.38 lakhs are pending transfer in name of the Company for which lease obligations have been fully discharged and are included in INR 1,415.04 Lakhs above.

(c) Property, plant and equipment pledged as security

Refer Note 25(e) for information on Property, plant and equipments pledged as security by the Company.

(d) Contractual obligations

Refer Note 48 (c) (i) for disclosure of contractual commitments for the acquisition of property, plant and equipments.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

4. INVESTMENT PROPERTY

Particulars	As at March 31, 2018	As at March 31, 2017
Gross Carrying amount		
Opening gross carrying amount/Deemed Cost	102.29	102.29
Additions	—	—
Closing gross carrying amount	**102.29**	**102.29**
Accumulated depreciation		
Opening accumulated depreciation	**2.31**	**—**
Depreciation charge for the year	2.31	2.31
Closing accumulated depreciation	**4.62**	**2.31**
Net Carrying amount	**97.67**	**99.98**

(i) Amounts recognised in the statement of profit and loss for investment properties

Particulars	As at March 31, 2018	As at March 31, 2017
Rental income	11.42	11.42
Direct operating expenses for property that generated rental income	1.88	1.94
Direct operating expenses for property that did not generate rental income	0.76	0.97
Profit from investment properties before depreciation	**8.78**	**8.51**
Depreciation	2.31	2.31
Profit from investment properties	**6.47**	**6.20**

(ii) Leasing arrangements

Certain investment properties are leased to tenants under operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Within 1 year	7.22	4.76	11.42
Later than 1 year but not later than 5 years	1.76	—	4.76
Later than 5 years	—	—	—
Total	**8.98**	**4.76**	**16.18**

(iii) Fair value of investment properties

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investment Properties	293.39	286.14	280.73

(iv) Estimation of fair value

The company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties.

The fair values of investment properties have been determined by independent valuer who holds recognised and relevant professional qualification.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

5. INTANGIBLE ASSETS

Particulars	**Computer software**	**Total**
Year ended March 31, 2017		
Gross carrying amount		
Deemed cost as at April 1, 2016	**101.81**	**101.81**
Additions	16.27	16.27
Closing gross carrying amount	**118.08**	**118.08**
Accumulated amortisation		
Amortisation charge during the year	67.57	67.57
Closing accumulated amortisation	**67.57**	**67.57**
Closing Net carrying amount	**50.51**	**50.51**
Year ended March 31, 2018		
Gross carrying amount		
Opening gross carrying amount	118.08	118.08
Additions	31.12	31.12
Closing gross carrying amount	**149.20**	**149.20**
Accumulated amortisation		
Opening accumulated amortisation	67.57	67.57
Amortisation charge for the year	33.46	33.46
Closing accumulated amortisation and impairment	**101.03**	**101.03**
Closing net carrying amount	**48.17**	**48.17**

6. INVESTMENT IN SUBSIDIARIES AND JOINT VENTURE

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Unquoted equity instruments at cost			
Investments in wholly owned subsidiaries			
199,982 (March 31, 2017: 199,982, April 1, 2016: 199,982) Equity shares of INR 100 each fully paid up in Kamaljyot Investments Limited	370.34	370.34	370.34
510,000 (March 31, 2017: 510,000, April 1, 2016: 510,000) Equity shares of INR 10 each fully paid up in Excel Bio Resources Limited	51.13	51.13	51.13
	421.47	421.47	421.47
Investment in joint venture			
468,000 (March 31, 2017: 468,000, April 1, 2016: 468,000) Equity shares of Hongkong $ 1 each fully paid up in Wexam Limited, Hongkong	27.26	27.26	27.26
Less: Impairment in value of investment	(27.26)	(27.26)	(27.26)
	—	—	—
Total	**421.47**	**421.47**	**421.47**
Aggregate amount of unquoted investments	421.47	421.27	421.47

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

7. NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investment in Equity Instruments (fully paid-up)			
Quoted at FVOCI			
Nil (March 31, 2017: Nil, April 1, 2016: 245,760) Equity shares of INR 5 each fully paid up in Excel Crop Care Limited (Refer Note 54(C) (2)(ii))	—	—	2,964.36
584,977 (March 31, 2017: 584,977, April 1, 2016: 584,977) Equity shares of INR 10 each fully paid up in Punjab Chemicals and Crop Protection Limited	2,270.59	1,643.49	810.49
4,285 (March 31, 2017: 4,285, April 1, 2016: 4,285) Equity shares of INR 10 each fully paid up in TIL Limited	19.14	12.49	14.62
13,400 (March 31, 2017: 13,400, April 1, 2016: 13,400) Equity shares of INR 10 each fully paid up in Bank of India	13.88	18.66	13.00
	2,303.61	1,674.64	3,802.47
Unquoted at FVOCI			
888,750 (March 31, 2017: 888,750, April 1, 2016: 888,750) Equity shares of INR 10 each fully paid up in TML Industries Limited	39.99	44.44	109.32
1,067,450 (March 31, 2017: 1,067,450, April 1, 2016: 1,067,450) Equity shares of INR 10 each fully paid up in Transpek-Silox Industry Private Limited	14,613.39	13,097.61	9,417.04
2,500 (March 31, 2017: 2,500, April 1, 2016: 2,500) Equity shares of INR 10 each fully paid up in The Saraswat Co-operative Bank Limited	0.25	0.25	0.25
50,000 (March 31, 2017: 50,000, April 1, 2016: 50,000) Equity shares of INR 10 each fully paid up in Biotech Consortium India Limited	5.00	5.00	5.00
	14,658.63	13,147.30	9,531.61
Total	**16,962.24**	**14,821.94**	**13,334.08**
Aggregate amount of unquoted investments	14,658.63	13,147.30	9,531.61
Aggregate amount of quoted investments	2,303.61	1,674.64	3,802.47

8. LOANS – NON-CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good (unless otherwise stated)			
Loans to a related party (Refer Note 47)	—	—	669.64
Loans to employees	9.62	9.57	21.32
Security deposits	357.95	327.66	396.37
Total	**367.57**	**337.23**	**1,087.33**

9. OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good (unless otherwise stated)			
Fixed deposits with Maturity of more than 12 months[@]	—	168.00	73.00
Total	**—**	**168.00**	**73.00**

[@] Represents liquid assets maintained under the Companies (Acceptance of Deposits) Rules, 2014.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

10. OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good (unless otherwise stated)			
Capital advances			
Unsecured, considerd good	288.09	12.24	229.03
Unsecured, considerd doubtful	41.62	41.62	—
	329.71	53.86	229.03
Provision for doubtful Capital Advances	(41.62)	(41.62)	—
	288.09	12.24	229.03
Prepaid expenses	21.15	21.10	26.42
Balances with Government Authorities	39.13	9.37	8.68
Total	**348.37**	**42.71**	**264.13**

11. INVENTORIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Raw materials [including stock-in-transit INR 385.97 lakhs (March 31, 2017: INR 5,20.22 lakhs, April 1, 2016: INR 5,32.68 lakhs)]	1,977.23	2,230.42	2,118.46
Packing materials	79.60	92.33	107.76
Finished goods	1,479.60	1,034.60	1,906.38
Work-in-progress	1,395.32	1,312.43	1,478.72
Traded goods	—	17.76	191.12
Stores and spares [including stock-in-transit INR Nil (March 31, 2017: INR 166.07 lakhs, April 1, 2016: INR 145.87 lakhs)] [including fuel and coal]	324.32	528.99	486.96
Total	**5,256.06**	**5,216.53**	**6,289.40**

Refer note 2(K) for basis of valuation

Amounts recognised in profit and loss:

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Writedowns of inventories as at year end amounted to INR 1.38 lakhs (as at March 31, 2017 INR 0.46 lakhs, as at April 1, 2016 INR 8.17 lakhs). These writedowns were recognised as an expense and included in 'changes in inventories of finished goods, stock-in-trade and work-in-progress' in the Statement of Profit and Loss..

12. CURRENT INVESTMENTS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investments in Mutual Funds			
Unquoted at FVPL			
Kotak Medium Term Fund - Regular Plan — Growth 880,374.274 (March 31, 2017: Nil, April 1, 2016: Nil) units of INR 10 fully paid up	127.06	—	—
Total	**127.06**	**—**	**—**
Aggregate amount of unquoted Investments	127.06	—	—

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

13. TRADE RECEIVABLES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade receivables	11,944.64	11,636.73	11,786.01
Receivables from related parties (Refer Note 47)	34.26	53.64	961.97
Less: Allowance for doubtful debts / Expected credit loss	80.58	67.58	58.71
Total	**11,898.32**	**11,622.79**	**12,689.27**
Current portion	11,898.32	11,622.79	12,689.27
Non-current portion	—	—	—

Break-up of security details

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured, considered good	—	—	—
Unsecured, considered good	11,898.32	11,622.79	12,689.27
Doubtful	80.58	67.58	58.71
Total	**11978.90**	**11,690.37**	**12,747.98**
Less : Allowance for doubtful debts / Expected credit loss	(80.58)	(67.58)	(58.71)
Total	**11,898.32**	**11,622.79**	**12,689.27**

Note: For credit risk and provision for loss allowance (refer Note 43)

14. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance with Banks			
in Current accounts	124.69	188.88	251.68
Fixed deposits with maturity of less than three months	—	110.00	105.00
Total	**124.69**	**298.88**	**356.68**

15. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Margin money deposits (Refer Note (a) below)	6.64	6.63	6.79
Unclaimed Dividend account	51.15	44.68	37.28
Other balances with current account (Refer Note (b) below)	45.00	45.00	—
Total	**102.79**	**96.31**	**44.07**

Notes:

(a) Margin money deposits of INR 6.64 lakhs (March 31, 2017: INR 6.63 lakhs, April 1, 2016: INR 6.79 lakhs) have been given against Letter of Credit and Bank guarantees.

(b) Other balances in current account represents amount deposited in an escrow account for buy back of equity shares. The Company is in process of releasing the escrow.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

16. LOANS – CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good (unless otherwise stated)			
Loans to a related party (Refer Note 47)	—	—	300.00
Loans to employees	14.88	19.20	25.85
Security deposits	78.88	—	—
Total	**93.76**	**19.20**	**325.85**

17. OTHER CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good (unless otherwise stated)			
Interest accrued	15.78	13.55	17.85
Mark to market gain on derivative contracts	—	—	10.39
Others	174.66	37.87	90.52
Total	**190.44**	**51.42**	**118.76**

18. OTHER CURRENT ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good (unless otherwise stated)			
Balances with Government Authorities	29.20	705.71	727.75
Prepaid expenses	190.05	176.34	240.64
Advances to suppliers	179.45	241.68	213.42
Export benefit receivable	444.11	268.81	2.32
Others	0.82	0.34	0.43
Total	**843.63**	**1,392.88**	**1,184.56**

19. ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Disposal Group (Refer note below)	1,486.70	1,133.91	—
Total	**1,486.70**	**1,133.91**	**—**

Note:

Refer Note 46 for disclosures pertaining to Discontinuing Operations.

Refer Note – 30 for information about liabilities of the disposal segment (E&BT division) that is classified as held for sale at balance sheet date.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

20. EQUITY SHARE CAPITAL

Particulars	No. of shares	Amount
Authorised shares		
As at March 31, 2018		
Equity shares of INR 5/- each	38,000,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	850,000	85.00
Unclassified Shares of INR 5/- each	300,000	15.00
As at March 31, 2017		
Equity shares of INR 5/- each	38,000,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	850,000	85.00
Unclassified Shares of INR 5/- each	300,000	15.00
As at April 1, 2016		
Equity shares of INR 5/- each	38,000,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	850,000	85.00
Unclassified Shares of INR 5/- each	300,000	15.00
Issued, subscribed and paid-up		
As at March 31, 2018		
Equity shares of INR 5/- each fully paid-up	12,570,692	628.53
Total	**12,570,692**	**628.53**
As at March 31, 2017		
Equity shares of INR 5/- each fully paid-up	12,570,692	628.53
Total	**12,570,692**	**628.53**
As at April 1, 2016		
Equity shares of INR 5/- each fully paid-up	12,905,630	645.28
Total	**12,905,630**	**645.28**

(i) Movement in Equity Share Capital

Equity Shares	March 31, 2018		March 31, 2017	
	Nos.	Rs. in Lacs	Nos.	Rs. in Lacs
At the beginning of the year	12,570,692	628.53	12,905,630	645.28
Buy Back of Shares (Refer Note (iv) below)	—	—	334,938	16.75
Outstanding at the end of the year	**12,570,692**	**628.53**	**12,570,692**	**628.53**

(ii) Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of INR 5/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except incase of Interim dividend.

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

20. EQUITY SHARE CAPITAL (Contd.)

(iii) Details of shares held by shareholders holding more than 5% shares in the Company:

Name of the shareholder	As at March 31, 2018		As at April 01, 2016	
	Nos. of Shares	% of holding	Nos. of Shares	% of holding
Life Insurance Corporation of India	962,799	7.66%	1,012,799	7.85%
Anshul Specialty Molecules Private Limited	5,358,682	42.63%		
Utkarsh Global Holdings Private Limited			5,331,182	41.31%

Name of the shareholder	As at March 31, 2017	
	Nos. of Shares	% of holding
Life Insurance Corporation of India	962,799	7.66%
Utkarsh Global Holdings Private Limited	5,358,682	42.63%

(iv) Buyback of Equity Shares

The Board of Directors had approved to buyback a maximum upto 11,50,000 Equity Shares of the Company at a price not exceeding INR 275 per Equity Share and the total consideration not exceeding INR 1800 lacs.

During the year ended March 31, 2017, the Company has bought back 3,34,938 equity shares utilizing INR 926.71 lacs (including transaction charges, brokerage, tax etc.) from Security Premium reserve. As a result of the Buyback, total equity shares of the Company has reduced from 1,29,05,630 to 1,25,70,692. Further the Company has transfered INR 16.75 lacs to Capital Redemption Reserve from General Reserve being the sum equal to the nominal value of shares so purchased.

21. OTHER EQUITY

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital reserve	0.01	0.01	0.01
Securities premium reserve	534.37	534.37	1,461.08
Capital redemption reserve	16.75	16.75	—
General reserve	24,537.32	20,037.32	16,554.07
Retained earnings	5,070.05	3,175.76	2,722.78
Other reserves	13,253.51	11,424.55	10,315.29
Total	**43,412.01**	**35,188.76**	**31,053.23**

(i) Capital Reserve

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	0.01	0.01
Closing balance	**0.01**	**0.01**

(ii) Securities Premium Reserve

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	534.37	1,461.08
Less: Adjustment on account of Buyback of equity shares (Refer Note 20(iv)	—	(926.71)
Closing balance	**534.37**	**534.37**

(iii) Capital Redemption Reserve

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	16.75	—
Add: On account of Buy back of Equity Shares transferred from General reserve (Refer Note 20(iv))	—	16.75
Closing balance	**16.75**	**16.75**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

21. OTHER EQUITY (contd.)

(iv) General reserve

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Opening balance	20,037.32	16,554.07
Less : On account of Buy back of Equity Share transfered to Capital redemption reserve (Refer Note 20(iv))	—	(16.75)
Add: Amount transferred from Retained earnings	4500.00	3500.00
Closing balance	**24537.32**	**20,037.32**

(v) Retained earnings

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Opening balance	3,175.76	2,722.78
Profit for the year	7,254.04	2,079.68
Dividend Paid	(754.24)	(565.68)
Dividened Distribution tax	(153.54)	(115.16)
Transfer to general reserve	(4500.00)	(3,500.00)
Items of Other Comprehensive Income (OCI) recognised directly in retained earnings.		
— Re-measurement of post employment benefit obligations (net of tax)	48.03	(114.64)
— Transfer from FVOCI on derecognition of Equity Investments	—	2,668.78
Closing balance	**5,070.05**	**3,175.76**

(vi) Other reserves – FVOCI – Equity Investment

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Opening Balance	11,424.55	10,315.29
Change in fair value of FVOCI equity instruments	2,140.30	4,522.90
Tax on above	(311.34)	(744.86)
Transfer to retained earnings on derecognition of Equity Investments	—	(2,668.78)
Closing balance	**13,253.51**	**11,424.55**

Nature and purpose of reserves

Capital Reserve

Capital reserve is utilised in accordance with provision of the Act.

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Capital Redemption Reserve

Represent reserve created during buy back of Equity Shares and it is a non-distributable reserve.

General Reserve

The General Reserve is used from time to time to record transfer of profit from retained earnings, for appropriation purposes. As general reserve is created by transfer from one component of equity to another and it is not an item of other comprehensive income.

Other reserves – FVOCI – Equity Investments

The Company has elected to recognise changes in the fair value of certain investments in equity securities in Other Comprehensive Income. These changes are accumulated within FVOCI equity investments reserve within equity. The Company transfer amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

22. NON-CURRENT BORROWINGS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Term Loans (Secured)			
From banks			
Indian rupee loans	—	242.11	664.34
From others			
Vehicle loan from a financial institution	22.52	28.84	34.00
Finance lease oligation	66.99	299.04	312.06
Others	—	344.81	—
Total	**89.51**	**914.80**	**1,010.40**

Notes:

(a) Indian rupee loan from Bank of India amounting to INR Nil (March 31, 2017: INR 331.00 lakhs, April 1, 2016: INR 531.00 lakhs) is for a period of five years repayable in quarterly instalments of INR 50 lakhs and carrying interest rate of 12.25% to 12.90% per annum and is secured by first exclusive charge by way of hypothecation of plant and machinery and further to be secured by registered mortgage of land and buildings of the factory located at Roha. During the year, the Company has made full prepayment of this rupee loan and is in the process of satisfaction of charge created.

(b) Indian rupee loan from HDFC Bank Limited amounting to INR Nil (March 31, 2017: INR 333.33 lakhs, April 1, 2016: INR 555.56 lakhs) is for a period of five years repayable in quarterly instalments of INR 55.56 lakhs and carrying rate of interest @11.60% to 11.90% per annum and is secured by exclusive charge by way of hypothecation of entire movable assets at Lote Parashuram and further to be secured by registered mortgage of immovable assets at Lote Parashuram. During the year, the Company has made full prepayment of this rupee loan and is in the process of satisfaction of charge created.

(c) Term loans under vehicle finance from a financial institution amounting to INR 41.54 lakhs (March 31, 2017: INR 49.11 lakhs, April 1, 2016: INR 49.99 lakhs) carrying interest rate ranging from 12% to 14% per annum repayable in equated monthly instalments and secured by hypothecation of the vehicles acquired by utilising the said loans.

(d) Finance lease obligation amounting to INR 299.04 lakhs (March 31, 2017: INR 634.56 lakhs, April 1, 2016: INR 780.68 lakhs) from Siemens Financial Services Private Limited for a period of three years and is secured by hypothecation of equipment's taken on lease. It will be discharged by monthly lease rental payments on various dates and carry the interest @ 11.50% to 12.50% per annum.

(e) Loan from Housing Development Finance Corporation Limited amounting to INR Nil (March 31, 2017: INR 409.60 lakhs, April 1, 2016: INR Nil) carrying interest rate @ 11.50% per annum repayable in sixty equated monthly instalments and secured by first equitable mortgage on property along with stilt area and undivided portion of freehold land at New Delhi both present and future and by way of first charge on all the receivables including lease rent and sale proceeds of the herein mentioned property. During the year, the Company has made full prepayment of this loan and has satisfied charges subsequent to the year end.

(f) Unsecured deposit from shareholder/public amounting to INR Nil (March 31, 2017: Nil, April 1, 2016: INR 239.16 lakhs) carrying interest rate @ 10% per annum repayable after 2 years.

(g) Installments falling due within a year in respect of all the above Loans aggregating INR 251.07 lakhs (March 31, 2017: INR 842.80 lakhs, April 1, 2016: INR 1,145.99 lakhs) have been grouped under "Current maturities of long-term debt" (Refer Note 27).

(h) Refer Note 43(B) for liquidity risk.

(i) The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 25.

(j) Refer note 25(f) Net debt reconciliation

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

23. EMPLOYEE BENEFIT OBLIGATIONS NON-CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefit obligations (Refer Note 41)			
Leave obligation	1,032.88	1,032.74	973.29
Gratuity	—	—	49.26
Medical Voluntary retirement scheme	117.35	94.71	—
Long service award	77.07	—	—
Total	**1,227.30**	**1,127.45**	**1,022.55**

24. TAXATION

(a) Income tax expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current tax		
Current tax on profits for the year	2,636.13	980.00
Adjustments for current tax of prior periods	(1.99)	(105.51)
Total current tax expense	**2,634.14**	**874.49**
Deferred tax	661.37	(211.30)
Total deferred tax expense/(benefit)	**661.37**	**(211.30)**
Income tax expense	**3,295.51**	**663.19**
Income tax expense/(credit) is attributable to:		
Profit from continuing Operations	3,323.39	681.02
Loss from discontinuing Operations	(27.88)	(17.83)
	3,295.51	**663.19**

(b) Reconciliation of tax expense and accounting profit multiplied by statutory tax rates

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit from continuing operations before income tax expenses	10,630.12	2,794.39
Loss from discontinuing operations before income tax expenses	(80.57)	(51.52)
	10,549.55	**2,742.87**
Tax at the Indian tax rate of 34.608% (Previous year - 34.608%)	**3,650.99**	**949.25**
Add/(less) effects of:		
Exempt Income	(97.94)	(219.32)
Revenue expenditure on scientific research u/s 35 (2)AB	(217.55)	(231.91)
Difference in tax rate	(20.3)	—
Adjustment to current tax of prior periods	1.99	105.51
Others	(21.68)	59.66
Income tax expense	**3,295.51**	**663.19**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

24. TAXATION *(Contd.)*

(c) Deferred tax

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax assets			
Liabilities / provisions that are deducted for tax purposes when paid	556.46	464.91	424.63
Provision for doubtful reivables and advances	108.79	73.63	30.71
Mat Credit Entitlement	—	493.87	—
Other timing differences	58.51	266.51	11.29
Total deferred tax assets	**723.76**	**1,298.92**	**466.63**
Deferred tax liabilities			
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate.	2,654.51	2,304.71	2,081.12
Financial assets at fair value through Other Comprehensive Income	2,922.54	2,611.21	1,866.35
Other timing differences	391.18	591.72	254.99
Total deferred tax liabilities	**5,968.23**	**5,507.64**	**4,202.46**
Net deferred tax liabilities	**5,244.47**	**4,208.72**	**3,735.83**

Movement in deferred tax assets/(liabilities)

Particulars	As at April 1, 2017	Charged/(credited) to profit and loss	Charged/(credited) to OCI	As at March 31, 2018
For the year ended March 31, 2018				
Liabilities / provisions that are deducted for tax purposes when paid	464.91	(154.60)	63.05	556.46
Provision for doubtful reivables and advances	73.63	(35.16)	—	108.79
Mat Credit Entitlement	493.87	493.87	—	—
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rates.	(2,304.71)	349.80	—	(2,654.51)
Financial assets at fair value through Other Comprehensive Income	(2,611.21)	—	311.33	(2,922.54)
Other timing differences	(325.21)	7.46	—	(332.67)
Total deferred tax assets/(liabilities)	**(4208.72)**	**661.37**	**374.38**	**(5244.47)**

Particulars	As at April 1, 2016	Charged/(credited) to profit and loss	Charged/(credited) to OCI	As at March 31, 2017
For the year ended March 31, 2017				
Liabilities / provisions that are deducted for tax purposes when paid	424.63	20.39	(60.67)	464.91
Provision for doubtful reivables and advances	30.71	(42.92)	—	73.63
Mat Credit Entitlement	—	(493.87)	—	493.87
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rates.	(2,081.12)	223.59	—	(2,304.71)
Financial assets at fair value through Other Comprehensive Income	(1,866.35)	—	744.86	(2,611.21)
Other timing differences	(243.17)	81.51	—	(325.21)
Total deferred tax assets/(liabilities)	**(3,735.83)**	**(211.3)**	**684.19**	**(4,208.72)**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

25. SHORT TERM BORROWINGS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured			
Cash credits	660.74	3,777.09	3,308.32
Unsecured			
Foreign currency buyers credit	—	517.43	372.07
Bank loans	—	748.80	2,090.47
Foreign currency loan	—	—	991.36
Total	**660.74**	**5,043.32**	**6,762.22**

Notes:

(a) Cash credit loan from banks are secured by hypothecation of all tangible movable assets both present and future including stock of raw materials, finished goods, work in process, stores and trade receivables etc. and is further secured by a second charge on the Property, Plant and Equipment at Roha and Lote Parashuram. The cash credit loan is repayable on demand and carries interest rates at 9.45% to 11.20% (March 31, 2017 – 11.70% to 13.20%; April 1, 2016 – 11.70% to 13.20%).

(b) Outstanding foreign currency buyer's credit are unsecured and carry an interest rate of 2.70% (March 31, 2017 – libor plus 0.23% to 0.80%; April 1, 2016 – libor plus 46 bps) repayable on demand.

(c) Short term unsecured loans from Banks are payable within period of 3 to 6 months and carries interest rate of 8.25% to 8.90% (March 31, 2017 – 8.90% to 9.50%; April 1, 2016 – 9.50% to 12.25%) per annum.

