Ref: ASCL/SEC/19-20/29

September 04, 2019

1. To,
The General Manager
Department of Corporate Services
BSE Limited
1st Floor, New Trading Ring
Rotunda Building, P. J. Tower
Dalal Street, Fort
Mumbai – 400 001
BSE Scrip Code: 532853

2. To,
The General Manager (Listing)
National Stock Exchange of India Ltd
5th Floor, Exchange Plaza
Plot No. C/1, G Block
Bandra – Kurla Complex
Bandra (East)
Mumbai – 400 051
NSE Trading Symbol: ASAHISONG

Sub: Annual Report
Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to enclose herewith a Copy of Annual Report of the Company for the Financial Year 2018-2019.

You are requested to take the same on your records.

Thanking you,

Yours faithfully,
For, **ASAHI SONGWON COLORS LIMITED**

SAJI JOSEPH
Company Secretary

Encl: Annual Report

Asahi Songwon Colors Ltd.
CIN: L24222GJ1990PLC014789
Regd. Office: "Asahi House", 13, Aaryans Corporate Park, Nr. Shilaj Railway Crossing, Thaltej-Shilaj Road, Thaltej, Ahmedabad-380 059, Gujarat. India
Tele : 91-79 3982 5000 • Fax : 91-79 3982 5100 • Web Site: www.asahisongwon.com

ISO14001:2004 Registered QMS/C0485/0413
QMS 004 A MEMBER OF IAF KLA

AsahiSongwon®



Unwavering focus...

On sustainability and long-term value creation

ASAHI SONGWON COLORS LIMITED
ANNUAL REPORT 20**18-19**

FORWARD LOOKING STATEMENTS

IN THIS ANNUAL REPORT, WE HAVE DISCLOSED FORWARD-LOOKING INFORMATION TO ENABLE INVESTORS TO COMPREHEND OUR PROSPECTS AND TAKE INFORMED INVESTMENT DECISIONS. THIS REPORT AND OTHER STATEMENTS - WRITTEN AND ORAL - THAT WE PERIODICALLY MAKE, CONTAIN FORWARD-LOOKING STATEMENTS THAT SET OUT ANTICIPATED RESULTS BASED ON THE MANAGEMENT'S PLANS AND ASSUMPTIONS. WE HAVE TRIED WHEREVER POSSIBLE TO IDENTIFY SUCH STATEMENTS BY USING WORDS SUCH AS 'ANTICIPATE','ESTIMATE','EXPECTS','PROJECTS','INTENDS','PLANS','BELIEVES', AND WORDS OF SIMILAR SUBSTANCE IN CONNECTION WITH ANY DISCUSSION OF FUTURE PERFORMANCE. WE CANNOT GUARANTEE THAT THESE FORWARD-LOOKING STATEMENTS WILL BE REALISED, ALTHOUGH WE BELIEVE WE HAVE BEEN PRUDENT IN ASSUMPTIONS. THE ACHIEVEMENT OF RESULTS IS SUBJECT TO RISKS, UNCERTAINTIES AND EVEN INACCURATE ASSUMPTIONS. SHOULD KNOWN OR UNKNOWN RISKS OR UNCERTAINTIES MATERIALISE OR SHOULD UNDERLYING ASSUMPTIONS PROVE INACCURATE, ACTUAL RESULTS COULD VARY MATERIALLY FROM THOSE ANTICIPATED, ESTIMATED OR PROJECTED. READERS SHOULD BEAR THIS IN MIND. WE UNDERTAKE NO OBLIGATION TO PUBLICLY UPDATE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.