(d) Outstanding foreign currency loan is unsecured carrying interest rate of Nil (March 31, 2017 – Nil; April 1, 2016- libor plus 90 bps).

e) The carrying amounts of financial and non financial assets hypothecated/ mortgaged as security for current and non-current borrowings are as under:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current Assets			
Financial Assets			
Trade Receivables	12,462.97	12,033.90	12,689.27
Non Financial Assets			
Inventories	5,584.43	5,511.10	6,289.40
Total Current Assets Pledged as Security	**18,047.40**	**17,545.00**	**18,978.67**
Non Current Assets			
Property Plant & Equipment			
Land (Freehold and Lease hold)	724.38	703.57	357.26
Buildings	3,059.88	2,579.72	2,020.59
Plant and machinery	13,945.69	12,721.08	11,869.42
Other Property Plant and Equipment	1,471.44	1,200.98	918.03
Total Non-current assets pledged as security	**19,201.39**	**17,205.35**	**15,165.30**
Total Assets pledged as security	**37,248.79**	**34,750.35**	**34,143.97**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

25. SHORT TERM BORROWINGS (Contd.)

(f) Net debt reconciliation

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Cash and cash equivalents	(124.69)	(298.88)
Current investments in mutual funds	(127.06)	—
Non Current Borrowings (Including current maturities)	340.58	1,757.60
Current Borrowings	660.74	5,043.32
Interest payable on above borrowings	0.01	10.73
Net Debt	**749.58**	**6,512.77**

Particulars	**Other assets**		**Liabilities from financing activities**		
	Cash and cash equivalents	**Current Investment**	**Non Current Borrowings**	**Current Borrowings**	**Interest payable on borrowings**
Net Debt as at March 31, 2017	**(298.88)**	**—**	**1,757.60**	**5,043.32**	**10.73**
Cash flows	174.19	—	—	—	—
Purchase of investments	—	(127.06)	—	—	—
Acquisition of loan	—	—	22.56	5,968.75	—
Repayment of loan	—	—	(1,439.58)	(10,351.33)	—
Interest expenses	—	—	—	—	581.68
Interest paid	—	—	—	—	(592.40)
Net Debt as at March 31, 2018	**(124.69)**	**(127.06)**	**340.58**	**660.74**	**0.01**

26. TRADE PAYABLES

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Current			
Trade payables [Refer Note (a) below]	8,549.60	6,100.39	7,071.04
Total	**8,549.60**	**6,100.39**	**7,071.04**

Notes:

(a) The Company has certain payable to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows:

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
— Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4.34	53.56
— Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.15	0.45
— Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	240.62	1,328.79
— Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
— Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
— Interest due and payable towards suppliers registered under MSMED Act, for payments already made	2.12	14.92
— Further interest remaining due and payable for earlier years	63.20	47.83

(b) Refer Note 43 for information about liquidity risk and market risk of trade payables.

27. OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current maturities of long term debt (Refer Note (b) below)	251.07	842.80	1,145.99
Interest accrued but not due	—	6.72	37.28
Interest accrued and due	0.01	4.01	2.89
Mark to Market Loss on forward contracts	—	14.83	29.15
Unclaimed Dividend	51.15	44.68	37.28
Unclaimed Matured fixed Deposits	9.96	15.19	22.21
Unclaimed interest on matured fixed deposits	3.59	4.68	5.17
Creditors for Capital Goods	452.79	332.49	198.69
Sundry Deposits	14.35	14.35	14.72
Others	80.88	85.76	63.77
Total	**863.80**	**1,365.51**	**1,557.15**

Notes:

(a) There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

(b) Current maturities of long term debt includes amount due in next 12 months from various term loans and deposits as under: (Refer Note 22)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Term Loans (Secured)			
From banks			
Indian rupee loan	—	422.22	422.22
From others			
Vehicle loan from a financial institution	19.02	20.27	15.99
Finance lease oligation	232.05	335.52	468.62
Others	—	64.79	—
Deposits (Unsecured)			
From shareholders	—	—	22.98
From Public	—	—	216.18
Total	**251.07**	**842.80**	**1,145.99**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

28. EMPLOYEE BENEFIT OBLIGATIONS — CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for Employee benefit obligations (Refer Note 41)			
Leave obligation	185.84	270.25	189.58
Gratuity	137.42	431.11	500.00
Medical Voluntary retirement scheme	46.41	34.36	—
Long service award	12.86	—	—
Total	**382.53**	**735.72**	**689.58**

29. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Statutory dues including provident fund and tax deducted at sources	206.00	224.69	286.01
Advances from customers	61.42	34.93	31.32
Other payables	89.86	68.20	59.50
Total	**357.28**	**327.82**	**376.83**

30. LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Disposal Group (Refer note below)	312.03	216.86	—
Total	**312.03**	**216.86**	**—**

Refer Note 46 for disclosures pertaining to Discontinuing Operations

Refer Note 19 for information about assets of the disposal segment (E&BT division) that is classified as held for sale at balance sheet date.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

31. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Sale of products		
Sales of products (Refer Note below)	58,503.46	47,947.71
Sale of services		
Processing charges	346.88	262.33
Other operating revenue		
Export incentives	378.72	370.25
Scrap sales	185.44	146.92
Total	**59,414.50**	**48,727.21**

Note:

Goods and Service Tax (GST) has been effective from July 1, 2017. Consequently, excise duty, value added tax (VAT), Service tax etc have been replaced with GST. Until June 30, 2017, 'Sale of products' included the amount of excise duty recovered on sales. With effect from July 1, 2017, 'Sales of products' excludes the amount of GST recovered. Accordingly, revenue from 'Sale of Products' and 'Revenue from operations' for the year ended March 31, 2018 are not comparable with those of the previous year. Had the previously reported revenue was shown net of excise duty, comparative revenue of the Company (Continuing Operations) would have been as follows :

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Sale of products	59,826.31	52,200.54
Less: Excise Duty (Refer Note 36)	1,322.85	4,252.83
	58,503.46	**47,947.71**

32. OTHER INCOME

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest income on		
Bank deposits	28.01	29.63
Income tax refund	—	39.10
Unsecured loan	7.52	193.21
Others	2.01	23.55
	37.54	**285.49**
Dividend income		
From long term investments (Refer note below)	283.08	635.44
	283.08	**635.44**
Others		
Rent (Refer Note 4)	17.19	24.31
Gain on fair valuation of current investments	4.18	—
Others	30.79	35.29
	52.16	**59.60**
Total	**372.78**	**980.53**

Note:

All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting period. There was no dividend income relating to investments derecognised during the reporting period.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

33. COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
a. Raw materials		
Inventory at the beginning of the year	1,710.20	1,576.11
Add: Purchases	25,667.37	21,654.10
	27,377.57	**23,230.21**
Less: Inventory at the end of the year	1,591.26	1,710.20
Total cost of Raw materials consumed	**25,786.31**	**21,520.01**
b. Packing materials		
Inventory at the beginning of the year	92.33	78.15
Add: Purchases	1,154.64	993.03
	1,246.97	**1,071.18**
Less: Inventory at the end of the year	79.60	92.33
Total cost of Packing materials consumed	**1,167.37**	**978.85**
Total	**26,953.68**	**22,498.86**

34. PURCHASE OF STOCK IN TRADE

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Chemicals and others	66.87	299.14
Total	**66.87**	**299.14**

35. (INCREASE)/DECREASE IN INVENTORIES OF-FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Inventories at the end of the year		
Finished goods	1,479.60	1,034.60
Work-in-progress	1,395.31	1,312.43
Stock-in-trade	—	17.76
	2,874.91	**2,364.79**
Inventories at the beginning of the year		
Finished goods	1,034.60	1,829.57
Work-in-progress	1,312.43	1,478.58
Stock-in-trade	17.76	10.71
	2,364.79	**3,318.86**
Total	**(510.12)**	**954.07**

36. EXCISE DUTY

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Excise Duty	1,235.87	4,158.09
	1,235.87	**4,158.09**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

37. EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, wages and bonus	5,802.40	4,847.49
Contribution to provident and other funds	473.98	453.16
Provision/payment of gratuity (Refer note 41)	218.19	101.74
Provision for other retirement benefits	113.53	367.56
Workman and staff welfare expenses	438.87	419.30
Total	**7,046.97**	**6,189.25**

38. DEPRECIATION AND AMORTISATION EXPENSES

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on Property Plant & Equipment (Refer Note 3)	1,458.25	1,321.91
Depreciation on Investment Property (Refer Note 4)	2.31	2.31
Amortisation of Intangible Assets (Refer Note 5)	33.46	67.57
Total	**1,494.02**	**1,391.79**

39. OTHER EXPENSES

Particulars		Year ended March 31, 2018	Year ended March 31, 2017
Consumption of stores and spares		47.98	45.76
Processing charges		88.15	79.15
Power and fuel		3,762.41	2,953.43
Effluent expenses		719.89	583.22
Rent (Refer Note 51)		203.38	129.99
Rates and taxes		51.46	96.33
Bank Charges		114.01	128.49
Contractor's Labour Charges		28.77	16.94
Water Charges		186.76	172.73
Sales commission		115.71	124.47
Insurance		109.20	91.54
Repairs and maintenance on :			
– Plant and machinery		2,086.54	1,779.30
– Buildings		188.27	148.40
– Others		74.95	91.75
CSR Expenditure (Refer Note 50)		85.10	75.84
Travelling and conveyance		246.61	188.65
Legal and professional fees		671.38	445.61
Directors' sitting fees (Refer Note 47)		16.50	17.60
Non Executive Directors' Commission (Refer Note 47)		65.00	25.00
Auditor's Remuneration (Refer details below)		37.77	42.14
Bad debts/sundry debit balances written off (Net)			
Bad debts written off during the year	67.57		
Less: Utilisation from Provision for doubtful depts	(67.57)	—	—
Expected credit loss/Provision for doubtful receivables/advances (Net)		80.58	81.18
Freight outward and forwarding expenses		1,784.78	1,345.65
Charity and donations		103.17	67.63
Net foreign exchange loss		76.84	198.00
Net loss on disposal of property, plant and equipment		110.33	89.19
Miscellaneous expenses		1,232.65	1,417.25
Total		**12,288.19**	**10,435.24**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

39. OTHER EXPENSES *(Contd.)*

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Details of Auditor's Remuneration:		
Audit Fee	24.00	25.50
Tax Audit Fee	5.50	6.00
Limited Review	6.00	6.00
Certification fees and other matters	1.50	2.80
Reimbursement of expenses	0.77	1.84
Total	**37.77**	**42.14**

40. FINANCE COSTS

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest	514.25	851.58
Other borrowing costs	48.77	52.23
Exchange differences regarded as an adjustment to borrowing costs	18.66	83.10
Total	**581.68**	**986.91**

41. EMPLOYEE BENEFIT OBLIGATIONS

(i) Leave Obligation

The Leave Obligation cover Company's liability for Sick and earned leave. Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Obligation not expected to be settled within next 12 months (non - current)	1,032.88	1,032.74	973.29
Obligation expected to be settled within next 12 months (current)	185.84	270.25	189.58
Total	**1,218.72**	**1,302.99**	**1,162.87**

(ii) Long Service Award

The Company provides for long service award for eligible employees upon achievement of certain years of service. Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Obligation not expected to be settled within next 12 months (non - current)	77.07	—	—
Obligation expected to be settled within next 12 months (current)	12.86	—	—
Total	**89.93**	**—**	**—**

(iii) Gratuity

(a) The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. If an employee completes more than 25 years of service as of March 31, 2017 except staff and workers, then instead of 15 days, he / she will be entitled to get gratuity on retirement / termination at 22 days of last drawn salary. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

41. EMPLOYEE BENEFIT OBLIGATIONS *(Contd.)*

(b) The amounts recognised in balance sheet and the movement in the gratuity over the year are as follows:

Particulars	Fair value of Plan Assets	Present Value of Obligations	Net amount
Balance as at April 1, 2016	3,425.51	3,974.77	549.26
Current Service Cost	—	213.32	213.32
Interest Expense or Cost	—	308.04	308.04
Investment Income	265.48	—	(265.48)
Curtailment cost / (credit)	—	(141.81)	(141.81)
Total amount recognised in Statement of Profit and Loss*	**265.48**	**379.55**	**114.07**
Re-measurement (or Actuarial) (gain) / loss arising from:			
– change in financial assumptions	—	111.81	111.81
– experience variance	—	70.87	70.87
– return on plan assets, excluding amount recognised in net interest expense	13.17	—	(13.17)
Total amount recognised in Other Comprehensive Income	**13.17**	**182.68**	**169.51**
Benefits Paid	—	(217.53)	(217.53)
Employer's Contribution	401.73	—	(401.73)
Benefits Paid	(217.53)	—	217.53
Balance as at March 31, 2017	**3,888.36**	**4,319.47**	**431.11**
Current Service Cost	—	203.20	203.20
Interest Expense or Cost	—	319.64	319.64
Investment Income	287.74	—	(287.74)
Total amount recognised in Statement of Profit and Loss *	**287.74**	**522.84**	**235.10**
Re-measurement (or Actuarial) (gain) / loss arising from:			
– change in financial assumptions	—	(96.59)	(96.59)
– experience variance	—	(96.89)	(96.89)
– return on plan assets, excluding amount recognised in net interest expense	(11.31)	—	11.31
Total amount recognised in Other Comprehensive Income	**(11.31)**	**(193.48)**	**(182.17)**
Benefits Paid	—	(360.29)	(360.29)
Employer's Contribution	268.50	—	(268.50)
Benefits Paid	(351.08)	—	351.08
Balance as at March 31, 2018**	**4,082.21**	**4,288.54**	**206.33**

* Includes amount pertaining to discontinuing operations INR 16.91 lacs (March 31, 2017 - INR 12.33 lacs)

** Includes amount pertaining to discontinuing operations INR 68.91 lacs (March 31, 2017 - INR Nil)

(c) The net liability disclosed above related to funded and unfunded plans are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Present value of funded obligation	4,288.54	4,319.47	3,974.77
Fair value of plan assets	4,082.21	3,888.36	3,425.51
Deficit of funded plan	**206.33**	**431.11**	**549.26**
Unfunded plans	—	—	—
Deficit of Gratuity plan	**206.33**	**431.11**	**549.26**

41. EMPLOYEE BENEFIT OBLIGATIONS *(Contd.)*

(d) Assumptions:

The principal financial assumptions used in valuation of Gratuity are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Discount rate (per annum)	7.70%	7.40%	7.75%
Salary growth rate (per annum)*	8.50%	8.50%	8.50%
Attrition rate (derived based on age)	1.00% to 5.00%	1.00% to 5.00%	1.00% to 5.00%
Mortality rate	% of Indian Assured Lives Mortality (2006-08)		

* The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market. (The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario.)

(e) The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

Gratuity	As at March 31, 2018			As at March 31, 2017		
	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO
Discount rate	1.00%	-7.00%	7.90%	1.00%	-7.10%	8.10%
Salary growth rate	1.00%	7.40%	-6.60%	1.00%	7.60%	-6.80%
Attrition rate	50.00%	-0.50%	0.60%	50.00%	-0.60%	0.70%

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(f) The major categories of plan assets are as follows:

Gratuity	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Amount	%	Amount	%	Amount	%
Insurer Managed funds	4,082.21	100%	3,888.36	100%	3,425.51	100%

(g) Defined benefit liability and employer contributions:

The weighted average duration of the defined benefit obligation is 8 years (March 31, 2017 - 8 years, April 01, 2016 - 8 years). The expected maturity analysis of undiscounted gratuity is as follows:

Gratuity	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1 year	634.86	674.60	586.70
2-5 years	1,113.50	1,019.66	977.60
6-10 years	2,291.71	2,071.04	1,651.10
More than 10 years	4,684.04	4,914.98	5,385.40

(iv) Medical Voluntary retirement scheme (MVRS)

(a) The Company also have a defined benefit plan for its employees, viz., voluntary early separation scheme on account of continued ill-health not amounting to occupational disease and thereby unable to perform normal duties of their post. Under the Scheme, the benefits will be given for a retired employee for a maximum period upto 10 years or age of retirement, whichever is earlier. In case of early death of the employee, the legal heir of the employee shall get 50% of separation benefit for the rest of the benefit period. The costs of providing benefits under the said plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for the defined benefit plan is recognised in full in the period in which they occur in the Statement of Profit and Loss. This Scheme is not funded.

41. EMPLOYEE BENEFIT OBLIGATIONS *(Contd.)*

(b) The amounts recognised in balance sheet and the movement in the obligation over the year are as follows:

Particulars	Amount
Balance as at April 1, 2016	—
Current Service Cost	—
Past Service Cost	147.76
Interest Expense or Cost	11.66
Re-measurement (or Actuarial) (gain) / loss arising from:	
– change in financial assumptions	2.90
– experience variance	2.90
Total amount recognised in Statement of Profit and Loss *	**165.22**
Re-measurement (or Actuarial) (gain) / loss arising from:	
– change in financial assumptions	—
– experience variance	—
Total amount recognised in Other Comprehensive Income	**5.80**
Benefits Paid	(36.15)
Balance as at March 31, 2017	**129.07**
Current Service Cost	—
Interest Expense or Cost	9.03
Re-measurement (or Actuarial) (gain) / loss arising from:	
– change in financial assumptions	—
– experience variance	—
Total amount recognised in Statement of Profit and Loss *	**9.03**
Re-measurement (or Actuarial) (gain) / loss arising from:	
– change in financial assumptions	(2.88)
– experience variance	73.98
Total amount recognised in Other Comprehensive Income	**71.10**
Benefits Paid	(41.75)
Balance as at March 31, 2018 **	**167.45**

* Includes amount pertaining to discontinuing operations INR Nil (March 31, 2017 - INR 3.69 lacs)

** Includes amount pertaining to discontinuing operations INR 3.69 lacs (March 31, 2017 - INR Nil)

(c) Assumptions:

The principal financial assumptions used in valuation of MVRS are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Discount rate (per annum)	7.70%	7.00%	—
Mortality rate	100% (of LIC 96-98 mod ultimate)		

41. EMPLOYEE BENEFIT OBLIGATIONS *(Contd.)*

(d) The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

Gratuity	As at March 31, 2018			As at March 31, 2017		
	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO
Discount Rate	1.00%	-2.60%	2.50%	1.00%	-2.50%	-2.40%

(v) Defined Contribution Plan

The Company has certain defined contribution plans such as provident fund, super annuation fund and family pension fund for the benefit of the employees. Contributions are made to provident fund in India for employee 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 Expenses recognised during the period towards defined contribution plan is INR 473.98 lacs (March 31, 2017 - INR 453.16 lacs).

(vi) Risk Exposure for Gratuity (funded plan):

Through its defined benefit plans, the group is exposed to number of risks, the most significant of which are detailed below:

Assets 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 assets has investments in insurance/equity managed fund, fixed income securities with high grades, public/private sector units and government securities. Hence assets are considered to be secured.

Change in bond yields: A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in value of plans bond holdings.

42. FAIR VALUE MEASUREMENTS

(i) Financial instruments by category

Particulars	Note	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
		FVOCI	FVPL	Amortised cost	FVOCI	FVPL	Amortised cost	FVOCI	FVPL	Amortised cost
Financial assets										
Equity Investments	7	16,962.24	—	—	14,821.94	—	—	13,334.08	—	—
Investments in Mutual Funds	12	—	127.06	—	—	—	—	—	—	—
Trade receivables	13	—	—	11,898.32	—	—	11,622.79	—	—	12,689.27
Cash and cash equivalents	14	—	—	124.69	—	—	298.88	—	—	356.68
Bank balances other than cash and cash equivalents	15	—	—	102.79	—	—	96.31	—	—	44.07
Loans	8 and 16	—	—	461.33	—	—	356.43	—	—	1,413.18
Other financial assets	9 and 17	—	—	190.44	—	—	219.42	—	—	191.76
Total financial assets		**16,962.24**	**127.06**	**12,777.57**	**14,821.94**	**—**	**12,593.83**	**13,334.08**	**—**	**14,694.96**
Financial liabilities										
Borrowings	22 and 25	—	—	750.25	—	—	5,958.12	—	—	7,772.62
Trade payables	26	—	—	8,549.60	—	—	6,100.39	—	—	7,071.04
Other Financial Liabilities	27	—	—	863.80	—	—	1,365.51	—	—	1,557.15
Total financial liabilities		**—**	**—**	**10,163.65**	**—**	**—**	**13,424.02**	**—**	**—**	**16,400.81**

42. FAIR VALUE MEASUREMENTS *(Contd.)*

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2018					
Financial Asset					
Financial Investment at FVOCI					
Equity Instruments	7	2,303.61	14,658.63	—	16,962.24
Financial Investment at FVPL					
Investments in Mutual Funds	12	—	127.06	—	127.06
Total Financial Assets		**2,303.61**	**14,785.69**	**—**	**17,089.30**

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2017					
Financial Asset					
Financial Investment at FVOCI					
Equity Instruments	7	1,674.64	13,147.30	—	14,821.94
Financial Investment at FVPL					
Investments in Mutual Funds	12	—	—	—	—
Total Financial Assets		**1,674.64**	**13,147.30**	**—**	**14,821.94**

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
As at April 1, 2016					
Financial Asset					
Financial Investment at FVOCI					
Equity Instruments	7	3,802.47	9,531.61	—	13,334.08
Financial Investment at FVPL					
Investments in Mutual Funds	12	—	—	—	—
Total Financial Assets		**3,802.47**	**9,531.61**	**—**	**13,334.08**

The fair value of financial instruments as referred to in note above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows:

Level 1: Financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, mutual funds, bonds and debentures, that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is considered here. For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate. The mutual funds are valued using the closing NAV published by mutual fund.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the group carries such instruments at cost less impairment, if applicable.

42. FAIR VALUE MEASUREMENTS *(Contd.)*

(iv) Fair value of Financial assets and liabilities measured at amortised cost

Particulars	Note	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets							
Trade receivables	13	11,898.32	11,898.32	11,622.79	11,622.79	12,689.27	12,689.27
Cash and cash equivalents	14	124.69	124.69	298.88	298.88	356.68	356.68
Bank balances other than cash and cash equivalents	15	102.79	102.79	96.31	96.31	44.07	44.07
Loans	8 and 16	461.33	461.33	356.43	356.43	1,413.18	1,413.18
Other financial assets	9 and 17	190.44	190.44	219.42	219.42	191.76	191.76
Total Financial Assets		**12,777.57**	**12,777.57**	**12,593.83**	**12,593.83**	**14,694.96**	**14,694.96**
Financial Liabilities							
Borrowings	22 and 25	750.25	750.25	5,958.12	5,958.12	7,772.62	7,772.62
Trade payables	26	8,549.60	8,549.60	6,100.39	6,100.39	7,071.04	7,071.04
Other Financial Liabilities	27	863.80	863.80	1,365.51	1,365.51	1,557.15	1,557.15
Total Financial Liabilities		**10,163.65**	**10,163.65**	**13,424.02**	**13,424.02**	**16,400.81**	**16,400.81**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other bank balances, loans and other financial assets and liabilities are considered to be the same as their fair values due to their short-term nature. The carrying amount of long term borrowings are considered to be same as their fair values as these borrowings carry floating interest rates.

43. FINANCIAL RISK MANAGEMENT

In the course of its business, the Company is exposed to a number of financial risks: credit risk, liquidity risk and market risk. This note presents the Company's objectives, policies and processes for managing its financial risk and capital. The key risks and mitigating actions are also placed before the Board of Directors of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company manages the risk through the finance department that ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

The note explains the Company's exposure to financial risks and how these risks could affect the Company's future financial performance.

(A) Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. Credit risks from balances with banks and financial institutions are managed in accordance with the Company's policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by the credit rating agencies. The Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

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 throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

In respect of its investments the company aims to minimize its financial credit risk through the application of risk management policies.

The gross carrying amount of trade receivables is INR 11,978.90 lacs (March 31, 2017: INR 11,690.37 lacs, April 1, 2016: INR 12,747.98 lacs)

43. FINANCIAL RISK MANAGEMENT *(Contd.)*

Reconciliation of loss allowance provision - Trade receivables

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Loss allowance at the beginning of the year	67.58	58.71
Add: Additional Provision made	80.58	8.87
Less: Provision write off / reversed	67.58	—
Loss allowance at the end of the year	**80.58**	**67.58**

The Company maintains exposure in cash and cash equivalents, term deposits with banks, Loans, Security deposits and other financial assets.

Security deposits are interest free deposits given by the Company for properties taken on lease. Provision is taken on a case to case basis depending on circumstances with respect to non recoverability of the amount. The gross carrying amount of Security deposit is INR 436.83 lacs (March 31, 2017: INR 327.66 lacs, April 1, 2016: INR 396.37 lacs) Other advances are given for trade purpose which is in line with normal business activities of the Company. Provision is taken on a case to case basis depending on circumstances with respect to non recoverability of the amount. The gross carrying amount of capital advances is INR 329.71 lacs (March 31, 2017: INR 53.86 lacs, April 1, 2016: INR 229.03 lacs)

Reconciliation of loss allowance provision- Capital advances

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Loss allowance at the beginning of the year	41.62	—
Add: Additional Provision made	—	41.62
Less: Provision write off / reversed	—	—
Loss allowance at the end of the year	**41.62**	**41.62**

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking manage to Company's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of financial liabilities

Particular	Note	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total
As at March 31, 2018						
Borrowings	22, 25	660.74	89.51	—	—	750.25
Trade Payables	26	8,549.60	—	—	—	8,549.60
Other Financial Liabilities	27	863.80	—	—	—	863.80
Total non-derivative liabilities		**10,074.14**	**89.51**	**—**	**—**	**10,163.65**
Derivatives (Net-settled)						
Forward contracts for hedge purpose	25	—	—	—	—	—
Total derivative liabilities		**—**	**—**	**—**	**—**	**—**

Particular	Note	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total
As at March 31, 2017						
Borrowings	22, 25	4,525.89	825.29	89.51	—	5,440.69
Trade Payables	26	6,100.39	—	—	—	6,100.39
Other Financial Liabilities	27	1,365.51	—	—	—	1,365.51
Total		**11,991.79**	**825.29**	**89.51**	**—**	**12,906.59**
Derivatives (Net-settled)						
Forward contracts for hedge purpose	25	517.43	—	—	—	517.43
Total derivative liabilities		**517.43**	**—**	**—**	**—**	**517.43**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT *(Contd.)*

Particular	Note	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total
As at April 1, 2016						
Borrowings	22, 25	5,398.79	95.60	825.29	89.51	6,409.19
Trade Payables	26	7,071.04	—	—	—	7,071.04
Other Financial Liabilities	27	1,557.15	—	—	—	1,557.15
Total		**14,026.98**	**95.60**	**825.29**	**89.51**	**15,037.38**
Derivatives (Net-settled)						
Forward contracts for hedge purpose	25	1,363.43	—	—	—	1,363.43
Total derivative liabilities		**1,363.43**	**—**	**—**	**—**	**1,363.43**

(C) Market risk

The Company is exposed to risk from movements in foreign currency exchange rates, interest rates and market prices that affect its assets, liabilities and future transactions.

(i) Foreign exchange risk

Foreign currency risk is that risk in which the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates internationally and a portion of its business is transacted in multiple currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company takes decision to hedge by forming view after discussions with it's advisors and as per policies set by Management.

The Company was also exposed to the foreign currency loans availed from banks to reduce the overall interest cost. The Company had fully hedged loan exposure in foreign currency to mitigate the foreign exchange risk on the same.

Foreign exchange derivatives and exposures outstanding as at Balance Sheet date

The Company's exposure to foreign currency risk at the end of the reporting period as on March 31, 2018

Particular	Currency	In INR	In Foreign Currency
Financial assets			
Export Receivables	USD	1,500.79	23.03
	EURO	446.22	5.55
Bank Balances	USD	1.09	0.02
Derivative asset			
Foreign exchange forward contracts sell foreign currency	USD	—	—
Net Exposure to foreign currency risk (assets)		**1,948.10**	**28.60**
Financial liabilities			
Import Payables	USD	1,692.42	25.96
Derivative liabilities			
Forward contract - Buy for Hedging Purpose	USD	—	—
Net Exposure to foreign currency risk (liabilities)		**1,692.42**	**25.96**

The Company's exposure to foreign currency risk at the end of the reporting period as on March 31, 2017

Particular	Currency	In INR	In Foreign Currency
Financial assets			
Export Receivables	USD	3,215.58	49.58
	EURO	14.61	0.21
Bank Balances	USD	22.42	0.35
Derivative asset			
Foreign exchange forward contracts sell foreign currency	USD	—	—
Net Exposure to foreign currency risk (assets)		**3,252.61**	**50.14**
Financial liabilities			
Import Payables	USD	1,058.64	16.32
Derivative liabilities			
Forward contract - Buy for Hedging Purpose	USD	518.75	8.00
Net Exposure to foreign currency risk (liabilities)		**1,577.39**	**24.32**

43. FINANCIAL RISK MANAGEMENT *(Contd.)*

The Company's exposure to foreign currency risk at the end of the reporting period as on April 1, 2016

Particular	Currency	In INR	In Foreign Currency
Financial assets			
Export Receivables	USD	2,520.14	37.95
	EURO	224.65	2.98
Bank Balances	USD	4.75	0.07
Derivative asset			
Foreign exchange forward contracts sell foreign currency	USD	826.06	12.00
Net Exposure to foreign currency risk (assets)		**3,575.60**	**53.00**
Financial liabilities			
Import Payables	USD	2,232.72	33.70
Derivative liabilities			
Forward contract - Buy for Hedging Purpose	USD	1,363.43	20.61
Net Exposure to foreign currency risk (liabilities)		**3,596.15**	**54.31**

Foreign Currency Risk Sensitivity

A change of 5% in Foreign Currency would have the following impact on profit before tax

Particular	Increase in FC conversion rate		Decrease in FC conversion rate	
	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
USD	(9.53)	83.03	9.53	(83.03)
EURO	22.31	0.73	(22.31)	(0.73)
Increase / (decrease) in profit or loss	**12.78**	**83.76**	**(12.78)**	**(83.76)**

(ii) 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.

The Company borrows at variable as well as fixed interest rates and the same is managed by the Company by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Company has borrowed in a mix of short term and long term loans.

Exposure to interest rate risk

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Variable rate borrowings	660.74	5,043.32	6,762.22
Fixed rate borrowings	340.58	1,757.60	2,156.39
Total Borrowings	**1,001.32**	**6,800.92**	**8,918.61**

Interest rate sensitivity

A change of 50bps in interest rates would have following impact on profit before tax

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Interest rates - increase by 50 basis point (50 bps)	(5.01)	(34.00)	(44.59)
Interest rates - decrease by 50 basis point (50 bps)	5.01	34.00	44.59

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

43. FINANCIAL RISK MANAGEMENT *(Contd.)*

(D) Price Risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet as fair value through OCI.

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio.

Particular	**Impact on profit after tax**	
	Year ended March 31, 2018	**Year ended March 31, 2017**
NSE/BSE increase in 1% of price/NAV		
Investments in Quoted equity shares	23.04	16.75
Investments in Mutual Fund	1.27	—
NSE/BSE decrease in 1% of price/NAV		
Investments in Quoted equity shares	(23.04)	(16.75)
Investments in Mutual Fund	(1.27)	—

44. CAPITAL MANAGEMENT

(a) Risk Management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The Company's capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the Company's capital. The Management monitors the capital structure and the net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short-term investments.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The debt equity ratio highlights the ability of a business to repay its debts. As at March 31, 2018, the ratio was 1.70%

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Net Debt	749.58	6,512.77	8,602.10
Total Equity	44,040.54	35,817.29	31,698.51
Net Debt to Equity ratio	1.70%	18.18%	27.14%

(b) Dividend

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
(i) Equity Shares		
Final Dividend for the year ended March 31, 2017 INR 6.00 (April 1, 2016 - INR 4.50) per fully paid share	754.24	565.68
Dividend distribution tax on above	153.54	115.16
(ii) Dividend not Recognised at the end of reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of INR 12.5 per fully paid equity share (March 31, 2017 - INR 6.00). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	1,571.34	754.24
DDT on Proposed dividend	322.99	153.54

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

45. SEGMENT INFORMATION

(a) Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chairman and Managing Director of the Company. The Company operates in following business segment as per Indian Accounting Standard 108 "operating segments":

(a) **Chemicals** - Comprising of Industrial and Specialty Chemicals, Pesticides Intermediates, Polymer and Pharma Intermediates

(b) **Environment** - Comprising of Soil enricher, Bio - pesticides and other Bio products. The Environment and Bio Tech (E&BT) segment has been shown as discontinuing operations (Refer Note 46)

Segment revenue includes sales, export incentives, processing charges and other income from operations

Segment Revenue in the geographical segments considered for disclosure are as follows :

(a) Revenue within India includes sales to customers located within India.

(b) Revenue outside India includes sales to customers located outside India.

Segment Revenue, Results, Assets and Liabilities includes the respective amounts identifiable to each of segments and amounts allocated on a reasonable basis.

(b) Segment Result:

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Segment Results (Profit before tax and interest)		
Continuing operation - Chemicals	13,969.89	5,261.71
Discontinuing operation - E&BT (Refer Note 46)	(80.57)	(51.52)
Total Segment Result	**13,889.32**	**5,210.19**
Less: Finance Cost	581.68	986.91
Other un-allocable expenditure (net of unallocable income)	2,758.09	1,480.41
Profit before tax	**10,549.55**	**2,742.87**

(c) Segment Revenue:

The segment revenue is measured in the same way as in the Statement of Profit and Loss.

Particulars	As at March 31, 2018	As at March 31, 2017
Segment Revenue (Revenue from operations)		
Continuing operation - Chemicals	59,414.50	48,727.21
Discontinuing operation - E&BT (Refer Note 46)	1,694.06	1,644.57
Total Segment Revenue	**61,108.56**	**50,371.78**
Less: Inter segment revenue	—	—
Total Segment Revenue	**61,108.56**	**50,371.78**
Revenue from external customers:		
India	51,842.38	40,755.53
Other countries	9,266.18	9,616.25
Total Segment Revenue	**61,108.56**	**50,371.78**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

45. SEGMENT INFORMATION *(Contd.)*

(d) Segment Assets:

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Segment Assets:			
Continuing operation - Chemicals	38,498.76	35,097.11	34,940.59
Discontinuing operation - E&BT (Refer Note 46)	1,486.70	1,133.91	1,028.73
Unallocated	21,792.80	19,626.86	17,954.79
Total Assets as per balance sheet	**61,778.26**	**55,857.88**	**53,924.11**
Total assets of Company broken down by location of the assets, is shown below:			
India	59,830.16	52,605.27	51,174.57
Other countries	1,948.10	3,252.61	2,749.54
Total Assets	**61,778.26**	**55,857.88**	**53,924.11**

(e) Segment Liabilities:

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Segment Liabilities:			
Continuing operation - Chemicals	8,285.71	6,411.87	6,979.64
Discontinuing operation - E&BT (Refer Note 46)	312.03	216.86	209.04
Unallocated	9,139.98	13,411.86	15,036.92
Total liabilities as per balance sheet	**17,737.72**	**20,040.59**	**22,225.60**

46. DISCONTINUING OPERATION

(a) Description:

On March 29, 2017, the Board of Directors of the Company has approved divestment of Environment & Bio-tech (E&BT) division to Excel Bio Resources Limited (EBRL), a wholly owned subsidiary. Accordingly, on March 31, 2017, the Company has signed a Business Transfer Agreement (BTA) to sell E&BT division to EBRL for consideration of INR 975 lacs which is subject to net working capital and other adjustment as on the date of completion. Assets associated with E&BT division has been classified as held for sale as on March 31, 2017 along with liabilities directly associated with these assets.

The transaction is not completed pending fulfillment of certain conditions mentioned in BTA. The management of the Company continues to pursue for achievement of theses conditions as at March 31, 2018.

(b) Financial information relating to the discontinuing operations is set out below.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Revenue	1,694.06	1,644.57
Expenses	1,745.46	1,656.86
Profit / (loss) from operating activities	**(51.40)**	**(12.29)**
Depreciation / amortization	29.17	39.23
Profit / (loss) before tax	**(80.57)**	**(51.52)**
Income-tax credit	27.88	17.83
Profit / (loss) from discontinuing operations after tax	**(52.69)**	**(33.69)**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

46. DISCONTINUING OPERATION *(Contd.)*

(c) The carrying amount of assets and liabilities pertaining to discontinuing operations:

Particulars	As at March 31, 2018	As at March 31, 2017
Assets classified as held for sale		
Non-current assets		
Property, plant and equipment	368.10	331.94
Capital work-in-progress	11.24	—
Financial assets	91.86	52.72
Other non-current assets	77.85	—
Current assets		
Inventories	328.37	294.57
Trade receivables	564.65	411.11
Financial assets	8.06	11.39
Cash and cash equivalents	5.44	6.88
Other current assets	31.13	25.30
Total assets of disposal group held for sale	**1,486.70**	**1,133.91**
Liabilities directly associated with assets classified as held for sale		
Trade payables	179.29	153.72
Financial liabilities	53.04	37.24
Other non-current and current liabilities	79.70	25.90
Total liabilities of disposal group held for sale	**312.03**	**216.86**

(d) The net cash flows attributable to the discontinuing operations are as below:

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Operating activities	(235.44)	(106.10)
Investing activities	(76.30)	(25.26)
Financing Activities	310.30	131.05
Net cash inflows / (outflows)	(1.44)	(0.31)

47. RELATED PARTY DISCLOSURES AS PER IND AS 24

1. Name of related parties and nature of relationship:

(a) Parent entity

The company is controlled by the following entity:

Name	Type	Place of incorporation	Ownership interest as at		
			March 31, 2018	March 31, 2017	April 1, 2016
Anshul Specialty Molecules Private Limited (w.e.f August 23, 2017)	Immediate and Ultimate Parent Company	India	42.63%	—	—
Utkarsh Global Holdings Private Limited (upto August 22, 2017)			—	42.63%	41.31%

(b) Subsidiaries

Kamaljyot Investments Limited

Excel Bio Resources Limited

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

47. RELATED PARTY DISCLOSURES AS PER IND AS 24 *(Contd.)*

(c) Key Management Personnel (KMP)

Mr. Ashwin C. Shroff (Chairman and Managing Director)
Mrs. Usha A. Shroff (Executive Vice Chairperson)
Mr. Ravi Ashwin Shroff (Executive Director)
Mr. R. N. Bhogale (Independent Director)
Mr. H. N. Motiwala (Independent Director)
Mr. P. S. Jhaveri (Independent Director)
Mr. M. B. Parekh (Independent Director)
Mr. S. S. Vaidya (Independent Director)
Mr. R. M. Pandia (Independent Director)
Mr. Dipesh K. Shroff (Non-Executive Director)
Mr. Atul G. Shroff (Non-Executive Director)
Mr. R. K. Sood (Nominee Director - LIC)

Relatives of KMP with whom transactions have taken place:

Mr. Hrishit Ashwin Shroff (Son of Mr. Ashwin C Shroff and Mrs. Usha A. Shroff)
Mrs. Anshul Amrish Bhatia (Daughter Mr. Ashwin C Shroff and Mrs. Usha A. Shroff)
Mrs. Kanaklata A Saraiya (Sister of Mrs. Usha A. Shroff)
Mrs. Uma Shailesh Kapadia (Sister of Mrs. Usha A. Shroff)

(d) Enterprise over which KMP or their relative have significant influence and transactions have taken place:

Agrocel Industries Private Limited
Anshul Specialty Molecules Private Limited (upto August 22, 2017)
Divakar Techno Specialities & Chemicals Private Limited
Excel Crop Care Limited (upto October 7, 2016)
Mobitrash Recycle Ventures Private Limited
Shree Vivekanand Research and Training Institute
C C Shroff Research Institute
Transpek Industry (Europe) Limited
Transpek Industry Limited
TML Industries Limited
C C Shroff Self Help Centre

2. Related Party Transaction

(a) Transactions carried out with related parties referred in 1 above, in ordinary course of business:

Particulars	Sale of goods	Sale of services	Purchase of fixed assets	Interest Received	Dividend Received	Purchase of traded goods	Purchase of Services	Dividend Paid	Sales commission	Reimbursement of Expenses to Party (Expenses)	Salary, Bonus, contribution to PF & Commission	Directors Sitting fees	CSR Expenditure
Subsidiaries													
Excel Bio Resources Limited	**3.96**	**0.17**	—	—	—	—	—	—	—	—	—	—	—
	2.20	—	—	—	—	—	—	—	—	—	—	—	—
Kamaljyot Investments Limited @	—	—	—	—	—	—	—	—	—	—	—	—	—
	—	—	—	190.39	—	—	—	—	—	—	—	—	—
@ Includes INR 170.36 lacs accounted for Ind AS adjustments (Refer Note 54)													
Parent entity													
Utkarsh Global Holdings Private Limited	—	—	—	—	—	—	—	**321.52**	—	—	—	—	—
	—	—	—	—	—	—	—	239.90	—	59.97	—	—	—
Enterprises owned or significantly influenced by key management personnel or their relatives													
Excel Crop Care Limited	—	—	—	—	—	—	—	—	—	—	—	—	—
	2,132.38	8.42	74.01	—	58.98	—	17.55	—	—	—	—	—	—
Agrocel Industries Private Limited	**0.07**	—	—	—	—	**1.32**	—	—	—	—	—	—	—
	—	—	—	—	—	4.74	—	—	—	—	—	—	—
Anshul Specialty Molecules Private Limited	—	—	—	—	—	—	—	—	—	—	—	—	—
	19.78	—	—	—	—	—	—	1.24	—	—	—	—	—

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

47. RELATED PARTY DISCLOSURES AS PER IND AS 24 *(Contd.)*

Particulars	Sale of goods	Sale of services	Purchase of fixed assets	Interest Received	Dividend Received	Purchase of traded goods	Purchase of Services	Dividend Paid	Sales commission	Reimbursement of Expenses to Party (Expenses)	Salary, Bonus, contribution to PF & Commission	Directors Sitting fees	CSR Expenditure
Transpek Industry Limited	—	—	—	—	—	—	—	**9.40**	—	—	—	—	—
	—	—	—	—	—	—	—	7.05	—	—	—	—	—
Divakar Techno Specialities & Chemicals Limited	—	—	—	—	—	—	—	—	**32.43**	—	—	—	—
	—	—	—	—	—	—	—	—	29.75	—	—	—	—
C C Shroff Research Institute	—	**0.88**	—	—	—	—	—	—	—	—	—	—	—
	—	1.10	—	—	—	—	—	—	—	—	—	—	—
C C Shroff Self Help Centre	—	—	—	—	—	**0.16**	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Transpek Industry (Europe) Limited	—	—	—	—	—	—	**27.89**	—	—	—	—	—	—
	—	—	—	—	—	—	20.68	—	—	—	—	—	—
Mobitrash Recycle Ventures Private Limited	**13.72**	**0.21**	—	—	—	**0.11**	—	—	—	—	—	—	—
	22.72	—	—	—	—	—	—	—	—	—	—	—	—
TML Industries Limited	**37.72**	—	—	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Shree Vivekanand Research and Training Institute	—	—	—	—	—	—	—	—	—	—	—	—	**69.78**
	—	—	—	—	—	—	—	—	—	—	—	—	65.84
Mrs. Usha A. Shroff	—	—	—	—	—	—	—	**0.39**	—	—	**158.17**	—	—
	—	—	—	—	—	—	—	0.29	—	—	81.03	—	—
Mr. R. A. Shroff	—	—	—	—	—	—	—	**2.86**	—	—	**136.46**	—	—
	—	—	—	—	—	—	—	2.15	—	—	60.75	—	—
Mr. A.C. Shroff	—	—	—	—	—	—	—	**4.98**	—	—	**202.18**	—	—
	—	—	—	—	—	—	—	3.74	—	—	103.15	—	—
Mr. H. A. Shroff	—	—	—	—	—	—	—	**2.86**	—	—	**56.96**	—	—
	—	—	—	—	—	—	—	2.15	—	—	9.52	—	—
Mr. R. N. Bhogale	—	—	—	—	—	—	—	—	—	—	**9.00**	**2.60**	—
	—	—	—	—	—	—	—	—	—	—	3.75	3.80	—
Mr. H. N. Motiwala	—	—	—	—	—	—	—	—	—	—	**9.00**	**4.00**	—
	—	—	—	—	—	—	—	—	—	—	3.75	3.90	—
Mr. P S. Jhaveri	—	—	—	—	—	—	—	—	—	—	**9.00**	**2.40**	—
	—	—	—	—	—	—	—	—	—	—	3.75	2.80	—
Mr. M. B. Parekh	—	—	—	—	—	—	—	—	—	—	**5.00**	**0.80**	—
	—	—	—	—	—	—	—	—	—	—	2.50	0.90	—
Mr. S. S. Vaidya	—	—	—	—	—	—	—	—	—	—	**6.00**	**1.40**	—
	—	—	—	—	—	—	—	—	—	—	2.50	1.20	—
Mr. R. M. Pandia	—	—	—	—	—	—	—	—	—	—	**8.00**	**1.70**	—
	—	—	—	—	—	—	—	—	—	—	3.50	2.10	—
Mr. Dipesh K. Shroff	—	—	—	—	—	—	—	—	—	—	**7.00**	**1.80**	—
	—	—	—	—	—	—	—	—	—	—	1.75	1.10	—
Mr. Atul G. Shroff	—	—	—	—	—	—	—	—	—	—	**7.00**	**1.20**	—
	—	—	—	—	—	—	—	—	—	—	1.75	1.20	—
Mr. R. K. Sood	—	—	—	—	—	—	—	—	—	—	**5.00**	**0.60**	—
	—	—	—	—	—	—	—	—	—	—	1.75	0.60	—
Mrs. Anshul Amrish Bhatia	—	—	—	—	—	—	—	**1.30**	—	—	—	—	—
	—	—	—	—	—	—	—	0.98	—	—	—	—	—
Mrs. Kanaklata A Saraiya	—	—	—	—	—	—	—	**0.02**	—	—	—	—	—
	—	—	—	—	—	—	—	0.01	—	—	—	—	—
Mrs. Uma Shailesh Kapadia	—	—	—	—	—	—	—	**0.001**	—	—	—	—	—
	—	—	—	—	—	—	—	0.001	—	—	—	—	—

Amount in bold represent the amount of March 31, 2018 and amount in italics represents amount of March 31, 2017.

* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are not determinable. Further, remuneration to key managerial personnel includes INR 31.59 lakhs (March 31, 2017: INR 25.28 lakhs)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

47. RELATED PARTY DISCLOSURES AS PER IND AS 24 *(Contd.)*

(b) Loans and advances in the nature of loans to Subsidiary:

Disclosure for loans and advances in terms of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015.

Particulars	Purpose of Loan	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Loans to subsidiary - Kamaljyot Investments Limited				
Balance as at year end	**Business Purpose**	—	—	1,140.00
Maximum amount outstanding at any time during the year		—	1,140.00	1,140.00

Under the previous GAAP, interest free loans given a subsidiary were recorded at their transaction value. Under Ind AS, all financial assets are required to be recognized at their fair value. Accordingly, the Company has fair valued these loans under IND AS to INR 969.64 lacs - Refer note 54.

3. Outstanding Balances

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
The following balances are outstanding at the end of the reporting period in relation to transactions with related parties			
Receivables:			
Excel Crop Care Limited	—	—	936.15
Excel Bio Resources Limited	4.57	2.33	—
Anshul Specialty Molecules Private Limited	—	0.18	—
C C Shroff Research Institute	2.15	1.28	—
Transpek Industry (Europe) Limited	—	1.31	—
Transpek Industry Limited	—	—	1.28
Mobitrash Recycle Ventures Private Limited	27.54	48.54	24.54
Agrocel Industries Private Limited	10.00	10.00	10.00
Kamaljyot Investments Limited	—	—	969.64
Payables:			
Excel Crop Care Limited	—	—	8.30
Excel Bio Resources Limited	—	—	4.50
Agrocel Industries Private Limited	—	—	3.46
Anshul Specialty Molecules Private Limited	—	3.20	—
Divakar Techno Specialities & Chemicals Private Limited	17.21	19.88	30.83
Transpek Industry (Europe) Limited	—	—	14.16
Mrs. Usha A. Shroff	80.40	—	33.56
Mr. Ravi Ashwin Shroff	70.40	—	24.75
Mr. Ashwin C. Shroff	111.00	—	38.94
Mobitrash Recycle Ventures Private Limited	0.11	0.14	—
Mr. R. N. Bhogale	9.00	3.75	4.50
Mr. H. N. Motiwala	9.00	3.75	4.50
Mr. P. S. Jhaveri	9.00	3.75	3.50
Mr. M. B. Parekh	5.00	2.50	4.00
Mr. S. S. Vaidya	6.00	2.50	3.00
Mr. R. M. Pandia	8.00	3.50	4.50
Mr. Dipesh K. Shroff	7.00	1.75	2.00
Mr. Atul G. Shroff	7.00	1.75	2.00
Mr. R. K. Sood	5.00	1.75	2.00

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

48. CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS

(a) Contingent Liabilities:

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Income-tax	274.26	755.50	720.61
Excise duty	109.99	418.18	384.64
Sales tax	17.89	17.89	17.89
Custom duty	144.88	144.88	144.88
Service tax	—	—	2.26
Claims against the Company not acknowledged as debts	30.28	28.89	28.89
Liability in respect of claims made by workers and contract labourers	Amount not ascertainable	Amount not ascertainable	Amount not ascertainable

It is not practicable for the group to estimate the timings of cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings.

(b) Contingent Assets:

The Company did not have any Contingent assets as at the end of the year.

(c) Commitments:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i) Capital Commitments			
Capital expenditure contracted at the end of reporting period but not recognised as liabilities is as follows:			
Gross Capital Commitment	1,713.21	930.70	315.47
Less: Capital Advance (Refer Note 10)	288.09	12.24	229.03
Net Capital Commitments	**1,425.12**	**918.46**	**86.44**

(ii) Other Commitments

i) For other commitments relating to lease arrangements - (Refer Note 51)

ii) In terms of the Share Purchase Agreement (SPA) dated June 5, 2016 relating to the sale of shares in Excel Crop Care Limited, the Company, along with other selling shareholders, has agreed to certain indemnities, with overall restrictions on tenure, value etc., as more specifically agreed in the SPA. The Company has not received any such claims in terms of the SPA till date.

49. EARNINGS PER SHARE

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Earnings per equity share for profit from continuing operation attributable to owners (in INR)		
(a) Basic earnings per share	58.13	16.75
(b) Diluted earnings per share	58.13	16.75
Earnings/(loss) per equity share for profit from discontinuing operation attributable to owners (in INR)		
(a) Basic earnings/(loss) per share	(0.42)	(0.27)
(b) Diluted earnings/(loss) per share	(0.42)	(0.27)
Earnings per equity share for profit from continuing and discontinuing operation attributable to owners (in INR)		
(a) Basic earnings per share	57.71	16.48
(b) Diluted earnings per share	57.71	16.48

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

49. EARNINGS PER SHARE *(Contd.)*

Earnings used in calculating earnings per share

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Basic earnings per share		
Profits attributable to the equity holders of the Company used in calculating basic earnings per share:		
From continuing operation	7,306.73	2,113.37
From discontinuing operation	(52.69)	(33.69)
Diluted earnings per share		
Profits attributable to the equity holders of the Company used in calculating diluted earnings per share:		
From continuing operation	7,306.73	2,113.37
From discontinuing operation	(52.69)	(33.69)

Weighted average number of shares used as the denominator

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Number of shares	Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earning per share	12,570,692	12,616,832
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	12,570,692	12,616,832

50. DETAILS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Amount required to be spent as per Section 135 of the Act	71.85	71.41
Amount spent during the year on:		
(i) Construction/Acquision of assets	—	—
(ii) On purpose other than (i) above	85.10	75.84
Total	**85.10**	**75.84**

51. LEASE

(a) Finance Lease:

In respect of finance lease obligations, future Minimum Lease Payments and their Present Value are as follows:

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Minimum Payments	Present Value of MLP	Minimum Payments	Present Value of MLP	Minimum Payments	Present Value of MLP
(a) Not later than one year	253.13	232.05	389.99	335.52	534.43	468.62
(b) Later than one year but not later than five years	69.28	66.99	322.41	299.04	329.19	312.06
(c) Later than five years	—	—	—	—	—	—
Total minimum lease payments	**322.41**	**299.04**	**712.40**	**634.56**	**863.62**	**780.68**
Less : Amounts representing Finance charges	(23.37)	—	(77.84)	—	(82.94)	—
Present value of Minimum Lease Payments	**299.04**	**299.04**	**634.56**	**634.56**	**780.68**	**780.68**

51. LEASE *(Contd.)*

(b) Operating Lease:

Office premises and godowns are obtained on operating leases for various tenors. Except for the Office premises, none of the operating leases are renewable. In respect of Office premises, the operating lease are renewable for further period of five years, with an escalation clause of 5% over the existing lease rent. There are no restrictions imposed by lease agreements / arrangements.

The Company has significant operating leases for premises. These lease arrangements range for a period between 11 months and 9 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Commitments for minimum lease payments in relation to non - cancellable operating leases are payable as follows:			
(a) Not later than one year	66.84	39.58	38.74
(b) Later than one year but not later than five years	34.35	29.67	63.86
(c) Later than five years	—	—	—
Lease payments recognized in the Statement of Profit and Loss during the year	**74.39**	**44.11**	**43.54**

52. RESEARCH AND DEVELOPMENT COSTS

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Research and Development costs, debited to the Statement of Profit and Loss are as under:		
Revenue expenses debited to Research and Development Expenses Account and other heads of accounts*	590.10	641.35
Depreciation on Research and Development Equipment	82.37	76.30
	672.47	**717.65**

* includes INR 220.26 lacs, INR 116.88 lacs and INR 231.00 lacs (Previous Year: INR 142.05 lacs, INR 125.55 lacs and INR 257.11 lacs) in respect of Research and Development units at Roha, Lote and Mumbai respectively which is approved by the Department of Scientific & Industrial Research, Ministry of Science & Technology.