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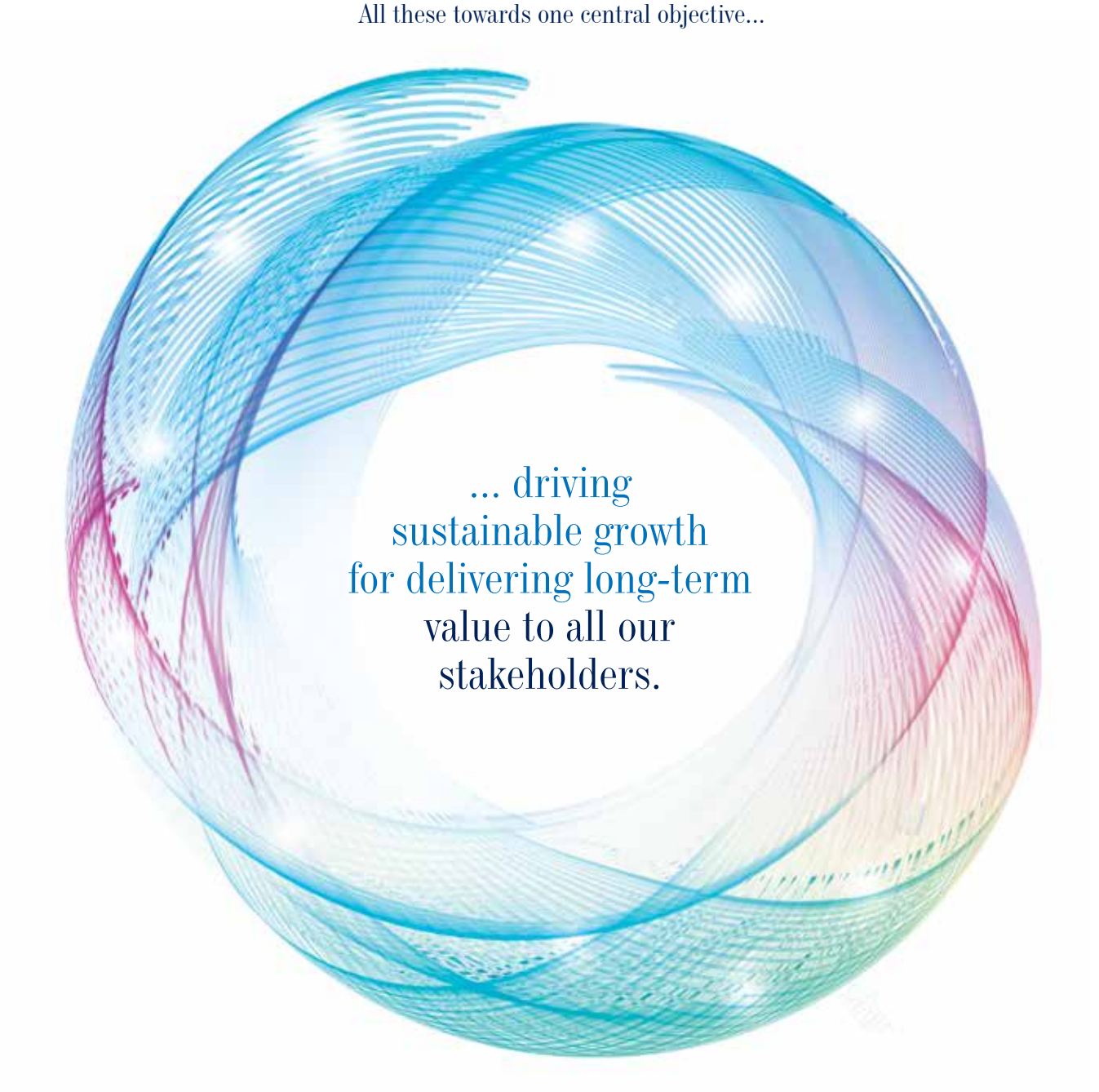
58 Management Discussion & Analysis

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At Asahi Songwon, we bring extraordinary focus to everything we do.
As we work to grow our business spanning multiple global markets, we are promoting a learning environment where our talented employees can succeed, and where innovation can thrive.
As we look for best solutions, we are emphasising on meeting the vital needs of our demanding customers and exceed their expectation.
As we strive to maximise profitability over the long run, we are proactively nurturing existing competencies while exploring opportunities to build on new competencies.