Capital Expenditure incurred during the year on Research and Development INR 181.32 lacs (Previous Year INR 170.95 lacs) [including capital expenditure on qualifying assets of INR 15.91 lacs, INR 82.40 lacs and INR 72.60 lacs (Previous Year: INR 44.88 lacs, INR 23.92 lacs and INR 89.55 lacs in respect of Research and Development Units at Roha, Lote and Mumbai respectively which is approved by the Department of Scientific & Industrial Research, Ministry of Science & Technology)].

53. DETAILS OF DONATION TO A POLITICAL PARTY

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Bharatiya Janata Party	25.00	5.00
Total	**25.00**	**5.00**

54. FIRST-TIME ADOPTION OF IND AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 1, 2017, with a transition date of April 1, 2016. The adoption of Ind AS has been carried out in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS standalone financial statements be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognised directly in equity. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes:

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

54. FIRST-TIME ADOPTION OF IND AS *(Contd.)*

A. Exemptions and exceptions availed

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

Optional Exemptions

(i) Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The Company has elected to apply Ind AS 103 prospectively to business combination occurring after its transition date. Business combination occurring prior to transition date have not been restated.

(ii) 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 previous 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, intangible assets and investment properties at their previous GAAP carrying value.

(iii) Investment in subsidiaries and joint ventures

Ind AS 101 permits a first-time adopter to measure it's investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The deemed cost of such investment shall be it's fair value at date of transition to Ind AS of the Company, or previous GAAP carrying amount at that date. The Company has elected to measure its investment in subsidiary companies, associate Company and joint venture Company under previous GAAP carrying amount as its deemed cost on the transition date.

(iv) Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments.

Ind AS mandatory exceptions

(i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous 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 April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

(ii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Consequently, the Company has applied the above assessment based on facts and circumstances exist at the transition date.

B. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

(i) Reconciliation of Total Comprehensive Income for the year ended March 31, 2017.

(ii) Reconciliation of Equity as at April 1, 2016 and March 31, 2017.

(iii) Reconciliation of Statement of Cash Flows.

The presentation requirements under previous GAAP differs from Ind AS and hence previous GAAP information has been regrouped for inline with Ind AS. The regrouped previous GAAP information is derived from the Standalone Financial Statements of the Company prepared in accordance with the previous GAAP.

54. FIRST-TIME ADOPTION OF IND AS *(Contd.)*

(a) Reconciliation Equity

Particulars	Notes	Amount	
		As at March 31, 2017	As at April 1, 2016
Total Equity as per previous GAAP		**24,224.29**	**20,706.30**
Impact of Adjustments as per Ind AS:			
Proposed dividend	C(1)	—	680.84
Fair valuation of Investments through OCI	C(2)	14,036.30	12,182.18
Interest income accounted on loan given to a subsidiary	C(3)	170.36	—
Others		(2.48)	(4.46)
Tax impact on account of Ind AS	C(5)	(2,611.18)	(1,866.35)
Total Equity as per Ind AS		**35,817.29**	**31,698.51**

(b) Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

Particulars	Notes	Amount
		Year ended March 31, 2017
Profit as per Previous GAAP		4,461.49
Impact of Adjustments as per Ind AS:		
Exceptional items (Profit on sales of Investments in Excel Crop Care Limited)	C(2)	(2,668.78)
Accrual of interest on loan given to a subsidiary	C(3)	170.36
Others		1.97
Items recognised in Other Comprehensive Income (OCI):		
Remeasurement of post employment benefit obligation	C(4)	175.31
Tax on above OCI adjustment		(60.67)
Profit as per Ind AS		**2,079.68**
Items recognised in Other Comprehensive Income (OCI):		
Remeasurement of post employment benefit obligation	C(4)	(175.31)
Fair valuation of Investments	C(2)	4,522.90
Tax Impact on above adjustments		(684.19)
Total Comprehensive Income under Ind AS		**5,743.08**

(c) Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2017

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no material impact on the net cash flow for the year ended March 31, 2017 as compared with the previous GAAP.

Particulars	Previous GAAP	Adjustment	Ind AS
Net cash flow from operating activities	3,711.56	(204.07)	3,507.49
Net cash flow from investing activities	909.99	297.44	1,207.43
Net cash flow from financing activities	(4,625.07)	(140.77)	(4,765.84)
Net increase/(decrease) in cash and cash equivalents	**(3.52)**	**(47.40)**	**(50.92)**
Cash and cash equivalents as at April 1, 2016	288.96	67.72	356.68
Cash and cash equivalents as at March 31, 2017	**285.44**	**20.32**	**305.76**

54. FIRST-TIME ADOPTION OF IND AS *(Contd.)*

C. Notes to first-time adoption:

1. Proposed dividend

Under the previous GAAP (upto the year end March 31, 2016) dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events and accordingly, provision for proposed dividend was recognised as a liability. Under previous GAAP (effective April 1, 2016) and Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend of INR 680.84 Lakhs as at April 1, 2016 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity has been increased by an equivalent amount.

2. Investments

(i) Fair Valuation of Investments

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under IND AS, these investments are required to be measured at fair value.

Fair value changes with respect to investments in equity instruments designated as FVOCI have been recognised in FVOCI - Equity investments reserve as at the date of transition and subsequently in the Other Comprehensive Income for the year ended March 31, 2017. This increased other reserves and equity by INR 14,036.30 Lakhs as at March 31, 2017 and INR 12,182.18 Lakhs as at April 1, 2016. Further Other Comprehensive Income for the year ended March 31, 2017 has increased by INR 1,854.12 Lakhs (other than the investments which are derecognised during the previous year, see (ii) below).

(ii) Profit on sale of Investments

Under previous GAAP profit on sale of Investments was directly recognised in the Statement of Profit and Loss by comparing the sale value with amount appearing in balance sheet (i.e. Cost). Company has sold its investments in Excel Crop Care Limited to Sumitomo Chemical Company, Limited, Japan in accordance with Share Purchase Agreement during the year ended March 31, 2017. As per Ind AS as the Investments are fair valued and recognised through OCI, Company has reversed gain of INR 2,668.78 lacs and accounted the same in Other Comprehensive Income.

3. Loan Given to Subsidiary

Under the previous GAAP, interest free loans given a subsidiary were recorded at their transaction value. Under Ind AS, all financial assets are required to be recognized at their fair value. Accordingly, the Company has fair valued these loans under Ind AS. Difference between fair value of loan given to a subsidiary and the carrying value (transaction value) as per Previous GAAP has been recognized as investment in subsidiary. Consequently, the amount of loan given has been decreased by INR 170.36 lacs as at April 1, 2016 and corresponding increase in investments in subsidiary. During the year ended March 31, 2017, these loan has been repaid and hence interest income has been accounted for INR 170.36 lacs resulting into increase in Income and equity as at March 31, 2017.

4. Remeasurements of post employment benefit obligation

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in Other Comprehensive Income instead of profit and loss. Under the previous GAAP, these remeasurements were forming part of the profit and loss for the year. As a result of this change, the profit for the year ended March 31, 2017 increase by INR 175.31 Lakhs. There is no impact on the total equity as at March 31, 2017.

5. Deferred tax

Deferred Tax on aforesaid Ind AS adjustments

6. Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

7. Retained Earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustment.

55. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards issued, but not yet effective upto the date of issuance of the Company's standalone financial statements is disclosed below. The Company shall adopt these as and when they becomes effective.

(a) Ind AS 115 Revenue from Contracts with Customers

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after April 1, 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from April 1, 2018.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

55. STANDARDS ISSUED BUT NOT YET EFFECTIVE *(Contd.)*

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach).

The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant

(b) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration

On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 21 is expected to be insignificant.

(c) Amendment to Ind AS 40 Investment Property - Transfers of Investment Property

The amendments clarify that transfers to, or from, investment property can only be made if there is a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer. This standard will come into force from accounting period commencing on or after April 1, 2018. The Company shall apply the amendment on the required effective date. Management has assessed the effects of the amendment on classification of existing property at April 1, 2018 and concluded that no reclassifications are required.

(d) Amendments to Ind AS 12 : Income taxes regarding recognition of deferred tax assets on unrealised losses.

The amendments clarify the accounting for deferred taxes where an asset is measured at fair value and that fair value is below the asset's tax base. Management has assessed and concluded that there are no such applicable cases.

56. Details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016 as stated in Notification G.S.R. 308(E) dated March 30, 2017.

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on November 8, 2016	7.48	3.21	10.69
(+) Permitted receipts	—	19.02	19.02
(-) Permitted payments	—	17.08	17.08
(-) Amount deposited in Banks	7.48	—	7.48
Closing cash in hand as on December 30, 2016	—	5.15	5.15

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

VIPIN R. BANSAL
Partner
Membership No 117753

Place : Mumbai
Date: May 25, 2018

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF
Chairman and Managing Director
DIN: 00019952

USHA A. SHROFF
Executive Vice Chairperson
DIN: 00020519

RAVI A. SHROFF
Executive Director
DIN: 00033505

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: May 25, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of Excel Industries Limited

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

1. We have audited the accompanying consolidated Ind AS financial statements of Excel Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate company; (Refer Note 44 to the attached consolidated Ind AS financial statements), comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including consolidated other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group including its associate in accordance with 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. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

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

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

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associate as at March 31, 2018, and their consolidated total comprehensive income (comprising of consolidated profit and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matters

8. We did not audit the financial statements two subsidiaries whose financial statements reflect total assets of Rs. 11,460.70 lakhs and net assets of Rs. 9,628.44 lakhs as at March 31, 2018, total revenue of Rs. 4.21 lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 4,032.27 lakhs and net cash flows amounting to Rs. 254.94 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

9. The consolidated Ind AS financial statements also include the Group's share of total comprehensive income (comprising of loss and other comprehensive income) of Rs. Nil for the year ended March 31, 2018 as considered in the consolidated Ind AS financial statements, in respect of one associate company whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of the associate company and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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

10. The comparative financial information of the Group for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor, who expressed an unmodified opinion vide reports dated May 26, 2017 and May 27, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Group on transition to the Ind AS have been audited by us.

    Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

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

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group and the associate company incorporated in India, including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group and the associate company incorporated in India, including relevant records relating to the preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer our separate Report in Annexure A.

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

(i) The consolidated Ind AS financial statements disclose the impact of pending litigations as at March 31, 2018 on the consolidated financial position of the Group and its associate – Refer Note 46 to the consolidated Ind AS financial statements.

(ii) The Group and its associate has long-term contracts as at March 31, 2018 for which there were no material foreseeable losses. The Group and its associate did not have any derivative contracts as at March 31, 2018.

(iii) There was delay in transfer to Investor Education and Protection Fund of Rs. 1.27 lakhs in respect of proceeds of fractional bonus shares issued in the earlier years by the Holding Company.

(iv) The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group and its associate for the year ended March 31, 2018.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
May 25, 2018

Annexure A to Independent Auditor's Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Excel Industries Limited on the consolidated Ind AS financial statements for the year ended March 31, 2018

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

1. In conjunction with our audit of the consolidated Ind AS financial statements of the Holding Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Excel Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is not applicable to one associate company incorporated in India namely Mobitrash Recycle Ventures Private Limited, pursuant to MCA notification GSR 583(E) dated June 13, 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company and its subsidiary companies to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. 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") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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

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

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies. Our opinion is not qualified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Vipin R. Bansal
Partner
Membership Number: 117753

Mumbai
May 25, 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	3	20,152.20	18,173.66	16,151.97
Capital work-in-progress		2,340.07	848.26	311.62
Investment property	4	97.67	99.98	102.29
Intangible assets	5	48.17	50.51	101.81
Intangible assets under development		—	—	7.65
Investment in associate and joint venture	6	—	—	—
Financial assets				
i. Investments	7	27,125.06	19,988.98	19,105.88
ii. Loans	8	459.43	389.95	417.69
iii. Other financial assets	9	—	168.00	73.00
Current tax assets (net)		1,374.80	1,400.76	1,069.80
Other non-current assets	10	313.37	42.71	264.13
Total non-current assets		**51,910.77**	**41,162.81**	**37,605.84**
Current assets				
Inventories	11	5,584.43	5,511.10	6,289.40
Financial assets				
i. Investments	12	1,032.64	1,153.48	6.56
ii. Trade receivables	13	12,464.25	12,033.90	12,693.77
iii. Cash and cash equivalents	14	403.49	324.18	414.07
iv. Bank balances other than (iii) above	15	116.51	109.08	55.25
v. Loans	16	194.44	122.98	125.85
vi. Other financial assets	17	195.45	55.35	123.64
Other current assets	18	915.31	1,425.35	1,184.72
Total current assets		**20,906.52**	**20,735.42**	**20,893.26**
Total assets		**72,817.29**	**61,898.23**	**58,499.10**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	19	628.53	628.53	645.28
Other equity	20	52,618.78	40,363.26	34,760.96
Total equity		**53,247.31**	**40,991.79**	**35,406.24**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
i. Borrowings	21	89.51	914.80	1,010.40
Employee benefit obligations	22	1,247.44	1,127.57	1,022.55
Deferred tax liabilities (net)	23	7,067.78	5,013.35	4,600.65
Total non-current liabilities		**8,404.73**	**7,055.72**	**6,633.60**
Current liabilities				
Financial liabilities				
i. Borrowings	24	660.74	5,043.32	6,762.22
ii. Trade payables	25	8,734.78	6,257.16	7,072.12
iii. Other financial liabilities	26	916.84	1,402.75	1,557.15
Employee benefit obligations	27	451.44	735.72	689.58
Current tax liabilities (net)		52.05	56.13	—
Other current liabilities	28	349.40	355.64	378.19
Total current liabilities		**11,165.25**	**13,850.72**	**16,459.26**
Total liabilities		**19,569.98**	**20,906.44**	**23,092.86**
Total equity and liabilities		**72,817.29**	**61,898.23**	**58,499.10**
Significant accounting policies	1			
Critical estimates and adjustment	2			

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

VIPIN R. BANSAL
Partner
Membership No 117753

Place : Mumbai
Date: May 25, 2018

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF
Chairman and Managing Director
DIN: 00019952

USHA A. SHROFF
Executive Vice Chairperson
DIN: 00020519

RAVI A. SHROFF
Executive Director
DIN: 00033505

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: May 25, 2018

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

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
INCOME			
Revenue from operations	29	61,112.77	50,394.65
Other income	30	530.06	978.91
Total income		**61,642.83**	**51,373.56**
EXPENSES			
Cost of materials consumed	31	27,008.79	22,608.50
Purchase of stock in trade	32	669.36	893.62
(Increase)/decrease in inventories of finished goods, work-in-progress and stock in trade	33	(536.69)	958.43
Excise duty	34	1,235.87	4,158.09
Employee benefits expense	35	7,437.94	6,503.89
Depreciation and amortisation expense	36	1,523.19	1,431.02
Other expenses	37	13,029.98	11,110.05
Finance Costs	38	581.79	1,016.59
Total expenses		**50,950.23**	**48,680.19**
Profit before share of net profits of investments accounted for using equity method and tax		**10,692.60**	**2,693.37**
Share of net profit / (loss) of associate and joint ventures accounted for using equity method		—	—
Profit before tax		**10,692.60**	**2,693.37**
Tax expense	23		
— Current tax		2,640.35	1,004.47
— Deferred tax		661.37	(211.30)
— Tax in respect of earlier years		1.53	(102.92)
Total tax expense		**3,303.25**	**690.25**
Profit for the year		**7,389.35**	**2,003.12**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit and loss			
Remeasurement gains/(losses) on net defined benefit plans	39	111.07	(175.31)
Changes in Fair Value of Equity Instruments	20	7,050.78	6,466.67
(ii) Tax relating to above	23	(1,387.90)	(1,084.61)
B (i) Items that will be reclassified to profit and loss		—	—
(ii) Tax relating to above		—	—
Other Comprehensive Income for the year, net of tax		**5,773.95**	**5,206.75**
Total Comprehensive Income for the year		**13,163.30**	**7,209.87**
Earnings per share (in INR)	47		
Basic		58.78	15.88
Diluted		58.78	15.88

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

VIPIN R. BANSAL
Partner
Membership No 117753

Place : Mumbai
Date: May 25, 2018

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF
Chairman and Managing Director
DIN: 00019952

USHA A. SHROFF
Executive Vice Chairperson
DIN: 00020519

RAVI A. SHROFF
Executive Director
DIN: 00033505

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: May 25, 2018

CONSOLIDATED CASH FLOWS STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax	10,692.60	2,693.37
Adjustments for:		
Depreciation and amortisation expenses	1,523.19	1,431.02
Finance costs	581.79	1,016.59
Provision for doubtful debts Receivables (net)	234.73	124.00
Unrealised exchange differences (net)	(38.21)	90.04
Dividend Income	(394.98)	(760.62)
Interest Income	(54.68)	(144.39)
Gain on fair valuation of investments through profit and loss	(30.01)	(3.07)
Net loss on sale / discard of property, plant and equipment	110.46	88.99
Operating profit before working capital changes	**12,624.89**	**4,535.93**
Adjustments for:		
(Increase) / decrease in Inventories	(73.33)	778.30
(Increase) / decrease in Trade Receivables	(644.79)	417.84
(Increase) / decrease in Other Bank balances	(0.96)	(46.43)
(Increase) / decrease in Loans (Current and Non current)	(140.94)	30.61
(Increase) / decrease in Other Financial Assets (Current)	(137.65)	63.04
(Increase) / decrease in Other Assets (Current and Non current)	480.23	(236.00)
Increase / (decrease) in Trade Payables	2,495.54	(784.33)
Increase / (decrease) in Other Financial Liabilities (Current)	(19.48)	7.42
Increase / (decrease) in Employee benefit obligations (Current and Non current)	(53.34)	(24.15)
Increase / (decrease) in Other Current Liabilities	(6.24)	(22.55)
	14,523.93	**4,719.68**
Less: Income taxes paid (net of refunds)	2,614.84	1,636.99
NET CASH INFLOW GENERATED FROM OPERATING ACTIVITIES — [A]	**11,909.09**	**3,082.69**
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Tangible assets (including capital work in progress, capital advances and Capital Vendor)	(5,196.57)	(3,705.60)
Purchase of Intangible assets	(31.12)	(16.27)
Proceed from sale of fixed assets	23.24	84.86
Intangible assets under development	—	7.65
Fixed Deposits with Banks (net)	168.00	(95.00)
Proceeds from sale of Investments	377.03	5,738.55
Interest received	52.23	149.64
Dividend received	394.98	760.62
Purchase of Investments (Current and Non current)	(311.48)	(1,298.83)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES — [B]	**(4,523.69)**	**1,625.62**

CONSOLIDATED CASH FLOWS STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Borrowings	5,991.43	7,770.84
Repayment of Borrowings	(11,790.91)	(9,891.16)
Repayment of Fixed deposits accepted from public (including Interest)	(6.32)	(7.55)
Dividend Paid (Including DDT)	(907.78)	(680.84)
Interest Paid	(592.51)	(1,046.03)
Amount paid for buy-back of equity shares	—	(943.46)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES — [C]	**(7,306.09)**	**(4,798.20)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS — [A+B+C]	79.31	(89.89)
Add: Cash and cash equivalents at the beginning of the year (Refer note 14)	324.18	414.07
Cash and cash equivalents at the end of the year	**403.49**	**324.18**
Components of cash and cash equivalents		
Balances with Banks		
In current accounts	403.49	214.18
Fixed deposits	—	110.00
Total cash and cash equivalents	**403.49**	**324.18**

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".
2. The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

VIPIN R. BANSAL
Partner
Membership No 117753

Place : Mumbai
Date: May 25, 2018

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF
Chairman and Managing Director
DIN: 00019952

USHA A. SHROFF
Executive Vice Chairperson
DIN: 00020519

RAVI A. SHROFF
Executive Director
DIN: 00033505

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: May 25, 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts in INR lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Notes	Amount
As at April 1, 2016		**645.28**
Changes in equity share capital	19	(16.75)
As at March 31, 2017		**628.53**
Changes in equity share capital	19	—
As at March 31, 2018		**628.53**

B. OTHER EQUITY

Particulars	Notes	Attributable to owners of Excel Industries Limited							
		Reserves and surplus			Other reserves				
		Securities premium reserve	General Reserve	Capital redemption reserve	Capital Reserve	Retained Earnings	Statutory Reserve	FVOCI – Equity investments	Total Other Equity
Balance at April 01, 2016		**1,461.08**	**16,604.07**	**0.02**	**0.01**	**2,998.44**	**27.66**	**13,669.68**	**34,760.96**
Profit for the year		—	—	—	—	2,003.12	—	—	2,003.12
Other comprehensive income		—	—	—	—	(114.66)	—	5,321.39	5,206.73
Total comprehensive income for the year		**—**	**—**	**—**	**—**	**1,888.46**	**—**	**5,321.39**	**7,209.85**
Adjustment on account of buyback	20	(926.71)	(16.75)	16.75	—	—	—	—	(926.71)
Transfer from Retained Earnings		—	3,500.00	—	—	(3,875.85)	375.85	—	—
Transfer from FVOCI on derecognisition of Equity Investments	53(c) (2)(ii)	—	—	—	—	4,906.40	—	(4,906.40)	—
Dividends paid (including dividend distribution tax)		—	—	—	—	(680.84)	—	—	(680.84)
Balance at March 31, 2017		**534.37**	**20,087.32**	**16.77**	**0.01**	**5,236.61**	**403.51**	**14,084.67**	**40,363.26**
Profit for the year		—	—	—	—	7,389.35	—	—	7,389.35
Other comprehensive income		—	—	—	—	48.03	—	5,725.92	5,773.95
Total comprehensive income for the year		**—**	**—**	**—**	**—**	**7,437.38**	**—**	**5,725.92**	**13,163.30**
Transfer from Retained Earnings		—	4,500.00	—	—	(4,525.29)	25.29	—	—
Dividends paid (including dividend distribution tax)		—	—	—	—	(907.78)	—	—	(907.78)
Balance at March 31, 2018		**534.37**	**24,587.32**	**16.77**	**0.01**	**7,240.92**	**428.80**	**19,810.59**	**52,618.78**

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

VIPIN R. BANSAL
Partner
Membership No 117753

Place : Mumbai
Date: May 25, 2018

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF
Chairman and Managing Director
DIN: 00019952

USHA A. SHROFF
Executive Vice Chairperson
DIN: 00020519

RAVI A. SHROFF
Executive Director
DIN: 00033505

DEVENDRA P. DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: May 25, 2018

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

BACKGROUND

Excel Industries Limited (the Company or the Holding Company), its subsidiaries, associate and joint venture (the holding company and its subsidiaries, associates and joint ventures together referred to as the Group). Excel Industries Limited (The Company or the Holding Company) is a public company domiciled in India. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The Holding Company is engaged in manufacturing and selling of Chemicals, Pharma intermediates and Environmental products. Chemicals comprising of Industrial and Specialty chemicals and Pesticides Intermediates. Environmental products comprising of Soil Enricher, Bio-Pesticides and other Bio-products. The Holding Company caters to both domestic and international markets. The Holding Company is also engaged in manufacturing activity on behalf of third parties. Excel Bio Resources Limited is a wholly owned subsidiary of the Company and is in the process of exploring business opportunities in the areas of renewable bio-resources, waste management , renewable energy and biotechnological processes. Kamaljyot Investments Limited, a Non Banking Financial Company, another wholly owned subsidiary of the Company, is primarily engaged in activities of Investment Holding and Financing.

1. SIGNIFICANT ACCOUNTING POLICIES:

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These accounting policies have been consistently applied to all the years presented by the Group unless otherwise stated.

These consolidated financial statements were authorized for issue by the Group's Board of Directors on May 25, 2018.

A. Basis of preparation

(i) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

These consolidated financial statements for the year ended March 31, 2018 are the first financial statements of the Group prepared in accordance with Ind AS. For all periods up to and including the year ended March 31, 2017, the Group prepared its financial statements in accordance with the Generally Accepted Accounting Principles (hereinafter referred to as 'previous GAAP') used for its statutory reporting requirement in India. Refer Note 53 for an explanation of how the transition from the previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows The Group has adopted the Ind AS standards in accordance with Ind AS 101 First time adoption of Indian Accounting Standards.

The date of transition to Ind AS is April 1, 2016. Refer Note 53 for the first time adoption exemptions availed by the Group.

(ii) Historical Cost Convention

The consolidated financial statements have been prepared on historical cost basis except the following:

- certain financial assets and liabilities (including derivative instruments) is measured at fair value;
- assets held for sale – measured at lower of carrying amount or fair value less cost to sell; and;
- defined benefit plans – plan assets measured at fair value.

(iii) Amended standards adopted by the Group

The amendments to Ind AS 7 require disclosure of changes in liabilities arising from financing activities, Refer Note 24(f).

(iv) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

B. Principles of consolidation and equity accounting

The Consolidated financial statements comprise of the financial statements of Excel Industries Limited (''the Holding Company''), its subsidiaries, associate and joint venture. The details of the share holding held by the Group is given in Note 44.

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the Holding Group and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Associates

Associate is an entity over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see note (iv) below), after initially being recognised at cost.

(iii) Joint ventures

Investments in joint ventures are accounted for using the equity method (See note (iv) below), after initially being recognised at cost in the consolidated balance sheet.

(iv) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in statement of profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

C. SEGMENT REPORTING

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). The Chairman and Managing Director is designated as CODM. Refer Note 43 for segment information presented.

D. Foreign Currency translation

(i) Functional and presentation currency

Items included in the consolidated financial statements of the Group's entities are measured using the currency of the primary economic environment in which the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

entity operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (INR) which is the functional and presentation currency of the Group.

(ii) Transaction and balances

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transaction. Foreign exchange gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the year-end exchange rates are generally recognized in the profit and loss.

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

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign entity are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or fair values determined. Exchange differences arising on the settlement of monetary items or on translating monetary items are recognised in the statement of Profit and Loss.

E. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes, goods and services tax (GST) and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement

Sale of goods:

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer usually on delivery of the goods. The Group collects sales taxes, value added taxes (VAT) and goods and services tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Income from services

Revenues from service contracts are recognised pro-rata over the period of the contract as and when services are rendered. The Group collects service tax/GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Export incentives

Income from export incentives such as Duty drawback/MEIS scheme etc. are recognised on accrual basis to the extent the ultimate realisation is reasonably certain.

Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

Dividend

Dividend income is recognised when the Group's right to receive dividend is established by the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Gain on sales of Securities

Gain and losses on sale of securities are recognised on trade date basis. Gains and lossess on sale of securities are determied based on the weighted average cost method of accounting.

F. Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

G. Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Profit and Loss Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income-tax is recognized as an item in deferred tax asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Group will be able to avail the said credit against normal tax payable during the period of fifteen succeeding assessment years.

H. Leases

As a lessee

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases..

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

I. Impairment of Non-Financial Assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss.

J. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

K. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

L. Inventories

Raw material, stores and spares, packing materials, work in progress, traded and finished goods are stated as lower of cost and net realisable value. Cost of Raw material and traded goods comprises of cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowings costs. Costs are assigned to individual items of inventory on the basis of first-in first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

M. Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit and loss are expensed in profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt Instruments

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. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair Value through Other Comprehensive Income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

Fair Value through Profit and Loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit and loss and is not part of a hedging relationship is recognised in profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Group assesses if there is any significant increase in credit risk pertaining to the assets and accordingly creates necessary provisions, wherever required.

N. Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period and impact is recorded in the profit and loss account.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are also classified as a current asset or liability when expected to be realised/settled within 12 months of the balance sheet date. Refer note 43 for disclosure of various derivatives financial instruments.

O. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

P. Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation/amortisation and impairments, if any. Historical cost includes tax, duties, freight and other incidental expenditure that is directly attributable to the acquisition of the items. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the management and are directly attributable to bringing the asset to its position, are also capitalized. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

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

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the year end.

Transition to IND AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

As per technical evaluation of the Group the useful life considered for the following items is different than the life stipulated in Schedule II to the Companies Act 2013

Description of Asset	*Depreciation rates	Schedule II Rates (SL Method)
Buildings	1.58%-31.67%	1.58%
Road	9.50%-20.58%	9.50%
Plant and Machinery - Metallic	5.28%	4.75%
Plant and Machinery - Non-metallic	11.88%	4.75%
Electrical Installations	9.50%-32.64%	9.50%

Assets individually costing INR 25,000 or less are depreciated fully in the year of acquisition.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit and loss within other gains/(losses).

Q. Investment property

Investment properties are properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Group, is classified as investment property.

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

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have useful life of 25-40 years. The useful life has been determined based on technical evaluation performed by the management expert.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

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

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its investment properties recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

R. Intangible assets and Amortisation

Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis, but not exceeding the period given here under:

Category	Useful life
Computer software	4 years

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

S. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

T. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit and loss as other gains/(losses)

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

U. Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

V. Provisions, Contingent Liabilities and Contingent Assets

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent asset is disclosed, where an inflow of economic benefits is probable.

Warranty provisions, provisions for warranty related costs are recognised when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty related costs is revised annually.

W. Employee Benefits

(i) Short-term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other Long-term employee benefit obligations

Leave Obligations:

The liabilities for leave obligation (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related services. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Profit and Loss..

The obligations are presented as current in the balance sheet if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

Long Service awards:

The Group provides for the long service awards for eligible employees as per the scheme announced by the Group. The liability towards the long services awards is provided at each balance sheet date on the basis of independent actuary valuation.

Defined benefit plan — Gratuity:

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The estimated future payments are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit and loss as past service cost.

Defined benefit plan — Voluntary early separation scheme:

The Group also have a defined benefit plan for its employees, i.e. Medical Voluntary retirement scheme in which employees suffering from continued ill-health not amounting to occupational disease and thereby unable to perform normal duties of their post. Under the Scheme, the benefits will be given for a retired employee for a maximum period up to 10 years or age of retirement, whichever is earlier. In case of early death of the employee, the legal heir of the employee shall get 50% of separation benefit for the rest of the benefit period. The costs of providing benefits under the said plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. This Scheme is not funded.

Defined Contribution Plan — Provident Fund:

The Group pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Group has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Defined Contribution Plan — Superannuation Fund:

The Group makes contribution to the Superannuation Scheme, a defined contribution scheme, administered by insurance companies. The Group has no obligation to the scheme beyond its monthly contributions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES *(Contd.)*

There are no obligations other than the contribution payable to the Superannuation Fund Trust. The Group recognises contribution payable to the Superannuation Fund as an expenditure, when an employee renders the related service. The contribution is charged to the statement of profit and loss of the year when the contribution accrues. The scheme is funded with a insurance Group in the form of qualifying insurance policies.

(iii) Bonus plans

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

X. Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Y. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

Z. Earnings Per Share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the grop by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

AA. Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to exercise judgment and to make estimates and assumptions. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affect only that period, or in the period of the revision and future periods if the revision affects both current and future period.

The areas involving critical estimates or judgements are as under:

(a) Estimation of current tax expenses and payable:

Taxes recognized in the financial statements reflect management's best estimate of the outcome based on the facts known at the balance sheet date. These facts include but are not limited to interpretation of tax laws of various jurisdictions where the Group operates. Any difference between the estimates and final tax assessments will impact the income tax as well the resulting assets and liabilities.

(b) Estimated fair value of unlisted securities:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on the market conditions existing at the end of each reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

2. CRITICAL ACCOUNTING JUDGEMENTS ASSUMPTIONS AND ESTIMATES *(Contd.)*

(c) Useful lives of property, plant and equipment and Intangible assets:

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

(d) Estimation of defined benefit obligation:

The liabilities of the Group arising from employee benefit obligations and the related current service cost, are determined on an actuarial basis using various assumptions.

(e) Impairment of financial assets (including trade receivables):

Allowance for doubtful receivables represent the estimate of losses that could arise due to inability of the customer to make payments when due. These estimates are based on the customer ageing, customer category, specific credit circumstances and the historical experience of the Group as well as forward looking estimates at the end of each reporting period.

(f) Estimation of Provisions and contingencies:

Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Group. The Group exercises judgement and estimates in recognizing the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgement is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and machinery	Data processing equipments	Electrical installation	Laboratory equipments	Furniture, fixture and office equipments	Vehicles	Technical books	Total
Year ended March 31, 2017											
Gross carrying amount											
Deemed cost as at April 1, 2016	**171.85**	**216.47**	**2,974.97**	**11,869.42**	**121.12**	**336.73**	**165.89**	**173.21**	**121.08**	**1.23**	**16,151.97**
Additions	350.00	—	665.39	2,033.26	44.69	227.89	10.26	117.43	107.63	0.13	3,556.68
Disposals / adjustments	—	—	(11.32)	(124.48)	(3.12)	(2.46)	(23.07)	(0.48)	(8.90)	(0.02)	(173.85)
Closing gross carrying amount	**521.85**	**216.47**	**3,629.04**	**13,778.20**	**162.69**	**562.16**	**153.08**	**290.16**	**219.81**	**1.34**	**19,534.80**
Accumulated Depreciation											
Depreciation charge during the year	—	3.69	112.07	1,057.12	39.86	50.27	21.44	52.20	24.17	0.32	1,361.14
Disposals / adjustments	—	—	—	—	—	—	—	—	—	—	—
Closing accumulated depreciation	**—**	**3.69**	**112.07**	**1,057.12**	**39.86**	**50.27**	**21.44**	**52.20**	**24.17**	**0.32**	**1,361.14**
Net carrying amount	**521.85**	**212.78**	**3,516.97**	**12,721.08**	**122.83**	**511.89**	**131.64**	**237.96**	**195.64**	**1.02**	**18,173.66**

Particulars	Land free hold	Land lease hold	Buildings	Plant and machinery	Data processing equipments	Electrical installation	Laboratory equipments	Furniture fixture and office equipments	Vehicles	Technical books	Total
Year ended March 31, 2018											
Gross carrying amount											
Opening gross carrying amount	521.85	216.47	3,629.04	13,778.20	162.69	562.16	153.08	290.16	219.81	1.34	19,534.80
Additions	24.50	—	582.14	2,455.88	50.05	109.23	198.12	125.77	53.97	—	3,599.66
Disposals / adjustments	—	—	3.50	(123.40)	(0.45)	(0.59)	(2.48)	(10.28)	—	—	(133.70)
Closing gross carrying amount	**546.35**	**216.47**	**4,214.68**	**16,110.68**	**212.29**	**670.80**	**348.72**	**405.65**	**273.78**	**1.34**	**23,000.76**
Accumulated Depreciation											
Opening accumulated depreciation	—	3.69	112.07	1,057.12	39.86	50.27	21.44	52.20	24.17	0.32	1,361.14
Depreciation charge during the year	—	3.69	122.98	1,107.87	44.70	69.59	31.41	71.79	35.21	0.18	1,487.42
Closing accumulated depreciation	**—**	**7.38**	**235.05**	**2,164.99**	**84.56**	**119.86**	**52.85**	**123.99**	**59.38**	**0.50**	**2,848.56**
Net carrying amount	**546.35**	**209.09**	**3,979.63**	**13,945.69**	**127.73**	**550.94**	**295.87**	**281.66**	**214.40**	**0.84**	**20,152.20**

Notes:

(a) Buildings include cost of shares in co-operative housing societies **INR 0.01 lakhs** (Previous Year: INR 0.01 lakhs).

(b) Leased assets.

Property, plant and equipment includes the following assets where the Group is a lessee under a finance lease:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Plant & Machinery			
Cost/Deemed Cost	1,619.86	1,614.69	1,204.18
Accumulated depreciation	(204.82)	(110.98)	—
Net carrying amount	**1,415.04**	**1,503.71**	**1,204.18**

The lease term in respect of assets acquired under finance leases generally expire within three to five years. The legal title to these items vest with lessor during lease period. At the expiry of lease period, the Group has the option to acquire the lease assets at a normal prise as mention in lease agreement. As at March 31, 2018 Plant and Machinery having carring value of INR 850.38 lakhs are pending transfer in the name of the Group for which lease obligations have been fully discharged and are included in INR 1,415.04 lakhs above.

(c) Property, plant and equipment pledged as security

Refer Note 24 (e) for information on property, plant and equipment assets has been pledged as security by the Group.

(d) Contractual obligations

Refer Note 46 (c) for disclosure of contractual commitments for the acquisition of property, plant and equipments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

4. INVESTMENT PROPERTY

Particulars	As at March 31, 2018	As at March 31, 2017
Gross Carrying amount		
Opening gross carrying amount/Deemed Cost	102.29	102.29
Additions	—	—
Closing gross carrying amount	**102.29**	**102.29**
Accumulated depreciation		
Opening accumulated depreciation	**2.31**	**—**
Depreciation charge for the year	2.31	2.31
Closing accumulated depreciation	**4.62**	**2.31**
Net Carrying amount	**97.67**	**99.98**

(i) Amounts recognised in the statement of profit or loss for investment properties

Particulars	As at March 31, 2018	As at March 31, 2017
Rental income	11.42	11.42
Direct operating expenses for property that generated rental income	1.88	1.94
Direct operating expenses for property that did not generate rental income	0.76	0.97
Profit from investment properties before depreciation	**8.78**	**8.51**
Depreciation	2.31	2.31
Profit from investment properties	**6.47**	**6.20**

(ii) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Within 1 year	7.22	4.76	11.42
Later than 1 year but not later than 5 years	—	—	4.76
Later than 5 years	—	—	—
Total	**7.22**	**4.76**	**16.18**

(iii) Fair value of investment properties

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investment Properties	293.39	286.14	280.73

(iv) Estimation of fair value

The Group obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties.

The fair values of investment properties have been determined by independent valuer who holds recognised and relevant professional qualification.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

5. INTANGIBLE ASSETS

Particulars	Computer software	Total
Year ended March 31, 2017		
Gross carrying amount		
Deemed cost as at April 1, 2016	**101.81**	**101.81**
Additions	16.27	16.27
Closing gross carrying amount	**118.08**	**118.08**
Accumulated amortisation		
Amortisation charge during the year	67.57	67.57
Closing accumulated amortisation	**67.57**	**67.57**
Closing Net carrying amount	**50.51**	**50.51**
Year ended March 31, 2018		
Gross carrying amount		
Opening gross carrying amount	118.08	118.08
Additions	31.12	31.12
Closing gross carrying amount	**149.20**	**149.20**
Accumulated amortisation		
Opening accumulated amortisation	67.57	67.57
Amortisation charge for the year	33.46	33.46
Closing accumulated amortisation and impairment	**101.03**	**101.03**
Closing net carrying amount	**48.17**	**48.17**

6. INVESTMENT IN SUBSIDIARIES AND JOINT VENTURE

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unquoted equity instruments at cost (Refer Note 44)			
Investments in associate			
3,998 (March 31, 2017: 3,998, April 1, 2016: 3,998) Equity shares of INR 10 each fully paid up in Mobitrash Recycle Ventures Private Limited	0.40	0.40	0.40
Less: Share of loss on associate restricted to the carrying value of investment	(0.40)	(0.40)	(0.40)
	—	—	—
Investment in joint venture			
468,000 (March 31, 2017: 468,000, April 1, 2016: 468,000) Equity shares of Hongkong $ 1 each fully paid up in Wexam Limited, Hongkong	27.26	27.26	27.26
Less: Impairement in value of investment	(27.26)	(27.26)	(27.26)
	—	—	—
Total	**—**	**—**	**—**
Aggregate amount of unquoted Investments	**—**	**—**	**—**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

7. NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investment in Equity Instruments (fully paid-up)			
Quoted at FVOCI			
Nil (March 31, 2017: Nil, April 1, 2016: 464,270) Equity shares of INR 5 each fully paid up in Excel Crop Care Limited (Refer Note 53(C) (2)(ii))	—	—	5,513.83
584,977 (March 31, 2017: 584,977 , April 1, 2016: 584,977) Equity shares of INR 10 each fully paid up in Punjab Chemicals and Crop Protection Limited	2,270.59	1,643.49	810.49
4,285 (March 31, 2017: 4,285 , April 1, 2016: 4,285) Equity shares of INR 10 each fully paid up in TIL Limited	19.14	12.49	14.62
13,400 (March 31, 2017: 13,400 , April 1, 2016: 13,400) Equity shares of INR 10 each fully paid up in Bank of India	13.88	18.66	13.00
6,198 (March 31, 2017: 6,198 , April 1,2016: 6,198) Equity share of INR 10 each fully paid in Aimco Pesticides Ltd	9.79	5.83	2.23
1,000 (March 31, 2017: 500 , April 1,2016: Nil) Equity share of INR 2 each fully paid in Ajanta Pharma Limited	14.06	8.80	—
702,703 (March 31, 2017: 702,703 , April 1,2016: 702,703) Equity share of INR 10 each fully paid in Transpek Industry Limited	8,591.26	4,146.63	2,780.20
8 (March 31, 2017: 8 , April 1, 2016: 8) Equity share of INR 10 each fully paid in Bayer Cropscience Limited	0.34	0.30	0.30
40 (March 31, 2017: 40 , April 1, 2016: 40) Equity share of INR 2 each fully paid in Birla Precision Technologies Limited @	—	—	—
3,500 (March 31, 2017: 3,500 , April 1, 2016: 3,500) Equity share of INR 1 each fully paid in Elgi Rubber International Limited	1.50	1.90	0.89
4,700 (March 31, 2017: 4,700, April 1, 2016: 4,700) Equity Share of INR 10 each fully paid in Gujarat State Financial Corporation	0.13	0.15	0.14
50,000 (March 31, 2017: 50,000 , April 1, 2016: Nil) Equity share of INR 10 each fully paid in GTL Infra Limited	1.30	2.89	—
1,000 (March 31, 2017: 1,000, April 1, 2016: 1,000) Equity share of INR 1 each fully paid in Hindalco Industries Limited	2.15	1.95	0.88
250 (March 31, 2017: 250 , April 1, 2016: Nil) Equity share of INR 10 each fully paid in Hester BioScience Ltd	4.01	1.91	—
100 (March 31, 2017: 100 , April 1, 2016: 100) Equity share of INR 10 each fully paid in Indokem Limited #	0.01	0.02	—
10 (March 31, 2017: 10 , April 1, 2016: 10) Equity share of INR 10 each fully paid in Monsanto India Limited	0.28	0.25	0.17
105,000 (March 31, 2017: 21,000, April 1, 2016 : 21,000) Equity share of INR 5 each fully paid in Navin Fluorine International Limited	809.45	639.18	355.27
576,941 (March 31, 2017: 576,941, April 1, 2016 : 309,826) Equity share of INR 10 each fully paid in Tanfac Industries Ltd	655.12	354.82	77.92
100 (March 31, 2017: 100 , April 1, 2016: 100) Equity share of INR 2 each fully paid in Uniphos Enterprises Limited	0.08	0.07	0.03
100 (March 31, 2017: 100 , April 1,2016: 100) Equity share of INR 10 each fully paid in Vinati Organics Limited	0.90	0.75	0.39
500 (March 31, 2017: Nil, April 1, 2016: Nil) Equity share of INR 10 each fully paid in Aksharchem (India) Limited	2.97	—	—
688 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 5 each fully paid in Alkyl Amines Chemicals Limited	4.16	—	—
2,000 (March 31, 2017: Nil, April 1, 2016 : Nil) Equity share of INR 2 each fully paid in Amines & Plasticizers Limited	1.16	—	—
471 (March 31, 2017: Nil , April 1, 2016 :Nil) Equity share of INR 2 each fully paid in Balaji Amines Limited	2.65	—	—
250 (March 31, 2017: Nil, April 1,2016 :Nil) Equity share of INR 2 each fully paid in Bodal Chemicals Limited	0.30	—	—
2,500 (March 31, 2017: Nil, April 1, 2016 : Nil) Equity share of INR 1 each fully paid in Camlin Fine Sciencies Limited	2.55	—	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

7. NON-CURRENT INVESTMENTS (Contd.)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1,000 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 10 each fully paid in Cosco (India) Limited	3.33	—	—
250 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 10 each fully paid in Cosmo Films Limited	0.62	—	—
27,699 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 10 each fully paid in Daikaffil Chemicals (India) Limited	15.75	—	—
500 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 10 each fully paid in Deep Industries Limited	0.73	—	—
3,500 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 2 each fully paid in Deepak Nitrite Limited	8.71	—	—
500 (March 31, 2017: Nil , April 1, 2016 :Nil) Equity share of INR 2 each fully paid in Graphite India Limited	3.63	—	—
2,858 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 10 each fully paid in Indo Amines Limited	2.43	—	—
500 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 5 each fully paid in Kabra Extrusion Techink Limited	0.59	—	—
250 (March 31, 2017: Nil, April 1, 2016 : Nil) Equity share of INR 2 each fully paid in Lupin Limited	1.84	—	—
4,000 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 10 each fully paid in Mangalam Organics Limited	8.02	—	—
100 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 10 each fully paid in MPS Limited	0.50	—	—
75 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 10 each fully paid in Nilkamal Limited	1.14	—	—
500 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 10 each fully paid in Sadhana Nitro Chem Limited	1.09	—	—
250 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 2 each fully paid in Sanghvi Movers Limited	0.44	—	—
500 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 1 each fully paid in Skipper Limited	1.08	—	—
100 (March 31, 2017: Nil, April 1,2016 :Nil) Equity share of INR 10 each fully paid in Talwalkar Better Value Fitness Limited	0.17	—	—
200 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 10 each fully paid in Thirumalai Chemicals Limited	3.42	—	—
2,500 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 10 each fully paid in Tinna Rubber and Infrasrtucture Limited	1.49	—	—
2,050 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 10 each fully paid in Tina Trade Limited	0.21	—	—
50 (March 31, 2017: Nil, April 1, 2016 :Nil) Equity share of INR 10 each fully paid in TVS Srichakra Limited	1.61	—	—
1,500 (March 31, 2017: Nil, April 1, 2016 : Nil) Equity share of INR 10 each fully paid in Universal Starch Chem Allied Limited	0.42	—	—
	12,465.00	6,840.09	9,570.36

[@] Amount below rounding off norms - INR 274 (March 31, 2017: INR 198, April 1, 2016: INR 105)

[#] Amount below rounding off norms as on April 1, 2016: INR 380

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

7. NON-CURRENT INVESTMENTS (Contd.)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unquoted at FVOCI			
920,500 (March 31, 2017: 920,500, April 1, 2016: 920,500) Equity shares of INR 10 each fully paid up in TML Industries Limited	41.42	46.03	113.23
1,067,450 (March 31, 2017: 1,067,450, April 1, 2016: 1,067,450) Equity shares of INR 10 each fully paid up in Transpek-Silox Industry Private Limited	14,613.39	13,097.61	9,417.04
2,500 (March 31, 2017: 2,500, April 1, 2016: 2,500) Equity shares of INR 10 each fully paid up in The Saraswat Co-operative Bank Limited	0.25	0.25	0.25
50,000 (March 31, 2017: 50,000, April 1, 2016: 50,000) Equity shares of INR 10 each fully paid up in Biotech Consortium India Limited	5.00	5.00	5.00
1,000 (March 31, 2017: 1,000, April 1,2016 :1,000) Equity Shares of INR 10 each fully paid up in Alpic Finance Limited	1.00	1.00	1.00
4,900 (March 31, 2017: 4,900, April 1,2016 :4,900) Equity shares of INR 10 each fully paid up in Ashok Organic Industries Limited	7.84	7.84	7.84
5 (March 31, 2017: 5, April 1,2016 :5) Equity shares of INR 5 each fully paid up in Syngenta India Limited	0.01	0.01	0.01
420 (March 31, 2017: 420, April 1,2016 :420) Equity shares of INR 10 each fully paid up in Lloyds Finance Limited	0.17	0.17	0.17
Less : Impairment in value of investment	(9.02)	(9.02)	(9.02)
	14,660.06	13,148.89	9,535.52
Total	**27,125.06**	**19,988.98**	**19,105.88**
Aggregate amount of unquoted investments	14,660.06	13,148.89	9,535.52
Aggregate amount of quoted investments	12,465.00	6,840.09	9,570.36

8. LOANS – NON-CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good (unless otherwise stated)			
Loans to employees	10.91	12.52	21.32
Security deposits	448.52	377.43	396.37
Total	**459.43**	**389.95**	**417.69**

9. OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good (unless otherwise stated)			
Fixed deposits with Maturity of more than 12 months[@]	—	168.00	73.00
Total	**—**	**168.00**	**73.00**

[@] Represents liquid assets maintained under the Companies (Acceptance of Deposits) Rules, 2014.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

10. OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good (unless otherwise stated)			
Capital advances			
Unsecured, considerd good	253.09	12.24	229.03
Unsecured, considerd doubtful	76.62	76.62	—
	329.71	88.86	229.03
Provision for doubtful Capital Advances	(76.62)	(76.62)	—
	253.09	12.24	229.03
Prepaid expenses	21.15	21.10	26.42
Balances with Government Authorities	39.13	9.37	8.68
Total	**313.37**	**42.71**	**264.13**

11. INVENTORIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Raw materials [including stock-in-transit INR 385.97 lakhs (March 31, 2017: INR 520.22 lakhs, April 1, 2016: INR 532.68 lakhs)]	1,985.03	2,239.13	2,118.46
Packing materials	116.28	121.22	107.76
Finished goods	1,562.32	1,061.71	1,906.38
Work-in-progress	1,397.33	1,312.43	1,478.72
Traded goods	194.83	243.65	191.12
Stores and spares [including stock-in-transit INR Nil (March 31, 2017: INR 166.07 lakhs, April 1, 2016: INR 145.87 lakhs)] [including fuel and coal]	328.64	532.96	486.96
Total	**5,584.43**	**5,511.10**	**6,289.40**

Refer note 2(L) for basis of valuation

Amounts recognised in profit and loss:

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Writedowns of inventories as at year end amounted to INR 1.38 lakhs (as at March 31, 2017 – INR 0.46 lakhs, as at April 1, 2016 – INR 8.17 lakhs). These writedowns were recognised as an expense and included in 'changes in inventories of finished goods, stock-in-trade, work-in-progress and property under development' in the Statement of Profit and Loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

12. CURRENT INVESTMENTS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investments in Mutual Funds / Debentures			
Quoted at FVPL			
Reliance ETF Liquid BeEs 2,148.888 (March 31, 2017: 161.581, April 1,2016 :155.738) units of INR 10 fully paid up	21.49	1.62	1.56
	21.49	**1.62**	**1.56**
Unquoted at FVPL			
Kotak Medium Term Fund - Regular Plan - Growth 1,664,936.519 (March 31, 2017: Nil, April 1, 2016: Nil) units of INR 10 fully paid up	236.32	—	—
Aditya Birla Sun Life Cash Plus - Growth -Regular Plan 2,443.096 (March 31, 2017: 76,068.083, April 1,2016 :Nil) units of INR 10 fully paid up	6.77	198.17	—
HDFC Arbitrage Fund -Wholesale Plan-Regular Plan 3,559,767.581 (March 31, 2017: 3,559,767.581, April 1,2016 :Nil) units of INR 10 fully paid up	373.31	374.31	—
ICICI Prudential Flexible Income - Growth 6,019.043 (March 31, 2017: 65,541.795 , April 1,2016: Nil) units of INR 10 fully paid up	19.75	204.06	—
IDFC Arbitrage Fund Monthly Dividend (Regular Plan) 29,66,801.943 (March 31, 2017: 2,966,801.943, April 1,2016: Nil) units of INR 10 fully paid up	375.00	375.32	—
Nil (March 31, 2017: Nil, April 1, 2016 : 5) units of INR 100,000 fully paid up in Anand Rathi Global Finance Limited	—	—	5.00
	1,011.15	**1,151.86**	**5.00**
Total	**1,032.64**	**1,153.48**	**6.56**
Aggregate amount of quoted Investments	21.49	1.62	1.56
Aggregate amount of unquoted Investments	1,011.15	1,151.86	5.00

13. TRADE RECEIVABLES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade receivables	12,669.29	12,123.68	11,790.51
Receivables from related parties (Refer Note 45)	29.69	51.31	961.97
Less: Allowance for doubtful debts/Expected credit loss	234.73	141.09	58.71
Total	**12,464.25**	**12,033.90**	**12,693.77**
Current portion	12,464.25	12,033.90	12,693.77
Non-current portion	—	—	—

Break-up of security details

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured, considered good			
Unsecured, considered good	12,464.25	12,033.90	12,693.77
Doubtful	234.73	141.09	58.71
Total	**12,698.98**	**12,174.99**	**12,752.48**
Less : Allowance for doubtful debts/Expected credit loss	(234.73)	(141.09)	(58.71)
Total	**12,464.25**	**12,033.90**	**12,693.77**

Note: For credit risk and provision for loss allowance (Refer Note 41)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

14. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance with Banks			
in Current accounts	403.49	214.18	309.07
Fixed deposits with maturity of less than three months	—	110.00	105.00
Total	**403.49**	**324.18**	**414.07**

15. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Margin money deposits (Refer Note (a) below)	6.64	6.63	6.79
Unclaimed dividend account	51.15	44.68	37.28
Fixed deposits with maturity of more than three months and less than twelve months	13.72	12.77	11.18
Other balances with current account (Refer Note (b) below)	45.00	45.00	—
Total	**116.51**	**109.08**	**55.25**

Notes

(a) Margin money deposits of INR 6.64 lakhs (March 31, 2017: INR 6.63 lakhs, April 1, 2016: INR 6.79 lakhs) have been given against Letter of Credit and Bank guarantees..