All these towards one central objective...



Even as some external challenges have impacted our performance, we are confident of a better future. Our fundamentals are strong on the back of our robust product quality, reliability and strong relationships and our proactiveness to respond to the market scenario.



UNWAVERING FOCUS ON

doings things extraordinarily

In a world with complexities and uncertainties, we believe large gains can be accrued only by doing things extraordinarily. At Asahi, we have adopted this philosophy in our corporate strategy which is enabling us to create differentiation in a competitive industry. It has positioned us competitively in the industry and is ensuring our long-term sustainability.

Focusing on building lasting relationships

We are in a specialty chemical business where volumes are key. We believe that volumes can be grown by building strong relationships. We are doing this by providing our clients an unmatched proposition of quality, competitive costs, reliable supply and superior services. Our strong relations have led to repeat and growing orders.

Adopting innovation driven culture

Innovation has been important to our business success. Even as our existing products were performing strongly, instead of remaining stagnant, we focused on developing new products and strengthening our competitive positioning in the industry. During the last two years, we have stepped up our innovation charter developing several new products for textile and plastic applications like Blue 15.0 for textiles, Blue 15.1 plastic grade and Blue 15.4 for Publication Gravure Ink. These products are having good reception among domestic and global customers and provide good revenue visibility for the future.

Setting new standards of operational excellence

We have undertaken a major overhaul at our plants by investing in equipment and process upgradation. These are enabling us to attain new levels of efficiency and set new standards of quality. Further, as an ongoing process, we continue undertaking operational excellence measures across the plants along with training people which has resulted in streamlining of operations. We are also working towards effective debottlenecking of existing assets to enhance production.

Attaining cost leadership

Our multiple initiatives towards operational optimisation have resulted in considerable cost reduction over the years. We have modernised several plants with automation and adopted better processes that have led to reduction in fuel and power consumption. Our investment in 128 KVA Solar Power Plant is enabling us to reduce power costs. Employees have also been trained on minimising wastage.





UNWAVERING FOCUS ON

ensuring customers are central

We have one of the largest blue pigment capacities in the world that are consumed by leading chemical companies globally. Our customers want reliable supply of cost-effective and quality products for uninterrupted operations. They want us to understand their latent needs. We are making this possible with our extraordinary focus on operational excellence and customer engagements.

Customer focused product development

Having strong relationships with customers, we undertake continuous engagement with them to understand their current and upcoming expectations from us. We also participate in various domestic and international chemical industry meets to understand emerging needs and engage with prospective customers. These enable us to undertake focused product development.

On time delivery and supply reliability

We operate our plants safely, efficiently and reliably to maintain steady operations which enable us to deliver products to customers on time. With our operational excellence we further ensure reliable supply of quality products which makes us a preferred player.

Meeting customer's environmental concerns

With tightening pollution norms, customers are increasingly demanding eco-friendly products sourced from environmentally sustainable players. Our investment in state-of-the-art emission and effluent management system, compliance to safety and environmental norms along with reviewing and upgrading the same positions us favourably in the competitive industry and helps us to meet customer needs.

Building relations on trust, transparency and teamwork

Delivering top quality products and service to customers is our mantra. We have built strong relationships based on Asahi's 3Ts: Trust, Transparency and Team Work. We ensure trust and transparency across all business dealings and work as a team to deliver superior customer experience.



UNWAVERING FOCUS ON

long-term



Having a long-term approach is central to our business strategy. It has enabled us to build a solid foundation that is geared to deliver strongly during positive times and protects bottomline during challenging times. With this approach, we have delivered sustainable growth over the years while creating more value for our stakeholders.