(b) Other balances in current account represents amount deposited in an escrow account for buy back of equity shares. The Company is in process of releasing the escrow.

16. LOANS – CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good (unless otherwise stated)			
Loans to a related party (Refer Note 45)	100.00	100.00	100.00
Loans to employees	15.56	22.98	25.85
Security deposits	78.88	—	—
Total	**194.44**	**122.98**	**125.85**

17. OTHER CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good (unless otherwise stated)			
Interest accrued	19.93	17.48	22.73
Mark to market gain on derivative contracts	—	—	10.39
Others	175.52	37.87	90.52
Total	**195.45**	**55.35**	**123.64**

18. OTHER CURRENT ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured considered good (unless otherwise stated)			
Balances with Government Authorities	47.81	725.37	727.75
Prepaid expenses	200.11	185.41	240.80
Advances to suppliers	222.46	245.42	213.42
Export benefit receivable	444.11	268.81	2.32
Others	0.82	0.34	0.43
Total	**915.31**	**1,425.35**	**1,184.72**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

19. EQUITY SHARE CAPITAL

Particulars	No. of shares	Amount
Authorised shares		
As at March 31, 2018		
Equity shares of INR 5/- each	38,000,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	850,000	85.00
Unclassified Shares of INR 5/- each	300,000	15.00
As at March 31, 2017		
Equity shares of INR 5/- each	38,000,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	850,000	85.00
Unclassified Shares of INR 5/- each	300,000	15.00
As at April 1, 2016		
Equity shares of INR 5/- each	38,000,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	850,000	85.00
Unclassified Shares of INR 5/- each	300,000	15.00
Issued, subscribed and paid-up		
As at March 31, 2018		
Equity shares of INR 5/- each fully paid-up	12,570,692	628.53
Total	**12,570,692**	**628.53**
As at March 31, 2017		
Equity shares of INR 5/- each fully paid-up	12,570,692	645.28
Total	12,570,692	**628.53**
As at April 1, 2016		
Equity shares of INR 5/- each fully paid-up	12,905,630	628.53
Total	**12,905,630**	**645.28**

(i) Movement in Equity Share Capital

Equity Shares	As at March 31, 2018		As at March 31, 2017	
	Nos.	Rs. in Lacs	Nos.	Rs. in Lacs
At the beginning of the year	12,570,692	628.53	12,905,630	645.28
Buy Back of Shares (Refer Note (iv) below)	—	—	334,938	16.75
Outstanding at the end of the year	**12,570,692**	**628.53**	**12,570,692**	**628.53**

(ii) Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of INR 5/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

19. EQUITY SHARE CAPITAL (Contd.)

(iii) Details of shares held by shareholders holding more than 5% shares in the Company :

Name of the shareholder	As at March 31, 2018	
	Nos. of Shares	% of holding
Life Insurance Corporation of India	962,799	7.66%
Anshul Specialty Molecules Private Limited	5,358,682	42.63%

Name of the shareholder	As at March 31, 2017		As at April 1, 2016	
	Nos. of Shares	% of holding	Nos. of Shares	% of holding
Life Insurance Corporation of India	962,799	7.66%	1,012,799	7.85%
Utkarsh Global Holdings Private Limited	5,358,682	42.63%	5,331,182	41.31%

(iv) Buyback of Equity Shares

The Board of Directors had approved to buyback a maximum upto 11,50,000 Equity Shares of the Company at a price not exceeding INR 275 per Equity Share and the total consideration not exceeding INR 1800 lacs.

During the year ended March 31, 2017, the Company has bought back 3,34,938 equity shares utilizing INR 926.71 lacs (including transaction charges, brokerage, tax etc.) from Security Premium account. As a result of the Buyback, total equity shares of the Company has reduced from 1,29,05,630 to 1,25,70,692. Further the Company has transfered INR 16.75 lacs to Capital Redemption Reserve from General Reserve being the sum equal to the nominal value of shares so purchased.

20. OTHER EQUITY

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital reserve	0.01	0.01	0.01
Securities premium reserve	534.37	534.37	1,461.08
Capital redemption reserve	16.77	16.77	0.02
Statutory reserve	428.80	403.51	27.66
General reserve	24,587.32	20,087.32	16,604.07
Retained earnings	7,240.92	5,236.61	2,998.44
Other reserves	19,810.59	14,084.67	13,669.68
Total	**52,618.78**	**40,363.26**	**34,760.96**

(i) Capital reserve

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	0.01	0.01
Closing balance	**0.01**	**0.01**

(ii) Securities premium reserve

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	534.37	1,461.08
Less: Adjustment on account of Buyback of equity shares (Refer Note 19(iv) above)	—	(926.71)
Closing balance	**534.37**	**534.37**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

20. OTHER EQUITY (Contd.)

(iii) Capital Redemption Reserve

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Opening balance	16.77	0.02
Add: On account of Buy back of equity shares transfer to General reserve [Refer Note 19 (iv)]	—	16.75
Closing balance	**16.77**	**16.77**

(iv) Statutory reserve

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Opening balance	403.51	27.66
Add: Amount transferred from Retained earnings	25.29	375.85
Closing balance	**428.80**	**403.51**

(v) General reserve

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Opening balance	20,087.32	16,604.07
Less : On account of Buy back of Equity Share transfered to Capital redemption reserve [Refer Note 19(iv)]	—	(16.75)
Add: Amount transferred from Retained earnings	4,500.00	3,500.00
Closing balance	**24,587.32**	**20,087.32**

(vi) Retained earnings

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Opening balance	5,236.61	2,998.44
Profit for the year	7,389.35	2,003.12
Dividend Paid	(754.24)	(565.68)
Dividened Distribution tax	(153.54)	(115.16)
Transfer to general reserve	(4,500.00)	(3,500.00)
Transfer to statutory reserve	(25.29)	(375.85)
Items of Other Comprehensive Income (OCI) recognised directly in retained earnings:		
— Remeasurement of Post Employment benefits obligations (net of tax)	48.03	(114.66)
Transfer from FVOCI on derecognition of Equity Investments	—	4,906.40
Closing balance	**7,240.92**	**5,236.61**

(vii) Other reserves – FVOCI Equity Investment

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Opening Balance	14,084.67	13,669.68
Change in fair value of FVOCI equity instruments	7,050.78	6,466.67
Tax on above	(1,324.86)	(1,145.28)
Transfer to retained earnings on derecognition of Equity Investments	—	(4,906.40)
Closing balance	**19,810.59**	**14,084.67**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

20. OTHER EQUITY (Contd.)

Nature and purpose of other reserves

Capital Reserve

Capital reserve is utilised in accordance with provision of the Act.

Securities premium Reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Capital Redemption Reserve

Represent reserve created during buy back of Equity Shares and it is a non-distributable reserve.

General Reserve

The General Reserve is used from time to time to record transfer of profit from retained earnings, for appropriation purposes. As general reserve is created by transfer from one component of equity to another and it is not an item of other comprehensive income.

Other reserves – FVOCI – Equity Investments

The Group has elected to recognise changes in the fair value of certain investments in equity securities in Other Comprehensive Income. These changes are accumulated within FVOCI equity investments reserve within equity. The Group transfer amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Statutory Reserve

The statutory reserve represents fund created out of Profit of the year in accordance with requirement of Section 45 IC(1) of Reserve Bank of India Act, 1934

21. NON-CURRENT BORROWINGS

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Term Loans (Secured)			
From banks			
Indian rupee loan	—	242.11	664.34
From others			
Vehicle loan from a financial institution	22.52	28.84	34.00
Finance lease oligation	66.99	299.04	312.06
Others	—	344.81	—
Total	**89.51**	**914.80**	**1,010.40**

Notes

(a) Indian rupee loan from Bank of India amounting to INR Nil (March 31, 2017: INR 331.00 lakhs, April 1, 2016: INR 531.00 lakhs) is for a period of five years repayable in quarterly instalments of INR 50 lakhs and carrying interest rate of 12.25% to 12.90% per annum and is secured by first exclusive charge by way of hypothecation of plant and machinery and further to be secured by registered mortgage of land and buildings of the factory located at Roha. During the year, the Company has made full prepayment of this rupee loan and is in process of satisfaction of charge created.

(b) Indian rupee loan from HDFC Bank Limited amounting to INR Nil (March 31, 2017: INR 333.33 lakhs, April 1, 2016: INR 555.56 lakhs) is for a period of five years repayable in quarterly instalments of INR 55.56 lakhs and carrying rate of interest @11.60% to 11.90% per annum and is secured by exclusive charge by way of hypothecation of entire movable assets at Lote Parashuram and further to be secured by registered mortgage of immovable assets at Lote Parashuram. During the year, the Company has made full prepayment of this rupee loan and is in the process of satisfaction of charge created.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

21. NON-CURRENT BORROWINGS (Contd.)

(c) Term loans under vehicle finance from a financial institution amounting to INR 41.66 lakhs (March 31, 2017: INR 49.11 lakhs, April 1, 2016: INR 49.99 lakhs) carrying interest rate ranging from 12% to 14% per annum repayable in equated monthly instalments and secured by hypothecation of the vehicles acquired by utilising the said loans.

(d) Finance lease obligation amounting to INR 299.04 lakhs (March 31, 2017: INR 634.56 lakhs, April 1, 2016: INR 780.68 lakhs) from Siemens Financial Services Private Limited for a period of three years and is secured by hypothecation of equipment's taken on lease. It will be discharged by monthly lease rental payments on various dates and carry the interest @ 11.50% to 12.50% per annum.

(e) Loan from Housing Development Finance Corporation Limited amounting to INR Nil (March 31, 2017: INR 409.60 lakhs, April 1, 2016: INR Nil) carrying interest rate @ 11.50% per annum repayable in sixty equated monthly instalments and secured by first equitable mortgage on property along with stilt area and undivided portion of freehold land at New Delhi both present and future and by way of first charge on all the receivables including lease rent and sale proceeds of the herein mentioned property. During the year, the Company has made full prepayment of this loan and has satisfied charges subsequent to the year end.

(f) Unsecured deposit from shareholder/public amounting to INR Nil (March 31, 2017: Nil, April 1, 2016: INR 239.16 lakhs) carrying interest rate @ 10% per annum repayable after 2 years.

(g) Installments falling due within a year in respect of all the above Loans aggregating INR 251.07 lakhs (March 31, 2017: INR 842.80 lakhs, April 1, 2016: INR 1,145.99 lakhs) have been grouped under "Current maturities of long-term debt" (Refer Note 26).

(h) Refer Note 41(B) for liquidity risk.

(i) The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 24.

(j) Refer Note 25 (f) net debt reconciliation.

22. EMPLOYEE BENEFIT OBLIGATIONS NON-CURRENT

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Provision for Employee benefit obligation (Refer Note 39):			
Leave obligation	1,049.33	1,032.86	973.29
Gratuity	—	—	49.26
Medical Voluntary retirement scheme	121.04	94.71	—
Long service award	77.07	—	—
Total	**1,247.44**	**1,127.57**	**1,022.55**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

23. TAXATION

(a) Income tax expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Tax expenses on Profit for the year		
— Current tax	2,640.35	1,004.47
— Tax in respect of earlier years	1.53	(102.92)
— Deferred tax	661.37	(211.30)
Total (A)	**3,303.25**	**690.25**
Tax expenses on Other comprehensive income for the year		
— Current tax	—	460.61
— Deferred tax	1,387.90	624.00
Total	**1,387.90**	**1,084.61**
Total Income tax expense	**4,691.15**	**1,774.86**

(b) Reconciliation of tax expense and accounting profit multiplied by statutory tax rates

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit before income tax expenses	10,692.60	2,693.37
Tax at the Indian tax rate of 34.608% (2016-17 - 34.608%)	**3,700.49**	932.12
Add/less effect of:		
Exempt Income	(136.19)	(172.54)
Revenue expenditure on scientific research u/s 35 (2)AB	(217.55)	(231.91)
Difference in tax rate	(20.30)	—
Adjustment to current tax of prior periods	(1.53)	102.92
Others	(21.67)	59.66
Income tax expense	**3,303.25**	**690.25**

(c) Deferred tax

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax assets			
Liabilities / provisions that are deducted for tax purposes when paid	556.46	464.91	424.63
Provision for doubtful receivables and advances	108.79	73.63	30.71
Mat Credit Entitlement@	—	499.38	5.51
Other timing differences	58.51	266.51	11.29
Total deferred tax assets	**723.76**	**1,304.11**	**472.14**
Deferred tax liabilities			
Additional depreciation/amortisation on property, plant and equipment, and intangible assets for tax purposes due to higher tax depreciation rates.	2,654.51	2,304.71	2,081.13
Financial assets at fair value through Other Comprehensive Income	4,746.20	3,421.35	2,736.68
Other timing differences	390.83	591.72	254.99
Total deferred tax liabilities	**7,791.54**	**6,317.46**	**5,072.79**
Net deferred tax liabilities	**7,067.78**	**5,013.35**	**4,600.65**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

23. TAXATION (Contd.)

Movement in deferred tax assets/(liabilities)

Particulars	As at March 31, 2017	Charged/(credited) to profit and loss	Charged/(credited) to OCI	As at March 31, 2018
For the year ended March 31, 2018				
Liabilities / provisions that are deducted for tax purposes when paid	464.91	(154.60)	63.05	556.46
Provision for doubtful receivables and advances	73.63	(35.16)	—	108.79
Mat Credit Entitlement[@]	499.38	499.38	—	—
Additional depreciation/amortisation on property, plant and equipment, and intangible assets for tax purposes due to higher tax depreciation rates.	(2,304.71)	349.80	—	(2,654.51)
Financial assets at fair value through Other Comprehensive Income	(3,421.35)	—	1,324.85	(4,746.20)
Other timing differences	(325.21)	7.11	—	(332.32)
Total deferred tax assets/(liabilities)	**(5,013.35)**	**666.53**	**1,387.90**	**(7,067.78)**

[@] Charge to profit and loss account for the year includes INR 5.16 lakhs in respect of earlier years

Particulars	As at April 1, 2016	Charged/(credited) to profit and loss	Charged/(credited) to OCI	As at March 31, 2017
For the year ended March 31, 2017				
Liabilities / provisions that are deducted for tax purposes when paid	424.63	20.39	(60.67)	464.91
Provision for doubtful receivables and advances	30.71	(42.92)	—	73.63
Mat Credit Entitlement	5.51	(493.87)	—	499.38
Additional depreciation/amortisation on property, plant and equipment, and intangible assets for tax purposes due to higher tax depreciation rates.	(2,081.12)	223.59	—	(2,304.71)
Financial assets at fair value through Other Comprehensive Income	(2,736.68)	—	684.67	(3,421.35)
Other timing differences	(243.70)	81.51	—	(325.21)
Total deferred tax assets/(liabilities)	**(4,600.65)**	**(211.30)**	**624.00**	**(5,013.35)**

24. SHORT TERM BORROWINGS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured			
Cash credits	660.74	3,777.09	3,308.32
Unsecured			
Foreign currency buyers credit	—	517.43	372.07
Bank loans	—	748.80	2,090.47
Foreign currency loan	—	—	991.36
Total	**660.74**	**5,043.32**	**6,762.22**

(a) Cash credit loan from banks are secured by hypothecation of all tangible movable assets both present and future including stock of raw materials, finished goods, goods in process, stores and trade receivables etc. and is further secured by a second charge on the Property, Plant and Equipment at Roha and Lote Parashuram. The cash credit loan is repayable on demand and carries interest rates at 9.45% to 11.20% (March 31, 2017 - 11.70% to 13.20% and April 1, 2016 - 11.70% to 13.20%).

(b) Outstanding foreign currency buyer's credit are unsecured and carry an interest rate of 2.70% (March 31,2017- libor plus 0.23% to 0.80% and April 1, 2016 -libor plus 90 bps) repayable on demand.

(c) Short term unsecured loans from Banks are payable within period of 3 to 6 months and carries interest rate of 8.25% to 8.90% (March 31, 2017 8.90% to 9.50% and April 1, 2016 - 9.50% to 12.50%) per annum.

(d) Outstanding foreign currency loan is unsecured carrying interest rate of Nil (March 31, 2017 - Nil and April 1, 2016 - libor plus 90 bps).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

24. SHORT TERM BORROWINGS (Contd)

e) The carrying amounts of financial and non financial assets hypothecated / mortgaged as security for current and non-current borrowings are as under:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current Assets			
Financial Assets			
Trade Receivables	12,462.97	12,033.90	12,689.27
Non Financial Assets			
Inventories	5,584.43	5,511.10	6,289.40
Total Current Assets Pledged as Security	**18,047.40**	**17,545.00**	**18,978.67**
Non Current Assets			
Property Plant & Equipment			
Land (Freehold and Lease hold)	724.38	703.57	357.26
Buildings	3,059.88	2,579.72	2,020.59
Plant and machinery	13,945.69	12,721.08	11,869.42
Other Property, Plant and Equipment	1,471.44	1,200.98	918.03
Total Non-current assets pledged as security	**19,201.39**	**17,205.35**	**15,165.30**
Total Assets pledged as security	**37,248.79**	**34,750.35**	**34,143.97**

(f) Net debt reconciliation

Particulars	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents	(403.49)	(324.18)
Current investments in mutual funds	(1,032.64)	(1,153.49)
Non Current Borrowings (Including current maturities)	340.58	1,757.60
Current Borrowings	660.74	5,043.32
Interest payable on above borrowings	0.01	10.73
Net Debt	**(434.80)**	**5,333.98**

Particulars	Other assets		Liabilities from financing activities		
	Cash and bank overdraft	Current Investment	Non Current Borrowings	Current Borrowings	Interest payable on borrowings
Net Debt as at March 31, 2017	**(324.18)**	**(1,153.49)**	**1,757.60**	**5,043.32**	**10.73**
Cash flows	(79.31)	—	—	—	—
Purchase/Sales of investments (net)	—	120.84	—	—	—
Acquisition of loan	—	—	22.67	5,968.75	—
Repayment of loan	—	—	(1,439.69)	(10,351.33)	—
Interest expenses	—	—	—	—	581.68
Interest paid	—	—	—	—	(592.40)
Net Debt as at March 31, 2018	**(403.49)**	**(1,032.65)**	**340.58**	**660.74**	**0.01**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

25. TRADE PAYABLES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Trade payables (Refer Note a) below	8,734.78	6,257.16	7,072.12
Total	**8,734.78**	**6,257.16**	**7,072.12**

Notes

(a) The Group has certain payables to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
— Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4.34	53.56	
— Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.15	0.45	
— Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	240.62	1,328.79	
— Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—	
— Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—	
— Interest due and payable towards suppliers registered under MSMED Act, for payments already made	2.12	14.92	
— Further interest remaining due and payable for earlier years	63.20	47.83	

(b) Refer Note 41 for information about liquidity risk and market risk of trade payables.

26. OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current maturities of long term debt (Refer below Note (b))	251.07	842.80	1,145.99
Interest accrued but not due	—	6.72	37.28
Interest accrued and due	0.01	4.01	2.89
Mark to Market Loss on forward contracts	—	14.83	29.15
Unclaimed Dividend	51.15	44.68	37.28
Unclaimed matured fixed deposits	9.96	15.19	22.21
Unclaimed interest on matured fixed deposits	3.55	4.64	5.17
Creditors for Capital Goods	505.37	369.62	198.69
Sundry Deposits	14.35	14.35	14.72
Others	81.38	85.91	63.77
Total	**916.84**	**1,402.75**	**1,557.15**

Notes:

(a) There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

26. OTHER CURRENT FINANCIAL LIABILITIES (Contd.)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(b) Current maturities of long term debt includes amount due in next 12 months from various term loans and deposits as under (refer note 21):			
Term Loans (Secured)			
From banks			
Indian rupee loan	—	422.22	422.22
From others			
Vehicle loan from a financial institution	19.02	20.27	15.99
Finance lease oligation	232.05	335.52	468.62
Others	—	64.79	—
Deposits (Unsecured)			
From shareholders	—	—	22.98
From Public	—	—	216.18
Total	**251.07**	**842.80**	**1,145.99**

27. EMPLOYEE BENEFIT OBLIGATIONS — CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for Employee benefits obligation (Refer Note 39)			
Leave obligation	185.84	270.25	189.58
Gratuity	206.33	431.11	500.00
Medical voluntary retirement scheme	46.41	34.36	—
Long service award	12.86	—	—
Total	**451.44**	**735.72**	**689.58**

28. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Statutory dues including provident fund and tax deducted at sources	196.87	227.52	286.05
Advances from customers	61.42	58.05	31.32
Other payables	91.11	70.07	60.82
Total	**349.40**	**355.64**	**378.19**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

29. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Sale of products		
Finished Goods (Refer Note below)	58,503.46	48,595.96
Traded Goods	1,698.27	1,019.19
Sale of services		
Processing charges	346.88	262.33
Other operating revenue		
Export incentives	378.72	370.25
Scrap sales	185.44	146.92
Total	**61,112.77**	**50,394.65**

Note:

Goods and Services Tax (GST) has been effective from July 1, 2017. Consequently, excise duty, value added tax (VAT), Service tax etc. have been replaced with GST. Until June 30, 2017, 'Sale of products' included the amount of excise duty recovered on sales. With effect from July 1, 2017, 'Sales of products' excludes the amount of GST recovered. Accordingly, revenue from 'Sale of Products' and 'Revenue from operations' for the year ended March 31, 2018 are not comparable with those of the previous year. Had the previously reported revenue was shown net of excise duty, comparative revenue of the Company (Continuing Operations) would have been as follows :

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Sale of products	59,826.31	52,848.79
Less: Excise Duty (Refer Note 34)	1,322.85	4,252.83
Net Sale of Products	**58,503.46**	**48,595.96**

30. OTHER INCOME

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest income on		
Bank deposits	29.29	39.30
Income tax refund	0.02	39.18
Inter corporate Deposit	15.84	19.01
Unsecured loan	7.52	23.35
Others	2.01	23.55
	54.68	**144.39**
Dividend income		
From long term investments (Refer Note below)	394.98	760.62
	394.98	**760.62**
Others		
Rent (Refer Note 4)	22.87	24.31
Gain on fair valuation/sale of current investments	30.01	3.07
Others	27.52	46.52
	80.40	**73.90**
Total	**530.06**	**978.91**

Note:

All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting period. There was no dividend income relating to investments derecognized during the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

31. COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
a. Raw materials		
Inventory at the beginning of the year	1,718.91	1,585.78
Add: Purchases	25,676.25	21,659.79
	27,395.16	**23,245.57**
Less: Inventory at the end of the year	1,599.06	1,718.91
Total cost of Raw materials consumed	**25,796.10**	**21,526.66**
b. Packing materials		
Inventory at the beginning of the year	121.22	107.76
Add: Purchases	1,207.75	1,095.30
	1,328.97	**1,203.06**
Less: Inventory at the end of the year	116.28	121.22
Total cost of packing materials consumed	**1,212.69**	**1,081.84**
Total	**27,008.79**	**22,608.50**

32. PURCHASE OF STOCK IN TRADE

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Chemicals and others	669.36	893.62
Total	**669.36**	**893.62**

33. (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Inventories at the end of the year		
Finished goods	1,562.32	1,061.71
Work-in-progress	1,397.33	1,312.43
Stock in trade	194.83	243.65
	3,154.48	**2,617.79**
Inventories at the beginning of the year		
Finished goods	1,061.71	1,906.38
Work-in-progress	1,312.43	1,478.72
Stock in trade	243.65	191.12
Total	**2,617.79**	**3,576.22**
	(536.69)	**958.43**

34. EXCISE DUTY

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Excise Duty	1,235.87	4,158.09
Total	**1,235.87**	**4,158.09**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

35. EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, wages and bonus	6,150.73	5,120.49
Contribution to provident and other funds	483.27	461.60
Provision/payment of gratuity (Refer Note 39)	235.10	114.07
Provision for other retirement benefits	125.21	381.69
Workman and staff welfare expenses	443.63	426.04
Total	**7,437.94**	**6,503.89**

36. DEPRECIATION AND AMORTISATION EXPENSES

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on Property Plant & Equipment (Refer Note 3)	1,487.42	1,361.14
Depreciation on Investment Property (Refer Note 4)	2.31	2.31
Amortisation of Intangible Assets (Refer Note 5)	33.46	67.57
Total	**1,523.19**	**1,431.02**

37. OTHER EXPENSES

Particulars		Year ended March 31, 2018	Year ended March 31, 2017
Consumption of stores and spares		48.16	45.76
Processing charges		90.82	80.51
Power and fuel		3,831.96	3,003.85
Effluent expenses		719.89	583.22
Rent (Refer Note 49)		222.40	146.11
Rates and taxes		54.04	105.31
Bank Charges		114.01	128.49
Contractor's Labour Charges		104.81	74.12
Water Charges		186.76	172.73
Sales commission		132.77	153.67
Insurance		110.17	92.73
Repairs and maintenance on :			
– Plant and machinery		2,115.11	1,803.16
– Buildings		188.27	148.83
– Others		150.03	198.86
CSR Expenditure (Refer Note 48)		85.10	75.84
Travelling and conveyance		298.02	231.62
Legal and professional fees		775.08	542.03
Directors sitting fees (Refer Note 45)		16.50	17.60
Non Executive Directors Commission (Refer Note 45)		65.00	25.00
Bad debts/sundry debit balances written off (net):			
Bad Debts written off during the year	141.09		
Less: Utilisation from Provision for doubtful debts	(141.09)	—	—
Expected credit Loss Provision for doubtful receivables/advances (net)		234.73	124.00
Freight outward and forwarding expenses		1,867.52	1,461.62
Charity and donations		106.07	67.63
Net foreign exchange loss		76.97	198.16
Net loss on disposal of property, plant and equipment		110.46	88.99
Miscellaneous expenses		1,325.33	1,540.21
Total		**13,029.98**	**11,110.05**

38. FINANCE COSTS

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest	514.36	881.26
Other borrowing costs	48.77	52.23
Exchange differences regarded as an adjustment to borrowing costs	18.66	83.10
Total	**581.79**	**1,016.59**

39. EMPLOYEE BENEFIT OBLIGATIONS

(i) Leave Obligation

The Leave Obligation cover Group's liability for Sick and earned leave. Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Leave obligation not expected to be settled within next 12 months (non - current)	1,049.33	1,032.86	973.29
Leave obligation expected to be settled within next 12 months (current)	185.84	270.25	189.58
Total	**1,235.17**	**1,303.11**	**1,162.87**

(ii) Long Service Award

The Group provides for long service award for eligible employees upon achievement of certain years of service. Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Obligation not expected to be settled within next 12 months (non-current)	77.07	—	—
Obligation expected to be settled within next 12 months (current)	12.86	—	—
Total	**89.93**	**—**	**—**

(iii) Gratuity

(a) The Group provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. If an employee completes more than 25 years of service as of March 31, 2017 except staff and workers, then instead of 15 days, he / she will get gratuity on retirement / termination at 22 days last drawn salary. The gratuity plan is a funded plan and the Group makes contributions to recognised funds in India.

(b) The amounts recognised in balance sheet and the gratuity over the years are as follows:

Particulars	Fair Value of Plan Assets	Present Value of Obligations	Net amount
Balance as at April 1, 2016	3,425.51	3,974.77	549.26
Current Service Cost	—	213.32	213.32
Interest Expense or Cost	—	308.04	308.04
Investment Income	265.48	—	(265.48)
Curtailment cost / (credit)	—	(141.81)	(141.81)
Total amount recognised in Statement of Profit and Loss	**265.48**	**379.55**	**114.07**
Re-measurement (or Actuarial) (gain) / loss arising from:			
– change in financial assumptions	—	111.81	111.81
– experience variance	—	70.87	70.87
– return on plan assets, excluding amount recognised in NET interest expense	13.17	—	(13.17)
Total amount recognised in Other Comprehensive Income	**13.17**	**182.68**	**169.51**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

39. EMPLOYEE BENEFIT OBLIGATIONS *(Contd.)*

Particulars	Fair Value of Plan Assets	Present Value of Obligations	Net amount
Benefits Paid	—	(217.53)	(217.53)
Employers Contribution	401.73	—	(401.73)
Benefits Paid	(217.53)	—	217.53
Balance as at March 31, 2017	**3,888.36**	**4,319.47**	**431.11**
Current Service Cost	—	203.20	203.20
Interest Expense or Cost	—	319.64	319.64
Investment Income	287.74	—	(287.74)
Total amount recognised in Statement of Profit and Loss	**287.74**	**522.84**	**235.10**
Re-measurement (or Actuarial) (gain) / loss arising from:			
– change in financial assumptions	—	(96.59)	(96.59)
– experience variance	—	(96.89)	(96.89)
– Return on plan assets, excluding amount recognised in net interest expense	(11.31)	—	11.31
Total amount recognised in Other Comprehensive Income	**(11.31)**	**(193.48)**	**(182.17)**
Benefits Paid	—	(360.29)	(360.29)
Employers Contribution	268.50	—	(268.50)
Benefits Paid	(351.08)	—	351.08
Balance as at March 31, 2018	**4,082.21**	**4,288.54**	**206.33**

(c) The net liability disclosed above related to funded and unfunded plans are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Present value of funded obligation	4,288.54	4,319.47	3,974.77
Fair value of plan assets	4,082.21	3,888.36	3,425.51
Deficit of funded plan	**206.33**	**431.11**	**549.26**
Unfunded plans	—	—	—
Deficit of Gratuity plan	**206.33**	**431.11**	**549.26**

(d) Assumptions:

The principal financial assumptions used in valuation of Employee benefit obligation are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Discount rate (per annum)	7.70%	7.40%	7.75%
Salary growth rate (per annum) *	8.50%	8.50%	8.50%
Attrition rate (derived based on age)	1.00% to 5.00%	1.00% to 5.00%	1.00% to 5.00%
Mortality rate	% of Indian Assured Lives Mortality (2006-08)		

* The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market. (The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario.)

39. EMPLOYEE BENEFIT OBLIGATIONS *(Contd.)*

(e) The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

Gratuity	As at March 31, 2018			As at March 31, 2017		
	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO
Discount rate	1.00%	-7.00%	7.90%	1.00%	-7.10%	8.10%
Salary growth rate	1.00%	7.40%	-6.60%	1.00%	7.60%	-6.80%
Attrition rate	50.00%	-0.50%	0.60%	50.00%	-0.60%	0.70%

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(f) The major categories of plan assets are as follows:

Gratuity	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Amount	%	Amount	%	Amount	%
Insurer Managed funds	4,082.21	100%	3,888.36	100%	3,425.51	100%

(g) Defined benefit liability and employer contributions:

The weighted average duration of the defined benefit obligation is 8 years (March 31, 2017 - 8 years, April 1, 2016 - 8 years). The expected maturity analysis of undiscounted gratuity is as follows:

Gratuity	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1 year	634.86	674.60	586.70
2-5 years	1,113.50	1,019.66	977.60
6-10 years	2,291.71	2,071.04	1,651.10
More than 10 years	4,684.04	4,914.98	5,385.40

(iv) Medical Voluntary retirement scheme (MVRS)

(a) The Group also have a defined benefit plan for its employees, viz., voluntary early separation scheme on account of continued ill-health not amounting to occupational disease and thereby unable to perform normal duties of their post. Under the Scheme, the benefits will be given for a retired employee for a maximum period upto 10 years or age of retirement, whichever is earlier. In case of early death of the employee, the legal heir of the employee shall get 50% of separation benefit for the rest of the benefit period. The costs of providing benefits under the said plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for the defined benefit plan is recognised in full in the period in which they occur in the statement of profit and loss. This Scheme is not funded.

(b) The amounts recognised in balance sheet and the movement in the obligation over the year are as follows:

Particulars	Amount
Balance as at April 1, 2016	—
Current Service Cost	—
Past Service Cost	147.76
Interest Expense or Cost	11.66
Re-measurement (or Actuarial) (gain) / loss arising from:	
– change in financial assumptions	2.90
– experience variance	2.90
Total amount recognised in Statement of Profit and Loss	**165.22**

39. EMPLOYEE BENEFIT OBLIGATIONS *(Contd.)*

Particulars	**Amount**
Re-measurement (or Actuarial) (gain) / loss arising from:	
– change in financial assumptions	—
– experience variance	—
Total amount recognised in Other Comprehensive Income	**5.80**
Benefits Paid	(36.15)
Balance as at March 31, 2017	**129.07**
Current Service Cost	—
Interest Expense or Cost	9.03
Re-measurement (or Actuarial) (gain) / loss arising from:	
– change in financial assumptions	—
– experience variance	—
Total amount recognised in Statement of Profit and Loss	**9.03**
Re-measurement (or Actuarial) (gain) / loss arising from:	
– change in financial assumptions	(2.88)
– experience variance	73.98
Total amount recognised in Other Comprehensive Income	**71.10**
Benefits Paid	(41.75)
Balance as at March 31, 2018	**167.45**

(c) Assumptions:

The principal financial assumptions used in valuation of Employee benefit obligation are as follows:

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Discount rate (per annum)	7.70%	7.00%	—
Mortality rate	100% (of LIC 96-98 mod ultimate)		

(d) The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

Gratuity	**As at March 31, 2018**			**As at March 31, 2017**		
	Change in Assumption	**Increase in Rate / Increase (Decrease) in DBO**	**Decrease in Rate / Decrease (Increase) in DBO**	**Change in Assumption**	**Increase in Rate / Increase (Decrease) in DBO**	**Decrease in Rate / Decrease (Increase) in DBO**
Discount Rate	1.00%	-2.60%	2.50%	1.00%	-2.50%	-2.40%

(v) Defined Contribution Plan

The Group has certain defined contribution plans such as provident fund, super annuation fund and family pension fund for the benefit of the employees. Contributions are made to provident fund in India for employee 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 Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The Expenses recognised during the period towards defined contribution plan is INR 483.27 lacs (March 31, 2017 - INR 461.60 lacs).

(vi) Risk Exposure for Gratuity (funded plan)

Through its defined benefit plans, the Group is exposed to number of risks, the most significant of which are detailed below:

Assets 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 assets has investments in insurance/equity managed fund, fixed income securities with high grades, public/private sector units and government securities. Hence assets are considered to be secured.

Change in bond yields: A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in value of plans bond holdings.

40. FAIR VALUE MEASUREMENTS

(i) Financial instruments by category

Particulars	Note	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
		FVOCI	FVPL	Amortised cost	FVOCI	FVPL	Amortised cost	FVOCI	FVPL	Amortised cost
Financial assets										
Equity Investments	7	27,125.06	—	—	19,988.98	—	—	19,105.88	—	—
Investments in Mutual Funds	12	—	1,032.65	—	—	1,153.48	—	—	6.56	—
Trade receivables	13	—	—	12,464.25	—	—	12,033.90	—	—	12,693.77
Cash and cash equivalents	14	—	—	403.49	—	—	324.18	—	—	414.07
Bank balances other than cash and cash equivalents	15	—	—	116.51	—	—	109.08	—	—	55.25
Loans	8 and 16	—	—	653.87	—	—	512.93	—	—	543.54
Other financial assets	9 and 17	—	—	195.45	—	—	223.35	—	—	196.64
Total financial assets		**27,125.06**	**1,032.65**	**13,833.57**	**19,988.98**	**1,153.48**	**13,203.44**	**19,105.88**	**6.56**	**13,903.27**
Financial liabilities										
Borrowings	21 and 24	—	—	750.25	—		5,958.12	—		7,772.62
Trade payables	25	—	—	8,734.78	—		6,257.16	—		7,072.12
Other Financial Liabilities	26	—	—	916.84	—		1,402.75	—		1,557.15
Total financial liabilities		**—**	**—**	**10,401.87**	**—**		**13,618.03**	**—**		**16,401.89**

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2018					
Financial Asset					
Financial Investment at FVOCI					
Equity Investments	7	12,465.00	14,660.06	—	27,125.06
Financial Investment at FVPL					
Investments in Mutual Funds	12	21.49	1011.15	—	1,032.64
Total Financial Assets		**12,486.49**	**15,671.21**	**—**	**28,157.70**

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2017					
Financial Asset					
Financial Investment at FVOCI					
Equity Investments	7	6,840.09	13,148.89	—	19,988.98
Financial Investment at FVPL					
Investments in Mutual Funds	12	1.62	1,151.86	—	1,153.48
Total Financial Assets		**6,841.71**	**14,300.75**	**—**	**21,142.46**

40. FAIR VALUE MEASUREMENTS *(Contd.)*

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
As at April 1, 2016					
Financial Asset					
Financial Instruments at FVOCI					
Equity Investments	7	9,570.36	9,835.52	—	19,105.88
Financial Instruments at FVPL					
Investments in Mutual Funds	12	1.56	5.00	—	6.56
Total Financial Assets		**9,571.92**	**9,540.52**	**—**	**19,112.44**

The fair value of financial instruments as referred to in note above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows:

Level 1: Financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, mutual funds, bonds and debentures, that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is considered here. For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate. The mutual funds are valued using the closing NAV published by mutual fund.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Group carries such instruments at cost less impairment, if applicable.

(iii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

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

(iv) Fair value of Financial assets and liabilities measured at amortised cost

Particulars	Notes	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets							
Trade receivables	13	12,464.25	12,464.25	12,033.90	12,033.90	12,693.77	12,693.77
Cash and cash equivalents	14	403.49	403.49	324.18	324.18	414.07	414.07
Bank balances other than cash and cash equivalents	15	116.51	116.51	109.08	109.08	55.25	55.25
Loans	8 and 16	653.87	653.87	512.93	512.93	543.54	543.54
Other financial assets	9 and 17	195.45	195.45	223.35	223.35	196.64	196.64
Total Financial Assets		**13,833.57**	**13,833.57**	**13,203.44**	**13,203.44**	**13,903.27**	**13,903.27**
Financial Liabilities							
Borrowings	21 and 24	750.25	750.25	5,958.12	5,958.12	7,772.62	7,772.62
Trade payables	25	8,734.78	8,734.78	6,257.16	6,257.16	7,072.12	7,072.12
Other Financial Liabilities	26	916.84	916.84	1,402.75	1,402.75	1,557.15	1,557.15
Total Financial Liabilities		**10,401.87**	**10,401.87**	**13,618.03**	**13,618.03**	**16,401.89**	**16,401.89**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other bank balances, loans and other financial assets and liabilities are considered to be the same as their fair values due to their short-term nature. The carrying amount of long-term Borrowing are considered to be same as their fair value as interest rate on these loans are floating interest rates.

41. FINANCIAL RISK MANAGEMENT

In the course of its business, the Group is exposed to a number of financial risks: credit risk, liquidity risk and market risk. This note presents the Group's objectives, policies and processes for managing its financial risk. The key risks and mitigating actions are also placed before the Board of Directors of the Group. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group manages the risk through the finance department that ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The activities are designed to:

- protect the Group's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Group's financial investments, while maximising returns.

The note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance.

(A) Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. Credit risks from balances with banks and financial institutions are managed in accordance with the Group policy. For derivative and financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by the credit rating agencies. The Group periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Group 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 throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

In respect of its investments the Group aims to minimize its financial credit risk through the application of risk management policies.

The gross carrying amount of trade receivables is INR 12,464.25 lacs (March 31, 2017: INR 12,033.90 lacs, April 1, 2016: INR 12,693.77 lacs)

Reconciliation of loss allowance provision - Trade receivables

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Loss allowance at the beginning of the year	141.09	58.71
Add: Additional Provision made	234.73	82.38
Less: Provision write off/ reversed	141.09	—
Loss allowance at the end of the year	**234.73**	**141.09**

The Group maintains exposure in cash and cash equivalents, term deposits with banks, Loans, Security deposits and other financial assets.

Security deposits are interest free deposits given by the Group for properties taken on lease. Provision is taken on a case to case basis depending on circumstances with respect to non recoverability of the amount. The gross carrying amount of Security deposit is INR 436.83 lacs (March 31, 2017: INR 327.66 lacs, April 1, 2016: INR 396.37 lacs)

Other advances are given for trade purpose which is in line with normal business activities of the Group. Provision is taken on a case to case basis depending on circumstances with respect to non recoverability of the amount. The gross carrying amount of capital advances is INR 329.71 lacs (March 31, 2017: INR 88.86 lacs, April 1, 2016: INR 229.03 lacs)

Reconciliation of loss allowance provision - Capital advances

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Loss allowance at the beginning of the year	76.62	—
Add: Additional Provision made	—	76.62
Loss allowance at the end of the year	**76.62**	**76.62**

41. FINANCIAL RISK MANAGEMENT *(Contd.)*

(B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking manage to Group's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of financial liabilities

Particular	Notes	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total
As at March 31, 2018						
Borrowings	21, 24	660.74	89.51	—	—	750.25
Trade Payables	25	8,734.78	—	—	—	8,734.78
Other Financial Liabilities	26	916.84	—	—	—	916.84
Total non-derivative liabilities		**10,312.36**	**89.51**	**—**	**—**	**10,401.87**
Derivatives (Net-settled)						
Forward contracts for hedge purpose	24	—	—	—	—	—
Total derivative liabilities		**—**	**—**	**—**	**—**	**—**

Particular	Notes	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total
As at March 31, 2017						
Borrowings	21, 24	4,525.89	825.29	89.51	—	5,440.69
Trade Payables	25	6,257.16	—	—	—	6,257.16
Other Financial Liabilities	26	1,402.75	—	—	—	1,402.75
Total		**12,185.80**	**825.29**	**89.51**	**—**	**13,100.60**
Derivatives (Net-settled)						
Forward contracts for hedge purpose	24	517.43	—	—	—	517.43
Total derivative liabilities		**517.43**	**—**	**—**	**—**	**517.43**

Particular	Notes	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total
As at April 1, 2016						
Borrowings	21, 24	5,398.79	95.60	825.29	89.51	6.409.19
Trade Payables	25	7,072.12	—	—	—	7,072.12
Other Financial Liabilities	26	1,557.15	—	—	—	1,557.15
Total		**14,028.06**	**95.60**	**825.29**	**89.51**	**15,038.46**
Derivatives (Net-settled)						
Forward contracts for hedge purpose	24	1,363.43	—	—	—	1,363.43
Total derivative liabilities		**1,363.43**	**—**	**—**	**—**	**1,363.43**

(C) Market risk

The Group is exposed to risk from movements in foreign currency exchange rates, interest rates and market prices that affect its assets, liabilities and future transactions.

(i) Foreign exchange risk

Foreign currency risk is that risk in which the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group operates internationally and a portion of its business is transacted in multiple currencies and therefore the Group is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Group takes decision to hedge by forming view after discussions with its adviser and as per policies set by Management.

The Group was also exposed to the foreign currency loans availed from banks to reduce the overall interest cost. The Group had fully hedged loan exposure in foreign currency to mitigate the foreign exchange risk on the same.

41. FINANCIAL RISK MANAGEMENT *(Contd.)*

Foreign exchange derivatives and exposures outstanding as at Balance Sheet date

The Group's exposure to foreign currency risk at the end of the reporting period as on March 31, 2018

Particular	Currency	In INR	In Foreign Currency
Financial assets			
Export Receivables	USD	1,500.79	23.03
	EURO	446.22	5.55
Bank Balances	USD	1.09	0.02
Derivative asset			
Foreign exchange forward contracts sell foreign currency	USD	—	—
Net Exposure to foreign currency risk (assets)		**1,948.10**	**28.60**
Financial liabilities			
Import Payables	USD	1,692.42	25.96
Derivative liabilities			
Forward contract - Buy for Hedging Purpose	USD	—	—
Net Exposure to foreign currency risk (liabilities)		**1,692.42**	**25.96**

The Group's exposure to foreign currency risk at the end of the reporting period as on March 31, 2017

Particular	Currency	In INR	In Foreign Currency
Financial assets			
Export Receivables	USD	3,215.58	49.58
	EURO	14.61	0.21
Bank Balances	USD	22.42	0.35
Derivative asset			
Foreign exchange forward contracts sell foreign currency	USD	—	—
Net Exposure to foreign currency risk (assets)		**3,252.61**	**50.14**
Financial liabilities			
Import Payables	USD	1,058.64	16.32
Derivative liabilities			
Forward contract - Buy for Hedging Purpose	USD	518.75	8.00
Net Exposure to foreign currency risk (liabilities)		**1,577.39**	**24.32**

The Group's exposure to foreign currency risk at the end of the reporting period as on April 1, 2016

Particular	Currency	In INR	In Foreign Currency
Financial assets			
Export Receivables	USD	2,520.14	37.95
	EURO	224.65	2.98
Bank Balances	USD	4.75	0.07
Derivative asset			
Foreign exchange forward contracts sell foreign currency	USD	826.06	12.00
Net Exposure to foreign currency risk (assets)		**3,575.60**	**53.00**
Financial liabilities			
Import Payables	USD	2,232.72	33.70
Derivative liabilities			
Forward contract - Buy for Hedging Purpose	USD	1,363.43	20.61
Net Exposure to foreign currency risk (liabilities)		**3,596.15**	**54.31**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

41. FINANCIAL RISK MANAGEMENT *(Contd.)*

Foreign Currency Risk Sensitivity

A change of 5% in Foreign Currency would have the following impact on profit before tax

Particular	Increase in FC conversion rate		Decrease in FC conversion rate	
	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
USD	(9.53)	83.03	9.53	(83.03)
EURO	22.31	0.73	(22.31)	(0.73)
Increase / (decrease) in profit or loss	**12.78**	**83.76**	**(12.78)**	**(83.76)**

(ii) 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.

The Group borrows at variable as well as fixed interest rates and the same is managed by the Group by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Group has borrowed in a mix of short term and long term loans.

Exposure to interest rate risk

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Variable rate borrowings	24	660.74	5,043.32	6,762.22
Fixed rate borrowings	21	340.58	1,757.60	2,156.39
Total Borrowings		**1,001.32**	**6,800.92**	**8,918.61**

Interest rate sensitivity

A change of 50bps in interest rates would have following impact on profit before tax

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Interest rates - increase by 50 basis point (50 bps)	(5.01)	(34.00)	(44.59)
Interest rates - decrease by 50 basis point (50 bps)	5.01	34.00	44.59

(D) Price Risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet as fair value through OCI.

To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

Particular	Impact on profit after tax	
	Year ended March 31, 2018	Year ended March 31, 2017
NSE/BSE increase in 1% of price/NAV		
Investments in Quoted equity shares	124.65	68.42
Investments in Mutual Fund	10.33	11.53
NSE/BSE decrease in 1% of price/NAV		
Investments in Quoted equity shares	(124.65)	(68.40)
Investments in Mutual Fund	(10.33)	(11.53)

42. CAPITAL MANAGEMENT

(a) Risk Management

The Group aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The Group's capital management is driven by Group's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the Group's capital. The Management monitors the capital structure and the net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short-term investments.

42. CAPITAL MANAGEMENT *(Contd.)*

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The debt equity ratio highlights the ability of a business to repay its debts. As at March 31, 2018, the ratio was 1.70%

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Net Debt	(434.80)	5,333.99	8,538.15
Total Equity	53,247.31	40,991.79	35,406.24
Net debt to Equity ratio	-0.82%	13.01%	24.11%

(b) Dividend

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Equity Shares		
Final Dividend for the year ended March 31, 2017 INR 6.00 (April 1, 2016 - INR 4.50) per fully paid share	754.24	565.68
Dividend distribution tax on above	153.54	115.16
(ii) Dividend not Recognised at the end of reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of INR 12.5 per fully paid equity share (March 31, 2017 - INR 6.00). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	1,571.34	754.24
DDT on Proposed dividend	322.99	153.54

43. SEGMENT INFORMATION

(a) Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chairman and Managing Director of the holding company. The Group operates in following business segment as per Indian Accounting Standard 108 "operating segments":

(a) **Chemicals -** Comprising of Industrial and Specialty Chemicals, Pesticides Intermediates, Polymer and Pharma Intermediates

(b) **Environment -** Comprising of Soil enricher, Bio - pesticides and other Bio products (E&BT)

Segment revenue includes sales, export incentives, processing charges and other income from operations

Segment Revenue in the geographical segments considered for disclosure are as follows :

(a) Revenue within India includes sales to customers located within India.

(b) Revenue outside India includes sales to customers located outside India.

Segment Revenue, Results, Assets and Liabilities includes the respective amounts identifiable to each of segments and amounts allocated on a reasonable basis.

(b) Segment Result:

Particulars	As at March 31, 2018	As at March 31, 2017
Segment Results (Profit before tax and interest)		
Chemicals	13,969.89	5,261.71
Environment & Biotech	(80.57)	(51.52)
Total Segment Result	**13,889.32**	**5,210.19**
Less: Finance Cost	581.79	1,016.59
Other un-allocable expenditure (net of unallocable income)	2,614.93	1,500.23
Profit before tax	**10,692.60**	**2,693.37**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

43. SEGMENT INFORMATION *(Contd.)*

(c) Segment Revenue:

The segment revenue is measured in the same way as in the Statement of Profit and Loss.

Particulars	As at March 31, 2018	As at March 31, 2017
Segment Revenue (Revenue from operations)		
Chemicals	59,418.71	48,750.08
Environment & Biotech	1,694.06	1,644.57
Total Segment Revenue	**61,112.77**	**50,394.65**
Less: Inter segment revenue	—	—
Total Segment Revenue	**61,112.77**	**50,394.65**
Revenue from external customers:		
India	51,846.59	40,778.40
Other countries	9,266.18	9,616.25
Total Segment Revenue	**61,112.77**	**50,394.65**

(d) Segment Assets:

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Segment Assets:			
Chemicals	38,498.76	35,097.11	34,940.59
Environment & Biotech	1,486.70	1,133.91	1,028.73
Unallocated	32,831.83	25,667.21	5,802.41
Total Assets as per balance sheet	**72,817.29**	**61,898.23**	**41,771.73**
Total assets of Group broken down by location of the assets, is shown below:			
India	70,869.19	58,645.62	39,022.19
Other countries	1,948.10	3,252.61	2,749.54
Total Assets	**72,817.29**	**61,898.23**	**41,771.73**

(e) Segment Liabilities:

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Segment Liabilities:			
Chemicals	8,285.71	6,411.87	6,979.64
Environment & Biotech (Refer Note f below)	312.03	216.86	209.04
Unallocated	10,972.24	14,277.71	15,904.18
Total liabilities as per balance sheet	**19,569.98**	**20,906.44**	**23,092.86**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

43. SEGMENT INFORMATION *(Contd.)*

(f) Environment and Bio-tech division (E&BT)

On March 29, 2017, the Board of Directors of the Company has approved divestment of Environment & Bio-tech (E&BT) division to Excel Bio Resources Limited (EBRL), a wholly owned subsidiary. Accordingly on March 31, 2017, the Company has signed a Business Transfer Agreement (BTA) to sell E&BT division to EBRL for consideration of INR 975 lacs which is subject to net working capital and other adjustment as on the date of completion.

The transaction is not completed pending fulfillment of certain conditions mentioned in BTA. The management of the Company continues to pursue for achievement of theses conditions.

Since the proposed transfer of (E&BT) division is to a wholly owned subsidiary company (Excel Bio Resources Limited) from the Group perspective, the same is considered as identifiable segment.

44. INTEREST IN OTHER ENTITIES

(a) Subsidiaries

The Group's subsidiaries are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Place of business / incorporation	Ownership interest held by the Company as at			Ownership interest held by non controlling interests as at		
		March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 1, 2016
Excel Bio Resources Limited	India	100%	100%	100%	0%	0%	0%
Kamaljyot Investments Limited	India	100%	100%	100%	0%	0%	0%

(b) Non-Controlling Interest (NCI)

No NCI as Group is holding 100% ownership in all subsidiaries.