Driving our long-term approach is…

…our statement of purpose

Culture
Our DNA will be marked by the urgency to grow in a sustainable and responsible manner

Knowledge
Invest in processes, practices and products to reinforce competitive advantage

Shareholder Value
Make dedicated efforts towards maximising shareholder value over the long-term

Value-creation
Scale prudently, enhance asset utilisation, manage cost, and address a larger share of the customer wallet

Employees
Become an employer of choice by providing a platform to grow, build skills and contribute

Customisation
Develop products customised around customer needs to build enduring relationships, create business sustainability and garner superior realisations

Responsibility
Make sustained investments in effluent-treatment equipment, infrastructure and mindset

Governance
Ensure highest standards of governance by constituting Board of Directors, recruiting specialised professionals, institutionalising systemic checks and balances, undertaking extensive compliance and running business ethically

…our business strategies

Build relationships	Maximise shareholder value	Unwavering focus on quality
• Deliver on client requirement • Enhance share in client's overall requirement • Competitive pricing	• Scale operations • Consistently add new products • Portfolio enhancement with value-added products • Optimise cost and operations	• Invest in equipment and processes • Train employees • Best manufacturing practices

Become environmentally sustainable	Think long-term	Leverage market opportunities
• Invest in technologies to ensure effective treatment of discharged effluents • Reduce carbon footprint and water usage • Sensitise employees	• Add more clients and geographies • Think future, act today • Build strong intellectual capital	• Leverage advantage of high-quality and competitive pricing • Have geography specific strategies



UNWAVERING FOCUS ON

building an environmentally sustainable organisation

Chemical industry globally is increasingly being affected by regulations getting stringent. The impact of these was seen in shutdown of several players in China. To succeed in this scenario, we must ensure sustainability of our operations. While we have always been at the forefront of environment leadership, we have now made it an important part of our corporate strategy planning to achieve lasting impact.