(c) Interest in Associates & Joint Venture

Name of the entity	Place of business / incorporation	% of ownership interest	Relationship	Accounting method	Carrying Amount as at (In lacs)		
					March 31, 2018	March 31, 2017	April 1, 2016
MobiTrash Recycle Ventures Private Limited*	India	39.98%	Associate	Equity Method	—	—	—
Wexam Limited, Hongkong**	Hong Kong	33%	Joint Venture	Equity Method	—	—	—

* Gross Investment value is INR 0.40 lacs (March 31, 2017 INR 0.40 lacs and April 1, 2016 INR 0.40 lacs) and the same is fully adjusted from share of loss from associates. (Refer Note 6)

** Since there were no activities in the said jointly controlled entity for the past many years, the financials are not available. Accordingly, the proportionate interest of the Group in the said jointly controlled entity has not been considered in the Consolidated Financial Statements. Further, the Group does not have any liability or contingent liability, which needs to be accounted with respect to the said jointly controlled entity. (Refer Note 6)

45. RELATED PARTY DISCLOSURES AS PER IND AS 24

1. Name of related parties and nature of relationship:

(a) Parent entities

The Group is controlled by the following entity:

Name	Type	Place of incorporation	Ownership interest		
			March 31, 2018	March 31, 2017	April 1, 2016
Anshul Specialty Molecules Private Limited (w.e.f. August 23, 2017)	Immediate and Ultimate Parents	India	42.63%	—	—
Utkarsh Global Holdings Private Limited (upto August 22, 2017)			—	42.63%	41.31%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

45. RELATED PARTY DISCLOSURES AS PER IND AS 24 *(Contd.)*

(b) Key Management Personnel (KMP)

Mr. Ashwin C. Shroff (Chairman and Managing Director)
Mrs. Usha A. Shroff (Executive Vice Chairperson)
Mr. Ravi Ashwin Shroff (Executive Director)
Mr. R. N. Bhogale (Independent Director)
Mr. H. N. Motiwala (Independent Director)
Mr. P. S. Jhaveri (Independent Director)
Mr. M. B. Parekh (Independent Director)
Mr. S. S. Vaidya (Independent Director)
Mr. R. M. Pandia (Independent Director)
Mr. Dipesh K. Shroff (Non-executive Director)
Mr. Atul G. Shroff (Non-executive Director)
Mr. R. K. Sood (Nominee Director – LIC)

Relatives of KMPs with whom transactions have taken place:

Mr. Hrishit Ashwin Shroff (Son of Mr. Ashwin C Shroff and Mrs. Usha A Shroff)
Mrs. Anshul Amrish Bhatia (Daughter Mr. Ashwin C Shroff and Mrs. Usha A Shroff)
Mrs. Kanaklata A Saraiya (Sister of Mrs. Usha A. Shroff)
Mrs. Uma Shailesh Kapadia (Sister of Mrs. Usha A. Shroff)

(c) Enterprises over which KMP or their Relatives have significant influence and transactions have taken place:

Agrocel Industries Private Limited
Anshul Specialty Molecules Private Limited (upto August 22, 2017)
Divakar Techno Specialities & Chemicals Private Limited
Excel Crop Care Limited (up to October 7, 2016)
Mobitrash Recycle Ventures Private Limited
Shree Vivekanand Research and Training Institute
C C Shroff Research Institute
Transpek Industry (Europe) Limited
Transpek Industry Limited
TML Industries Limited
C C Shroff Self Help Centre

(2) Related Party Transaction

(a) Transactions carried out with related parties referred in 1 above, in ordinary course of business:

Particulars	Sale of goods	Sale of services	Purchase of fixed assets	Interest Received	Dividend Received	Purchase of traded goods	Purchase of Services	Dividend Paid	Sales commission	Reimbursement of Expenses to Party (Expenses)	Salary, Bonus, contribution to PF	Directors Sitting fees	CSR Expenditure
Parent entity													
Utkarsh Global Holdings Private Limited	—	—	—	—	—	—	—	**321.52**	—	—	—	—	—
	—	—	—	—	—	—	—	*239.90*	—	*59.97*	—	—	—
Enterprises owned or significantly influenced by key management personnel or their relatives													
Excel Crop Care Limited	—	—	—	—	—	—	—	—	—	—	—	—	—
	2,132.38	*8.42*	*74.01*	—	*58.98*	—	*17.55*	—	—	—	—	—	—
Agrocel Industries Private Limited	**0.07**	—	—	—	—	**1.32**	—	—	—	—	—	—	—
	—	—	—	—	—	*4.74*	—	—	—	—	—	—	—
Anshul Specialty Molecules Private Limited	—	—	—	—	—	—	—	—	—	—	—	—	—
	19.78	—	—	—	—	—	—	*1.24*	—	—	—	—	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

45. RELATED PARTY DISCLOSURES AS PER IND AS 24 *(Contd.)*

Particulars	Sale of goods	Sale of services	Purchase of fixed assets	Interest Received	Dividend Received	Purchase of traded goods	Purchase of Services	Dividend Paid	Sales commission	Reimbursement of Expenses to Party (Expenses)	Salary, Bonus, contribution to PF	Directors Sitting fees	CSR Expenditure
Transpek Industry Limited	—	—	—	—	—	—	—	**9.40**	—	—	—	—	—
	—	—	—	—	—	—	—	*7.05*	—	—	—	—	—
Divakar Techno Specialities & Chemicals Limited	—	—	—	—	—	—	—	—	**32.43**	—	—	—	—
	—	—	—	—	—	—	—	—	*29.75*	—	—	—	—
C C Shroff Research Institute	—	**0.88**	—	—	—	—	—	—	—	—	—	—	—
	—	*1.10*	—	—	—	—	—	—	—	—	—	—	—
C C Shroff Self Help Centre	—	—	—	—	—	**0.16**	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Transpek Industry (Europe) Limited	—	—	—	—	—	—	**27.89**	—	—	—	—	—	—
	—	—	—	—	—	—	*20.68*	—	—	—	—	—	—
Mobitrash Recycle Ventures Private Limited	**13.72**	**0.21**	—	—	—	**0.11**	—	—	—	—	—	—	—
	22.72	—	—	—	—	—	—	—	—	*0.14*	—	—	—
TML Industries Limited	**37.72**	—	—	**15.84**	—	—	—	—	—	—	—	—	—
	—	—	—	*12.30*	—	—	—	—	—	—	—	—	—
Shree Vivekanand Research and Training Institute	—	—	—	—	—	—	—	—	—	—	—	—	**69.78**
	—	—	—	—	—	—	—	—	—	—	—	—	*65.84*
Mrs. Usha A. Shroff	—	—	—	—	—	—	—	**0.39**	—	—	**158.17**	—	—
	—	—	—	—	—	—	—	*0.29*	—	—	*81.03*	—	—
Mr. R. A. Shroff	—	—	—	—	—	—	—	**2.86**	—	—	**136.46**	—	—
	—	—	—	—	—	—	—	*2.15*	—	—	*60.75*	—	—
Mr. A.C. Shroff	—	—	—	—	—	—	—	**4.98**	—	—	**202.18**	—	—
	—	—	—	—	—	—	—	*3.74*	—	—	*103.15*	—	—
Mr. H. A. Shroff	—	—	—	—	—	—	—	**2.86**	—	—	**56.96**	—	—
	—	—	—	—	—	—	—	*2.15*	—	—	*9.52*	—	—
Mr. R. N. Bhogale	—	—	—	—	—	—	—	—	—	—	**9.00**	**2.60**	—
	—	—	—	—	—	—	—	—	—	—	*3.75*	*3.80*	—
Mr. H. N. Motiwala	—	—	—	—	—	—	—	—	—	—	**9.00**	**4.00**	—
	—	—	—	—	—	—	—	—	—	—	*3.75*	*3.90*	—
Mr. P. S. Jhaveri	—	—	—	—	—	—	—	—	—	—	**9.00**	**2.40**	—
	—	—	—	—	—	—	—	—	—	—	*3.75*	*2.80*	—
Mr. M. B. Parekh	—	—	—	—	—	—	—	—	—	—	**5.00**	**0.80**	—
	—	—	—	—	—	—	—	—	—	—	*2.50*	*0.90*	—
Mr. S. S. Vaidya	—	—	—	—	—	—	—	—	—	—	**6.00**	**1.40**	—
	—	—	—	—	—	—	—	—	—	—	*2.50*	*1.20*	—
Mr. R. M. Pandia	—	—	—	—	—	—	—	—	—	—	**8.00**	**1.70**	—
	—	—	—	—	—	—	—	—	—	—	*3.50*	*2.10*	—
Mr. Dipesh K. Shroff	—	—	—	—	—	—	—	—	—	—	**7.00**	**1.80**	—
	—	—	—	—	—	—	—	—	—	—	*1.75*	*1.10*	—
Mr. Atul G. Shroff	—	—	—	—	—	—	—	—	—	—	**7.00**	**1.20**	—
	—	—	—	—	—	—	—	—	—	—	*1.75*	*1.20*	—
Mr. R. K. Sood	—	—	—	—	—	—	—	—	—	—	**5.00**	**0.60**	—
	—	—	—	—	—	—	—	—	—	—	*1.75*	*0.60*	—
Mrs. Anshul Amrish Bhatia	—	—	—	—	—	—	—	**1.30**	—	—	—	—	—
	—	—	—	—	—	—	—	*0.98*	—	—	—	—	—
Mrs. Kanaklata A Saraiya	—	—	—	—	—	—	—	**0.02**	—	—	—	—	—
	—	—	—	—	—	—	—	*0.01*	—	—	—	—	—
Mrs. Uma Shailesh Kapadia	—	—	—	—	—	—	—	**0.00**	—	—	—	—	—
	—	—	—	—	—	—	—	*0.00*	—	—	—	—	—

Amount in bold represent the amount of March 31, 2018 and the amount in italic represent the amount of March 31, 2017.

* The remuneration to key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are not determinable, further remuneration to the key managerial personnel includes INR 31.59 lacs (March 31, 2017: INR 25.28 lacs)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

45. RELATED PARTY DISCLOSURES AS PER IND AS 24 *(Contd.)*

(b) Loans and advances in the nature of loans to related parties:

Disclosure for loans and advances in terms of securities and exchange Board of India (Listing obligation and Discloser Requirements) Regulation 2015.

Particulars	Purpose of Loan	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Loans to - TML Industries Limited				
Balance as at year end	**Business Purpose**	100.00	100.00	100.00
Maximum amount outstanding at anytime during the year		100.00	100.00	100.00
Loans to - Transpek Industry Limited				
Balance as at year end	**Business Purpose**	—	—	—
Maximum amount outstanding at anytime during the year		—	—	50.00

3. Outstanding Balances

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
The following balances are outstanding at the end of the reporting period in relation to transactions with related parties			
Receivables:			
Excel Crop Care Limited	—	—	936.15
Anshul Specialty Molecules Private Limited	—	0.18	—
C C Shroff Research Institute	2.15	1.28	—
Transpek Industry (Europe) Limited	—	1.31	—
Transpek Industry Limited	—	—	1.28
Mobitrash Recycle Ventures Private Limited	27.54	48.54	24.54
Agrocel Industries Private Limited	10.00	10.00	10.00
TML Industries Limited	100.00	100.00	100.00
Payables:			
Excel Crop Care Limited	—	—	8.30
Agrocel Industries Private Limited	—	—	3.46
Anshul Specialty Molecules Private Limited	—	3.20	—
Divakar Techno Specialities & Chemicals Private Limited	17.21	19.88	30.83
Transpek Industry (Europe) Limited	—	—	14.16
Mrs. Usha A. Shroff	80.40	—	33.56
Mr. Ravi Ashwin Shroff	70.40	—	24.75
Mr. Ashwin C. Shroff	111.00	—	38.94
Mobitrash Recycle Ventures Private Limited	0.11	0.14	—
Mr. R. N. Bhogale	9.00	3.75	4.50
Mr. H. N. Motiwala	9.00	3.75	4.50
Mr. P. S. Jhaveri	9.00	3.75	3.50
Mr. M. B. Parekh	5.00	2.50	4.00
Mr. S. S. Vaidya	6.00	2.50	3.00
Mr. R. M. Pandia	8.00	3.50	4.50
Mr. Dipesh K. Shroff	7.00	1.75	2.00
Mr. Atul G. Shroff	7.00	1.75	2.00
Mr. R. K. Sood	5.00	1.75	2.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

46. CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS

(a) Contingent Liabilities:

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Income-tax	274.26	755.50	720.61
Excise duty	109.99	418.18	384.64
Sales tax	17.89	17.89	17.89
Custom duty	144.88	144.88	144.88
Service tax	—	—	2.26
Claims against the Group or holding Company not acknowledged as debts	30.28	28.89	28.89
Liability in respect of claims made by workers and contract labourers	Amount not ascertainable	Amount not ascertainable	Amount not ascertainable

It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings.

(b) Contingent Assets:

The Group did not have any Contingent assets as at the end of the year.

(c) Commitments:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i) Capital Commitments			
Capital expenditure contracted at the end of reporting period but not recognised as liabilities is as follows:			
Gross Capital Commitment	1,713.21	930.70	315.47
Less: Capital Advance (Refer Note 10)	288.09	12.24	229.03
Net Capital Commitments	**1,425.12**	**918.46**	**86.44**

(ii) Other commitments

i) For other commitments relating to lease arrangements (Refer Note 49)

ii) In terms of the Share Purchase Agreement (SPA) dated June 5, 2016 relating to the sale of shares in Excel Crop Care Limited, the Company, along with other selling shareholders, has agreed to certain indemnities, with overall restrictions on tenure, value etc., as more specifically agreed in the SPA. The Company has not received any such claims in terms of the SPA till date.

47. EARNINGS PER SHARE

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Earnings per equity share for profit attributable to owners (in INR)		
(a) Basic earnings per share	58.78	15.88
(b) Diluted earnings per share	58.78	15.88

Earnings used in calculating earnings per share

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profits attributable to the equity holders of the Group used in calculating basic earnings per share:		
Basic earnings per share	7,389.35	2,003.12
Diluted earnings per share	7,389.35	2,003.12

Weighted average number of shares used as the denominator

Particulars	Year ended March 31, 2018 Number of shares	Year ended March 31, 2017 Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earning per share	12,570,692	12,616,832
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	12,570,692	12,616,832

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

48. DETAILS OF CORPORATE SOCIAL RESPONSIBILITY (CSR)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Amount required to be spent as per Section 135 of the Act	71.85	71.41
Amount spent during the year on:		
(i) Construction/Acquision of assets	—	—
(ii) On purpose other than (i) above	85.10	75.84
Total	**85.10**	**75.84**

49. LEASE

(a) Finance Lease : Company as lessee

In respect of finance lease obligations, future Minimum Lease Payments and their Present Value are as follows:

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Minimum Payments	Present Value of MLP	Minimum Payments	Present Value of MLP	Minimum Payments	Present Value of MLP
(a) Not later than one year	253.13	232.05	389.98	335.52	534.43	468.62
(b) Later than one year but not later than five years	69.28	66.99	322.41	299.04	329.16	312.06
(c) Later than five years	—	—	—	—	—	—
Total minimum lease payments	**322.41**	**299.04**	**712.39**	**634.56**	**863.59**	**780.68**
Less: Amounts representing Finance charges	(23.37)	—	(77.83)	—	(82.91)	—
Present value of Minimum Lease Payments	**299.04**	**299.04**	**634.56**	**634.56**	**780.68**	**780.68**

(b) Operating Lease:

Office premises and godowns are obtained on operating leases for various tenors. Except for the Office premises, none of the operating leases are renewable. In respect of Office premises, the operating lease are renewable for further period of five years, with an escalation clause of 5% over the existing lease rent. There are no restrictions imposed by lease agreements / arrangements.

The Group has significant operating leases for premises. These lease arrangements range for a period between 11 months and 9 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:			
(a) Not later than one year	66.84	39.58	38.74
(b) Later than one year but not later than five years	34.35	29.67	63.86
(c) Later than five years	Nil	Nil	Nil
Lease Payments recognized in the Statement of Profit and Loss during the year	**93.26**	**60.23**	**43.54**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

50. RESEARCH AND DEVELOPMENT COSTS

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Research and Development costs, debited to the Statement of Profit and Loss are as under:		
* Revenue expenses debited to Research and Development Expenses Account and other heads of accounts	590.10	641.35
Depreciation on Research and Development Equipment	82.37	76.30
	672.47	**717.65**

* Includes **INR 220.26 lacs, INR 116.88 lacs** and **INR 231.01 lacs** (Previous Year: INR 142.05 lacs, INR 125.55 lacs and INR 257.11 lacs) in respect of Research and Development units at Roha, Lote and Mumbai respectively which is approved by the Department of Scientific & Industrial Research, Ministry of Science & Technology.

Capital Expenditure incurred during the year on Research and Development INR 181.32 lacs (Previous Year INR 170.95 lacs) [including capital expenditure on qualifying assets of **INR 15.91 lacs, INR 82.40 lacs** and **INR 72.60 lacs** (Previous Year: INR 44.88 lacs, INR 23.92 lacs and INR 89.55 lacs) in respect of Research and Development Units at Roha, Lote and Mumbai respectively which is approved by the Department of Scientific & Industrial Research, Ministry of Science & Technology.

51. DETAILS OF DONATION TO A POLITICAL PARTY

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Bharatiya Janata Party	27.90	5.00
Total	**27.90**	**5.00**

52. ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III OF THE COMPANIES ACT, 2013.

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Excel Industries Limited								
31 March 2018	82.12%	43,728.51	98.17%	7,254.04	32.51%	1,876.99	69.37%	9,131.03
31 March 2017	86.85%	35,600.43	103.82%	2,079.68	70.36%	3,663.40	79.66%	5,743.08
Subsidiaries								
Excel Bio Rescources Limited								
31 March 2018	0.11%	57.47	-0.02%	(1.35)	0.00%	—	-0.01%	(1.35)
31 March 2017	0.14%	58.83	-0.38%	(7.62)	0.00%	—	-0.11%	(7.62)
Kamaljyot Investments Limited								
31 March 2018	17.77%	9,461.33	1.85%	136.66	67.49%	3,896.96	30.64%	4,033.62
31 March 2017	13.01%	5,332.53	-3.44%	(68.94)	29.64%	1,543.35	20.45%	1,474.41
Associate and Joint Venture								
31 March 2018	0.00%	—	0.00%	—	0.00%	—	0.00%	—
31 March 2017	0.00%	—	0.00%	—	0.00%	—	0.00%	—
Total								
31 March 2018	100%	53,247.31	100%	7,389.35	100%	5,773.95	100%	13,163.30
31 March 2017	100%	40,991.79	100%	2,003.12	100%	5,206.75	100%	7,209.87

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
(All amounts in INR lakhs, unless otherwise stated)

53. FIRST-TIME ADOPTION OF IND AS

The Group has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 1, 2017, with a transition date of April 1, 2016. The adoption of Ind AS has been carried out in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS consolidated financial statements be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Group has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognised directly in equity. An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and notes:

A. Exemptions and exceptions availed

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

(a) Ind AS optional exemptions

(i) Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The Group has elected to apply Ind AS 103 prospectively to business combination occurring after its transition date. Business combination occurring prior to transition date have not been restated.

(ii) 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 previous 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 Group has elected to measure all of its property, plant and equipment, intangible assets and investment properties at their previous GAAP carrying value.

(iii) Investment in joint ventures and associates

Ind AS 101 permits a first-time adopter to measure it's investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The deemed cost of such investment shall be it's fair value at date of transition to Ind AS of the Group, or previous GAAP carrying amount at that date. The Group has elected to measure its investment in joint ventures and associates under previous GAAP carrying amount as its deemed cost on the transition date.

(iv) Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Group has elected to apply this exemption for its investment in equity investments.

(b) Ind AS mandatory exceptions

(i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous 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 April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

(ii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Consequently, the Group has applied the above assessment based on facts and circumstances exist at the transition date.

B. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

(i) Reconciliation of Total Comprehensive Income for the year ended March 31, 2017.

(ii) Reconciliation of Equity as at April 1, 2016 and March 31, 2017.

(iii) Reconciliation of Statement of Cash Flows.

The presentation requirements under previous GAAP differs from Ind AS and hence previous GAAP information has been reGrouped for inline with Ind AS. The reGrouped previous GAAP information is derived from the Consolidated Financial Statements of the Group prepared in accordance with the previous GAAP.

53. FIRST-TIME ADOPTION OF IND AS *(Contd.)*

(a) Reconciliation of Equity

Particulars	Notes	Amount	
		As at March 31, 2017	As at April 1, 2016
Total Equity as per previous GAAP		**26,449.70**	**21,060.09**
Impact of Adjustments as per Ind AS:			
Proposed dividend	C(1)	—	680.84
Fair valuation of Investments through OCI	C(2)	17,966.11	16,407.03
Others		(3.05)	(5.05)
Tax impact on account of Ind AS	C(4)	(3,420.97)	(2,736.67)
Total Equity as per Ind AS		**40,991.79**	**35,406.24**

(b) Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

Particulars	Notes	Amount
		Year ended March 31, 2017
Profit as per Previous GAAP		6,333.15
Impact of Adjustments as per Ind AS:		
Exceptional items (Profit on sale of Investment in Excel Crop Care Limited)	C(2)	(4,906.40)
Others		0.78
Remeasurements of post employment benefit obligation	C(3)	175.31
Tax Impact on above adjustments	C(4)	400.28
Profit as per Ind AS		**2,003.12**
Items recognised in Other Comprehensive Income (OCI):		
Remeasurements of post employment benefit obligation	C(3)	(175.31)
Fair valuation of Investments	C(2)	6,466.67
Tax Impact on above adjustments		(1,084.61)
Total Comprehensive Income under Ind AS		**7,209.87**

(c) Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2017

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended March 31, 2017 as compared with the previous GAAP.

Particulars	Previous GAAP	Adjustment	Ind AS
Net cash flow from operating activities	3,274.27	(191.57)	3,082.70
Net cash flow from investing activities	1,326.90	298.71	1,625.61
Net cash flow from financial activities	(4,643.65)	(154.55)	(4,798.20)
Net increase/(decrease) in cash and cash equivalents	**(42.49)**	**(47.41)**	**(89.89)**
Cash and cash equivalents as at April 1, 2016	346.35	67.72	414.07
Cash and cash equivalents as at March 31, 2017	**303.86**	**20.31**	**324.18**

53. FIRST-TIME ADOPTION OF IND AS *(Contd.)*

C. Notes to first-time adoption:

1. Proposed dividend

Under the previous GAAP, upto the year end March, 31, 2016 dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events and accordingly, provision for proposed dividend was recognised as a liability. Under previous GAAP (effective April 1, 2016) Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend of INR 680.84 Lacs as at April 1, 2016 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity has been increased by an equivalent amount.

2. Investments

(i) Fair Valuation of Investments

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under IND AS, these investments are required to be measured at fair value.

Fair value changes with respect to investments in equity instruments designated as FVOCI have been recognised in FVOCI - Equity investments reserve as at the date of transition and subsequently in the Other Comprehensive Income for the year ended March 31, 2017. This increased other reserves and equity by INR 17,966.11 Lacs as at March 31, 2017 and INR 16,407.03 lacs as at April 1, 2016. Further Other Comprehensive Income for the year ended March 31, 2017 has increased by INR 1,559.08 lacs. (other than the investments which were derecognised during the previous year, sec (ii) below)

(ii) Profit on sale of Investments

Under previous GAAP profit on sale of Investments was directly recognised in the Statement of Profit and Loss by comparing the sale value with amount appearing in balance sheet (i.e. Cost). The Group has sold its investments in Excel Crop Care Limited to Sumitomo Chemical Company, Limited, Japan in accordance with Share Purchase Agreement during the year ended March 31, 2017. As per Ind AS as the Investments are fair valued and recognised through OCI, accordingly the Group has reversed gain of INR 4,906.40 lacs and accounted the same in Other Comprehensive Income.

3. Remeasurements of post employment benefit obligation

Under In AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of profit and loss. Under the previous GAAP, these remeasurements were forming part of the profit and loss for the year. As a result of this change, the profit for the year ended March 31, 2017 increase by INR 175.31 lacs. There is no impact on the total equity as at March 31, 2017.

4. Deferred tax

Deferred Tax on aforesaid IND AS adjustments

5. Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

6. Retained Earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustment.

54. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards issued, but not yet effective upto the date of issuance of the Company's financial statements is disclosed below. The Group Company shall adopt these as and they when they becomes effective.

(a) Ind AS 115 Revenue from Contracts with Customers

(i) In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Group Company from 1 April 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

54. STANDARDS ISSUED BUT NOT YET EFFECTIVE *(Contd.)*

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach).

The Group Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant.

(b) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration

On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Group is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 21 is expected to be insignificant.

(c) Amendment to Ind AS 40 Investment Property - Transfers of Investment Property

The amendments clarify that transfers to, or from, investment property can only be made if there is a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer. This standard will come into force from accounting period commencing on or after April 1, 2018. The Group shall apply the amendment on the required effective date. Management has assessed the effects of the amendment on classification of existing property at April 1, 2018 and concluded that no reclassifications are required.

(d) Amendments to Ind AS 12 : Income taxes regarding recognition of deferred tax assets on unrealised losses.

The amendments clarify the accounting for deferred taxes where an asset is measured at fair value and that fair value is below the asset's tax base. Management has assessed and concluded that are there are no such applicable cases.

55. Details of Specified Bank Notes (SBN) held and transacted during the period 8 November 2016 to 30 December 2016: Disclosure as stated in Notification G.S.R. 308€ dated 30 March 2017.

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on November 8, 2016	7.48	3.21	10.69
(+) Permitted receipts	—	19.02	19.02
(-) Permitted payments	—	17.08	17.08
(-) Amount deposited in Banks	7.48	—	7.48
Closing cash in hand as on December 30, 2016	—	5.15	5.15

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

VIPIN R. BANSAL
Partner
Membership No 117753

Place : Mumbai
Date: May 25, 2018

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF
Chairman and Managing Director
DIN: 00019952

USHA A. SHROFF
Executive Vice Chairperson
DIN: 00020519

RAVI A. SHROFF
Executive Director
DIN: 00033505

DEVENDRA P DOSI
Chief Financial Officer

SURENDRA K. SINGHVI
Company Secretary

Place : Mumbai
Date: May 25, 2018

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