Reducing carbon footprint and water consumption

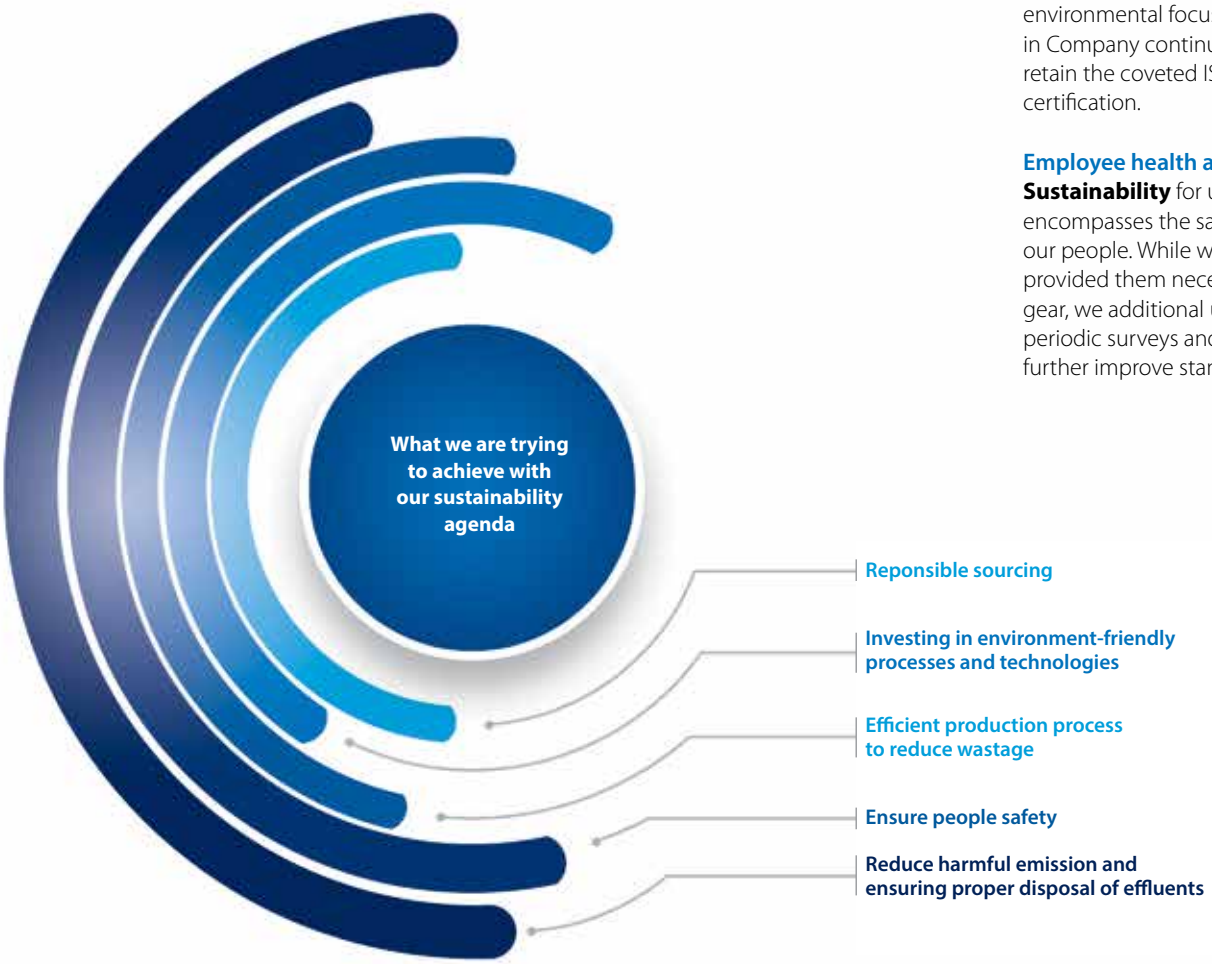
We have undertaken several measures to ensure our carbon discharge and water consumption is well within prescribed norms. We have installed Electrostatic Precipitator (ESP) for Boiler and TFH flue gases which has facilitated in reducing air emission by arresting 95% of the particulate matter. We have invested in a 128 KVA solar plant at our facility which has enabled us to minimise our fossil fuel generation.

Sustainability of operations

We have always been an environment sustainable company not only adhering to the regulations, but going ahead to surpass them. We are amongst the few global pigment manufacturers to have internationally recognised processes that ensures minimum waste generation and pollutant emissions, waste treatment to permissible limits before disposal, recycle and reuse water. As an ongoing process, we continue to evaluate our processes and undertake optimisation initiatives to reduce operational wastage. Our strong environmental focus is evident in Company continuing to retain the coveted ISO 14001 certification.

Employee health and safety

Sustainability for us encompasses the safety of our people. While we have provided them necessary safety gear, we additional undertake periodic surveys and training to further improve standards.



A QUALITY DRIVEN

sustainble company

Asahi Songwon is a globally leading integrated phthalocyanine pigment manufacturing company. Through our talented manpower and unwavering focus on technologies, know-how and operational excellence, we produce superior quality products that are marketed to world's largest chemical companies. With this, we are creating value for our customers, shareholders and all stakeholders.

Our pedigree

Established in 1990 by Mrs. Paru M. Jaykrishna, Asahi Songwon is headquartered in Ahmedabad. We engage in manufacturing and supply of phthalocyanine pigments and derivatives products. Our products are used to manufacture ink and finds application in downstream industries like paint, plastics, textiles and paper. Our principal manufacturing facilities are at Padra, Vadodara, Gujarat. Our shares are listed in the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

Product portfolio

- **CPC Blue Crude**
- **Beta Blue**
- **Alpha Blue**

Our top priorities for sustainable growth

- **Pursue sustainability and zero harm**
- **Position for future quality growth**
- **Improve balance sheet**

Our growing scale

More than 9,433 tons* of chemical products sold to 39* customers

17*
Countries of presence

144*
Employees

66.07%*
Proportion of export revenues

*As on March 31, 2019

Awards and accolades

Award for outstanding export performance for five consecutive years from GDMA

Award for 'Outstanding performance in the export of dye and dye intermediaries' from CHEMEXCIL for four years running

Award for 'Excellent Export Performance' in the 'Export House' category from FIEO in 2000-01

Award for 'Emerging SME' across all sectors in India and 'SMEs in the chemical and petrochemical sectors' by Dun and Bradstreet and Fullerton India in 2008

Award for International Trade in the Chemicals category by DHL-CNBC TV18 in 2009 and 2010-11

Dun & Bradstreet, Vyasa bank & S.M.E. Business Excellence Award - Entrepreneurial Spirit Award Woman Entrepreneur (Mid Corporate) in 2015-2016

Selected in Forbes Asia July 2012 edition as the Asia's 200 Best Under A Billion Companies

Ranked 364 by the International Business Times in 1000 fastest growing companies in the world in their list published in 2012. IBT also ranked the Company as 18th Fastest Growing Company in Chemical Sector

FROM THE

chairperson's desk

"In FY2018-19, we have worked to ensure that we have in place the right building blocks as we seek profitable and sustainable growth. Building on our robust foundation, we continue to make sustained investment in new opportunities where we see long-term growth and towards enhancing operational efficiency and reducing costs. These initiatives place us well to deliver long-term success and create value for all stakeholders."

Our pedigree

FY2018-19 was probably one of the most challenging years for the whole industry and we were no exception to it. Though the global economy started off on a strong note in 2018, imminent challenge slowed down the momentum considerably and eventually the market sentiments turned bearish. Escalating trade tension between the US and China further impacted growth. The impact of this was evident in the chemical industry as well. There were consolidations and price wars. The prices of raw materials and exchange rates fluctuated.

This was just the kind of year when everyone gets an excuse of taking a cautious approach and an alibi for not performing well. Not us. We instead used the weak year to improve our fundamentals and consolidate operation. We successfully worked towards optimising energy costs and enhancing manpower productivity, enhancing our quality and introducing new products, improving our environmental performance and getting future ready.

I am happy to state that these initiatives helped us navigate the challenges unscathed. We continued to nurture and grow existing relations, along with adding a new prestigious client. Our strong focus on production planning has enabled us to enhance plant uptime which in turn improved capacity utilisation and led to higher production. This improved our operating performance enabling us to grow EBITDA by 3.36% to Rs. 39.53 Crore and a 44 basis points increase in EBITDA margins to 13.46%. This was despite revenues remaining flat at Rs. 293.66 Crore and increase in prices of key raw materials. Net profit, however, was under pressure declining by 20.72% to Rs. 18.30 Crore.

Despite, these challenges our balance sheet remains one of the strongest in the sector with low leverage. Now that the markets have bottomed out and the scenario steadily improving, our enhanced profile provides us a solid platform to deliver stronger performance.

Unwavering focus on a better future

During the year, we intensified our focus on driving a culture of continuous improvement by planning, tracking and measuring performance of each employee, leading to significant enhancement in manpower productivity. We strengthened our relationships with customers on the back of our quality, supply reliability, and costs. Customers are central our business. We believe that we can only be sustainable by serving the growing needs of global customers in the long-term. By listening to them, understanding their needs and delivering on them with best products and services, we ensure superior experiences. We give them comfort in the form of predictable pricing in exchange of predictable volumes. This is fundamental to deepening our engagement and forging enduring relationships with them. And this enabled us to maintain our robust and enviable track record of zero product return. This is important in our industry and endorses our strong market reputation.

Environment sustainability is another where we have been making a differentiation. It is important in our industry where environmental performance has become a key deciding factor to do business. In line with this, we have made sustained efforts to ensure all discharge from our plants are effectively treated. Our focus now is to significantly reduce our greenhouse emissions and water consumption over the next decade and make our processes and portfolio more sustainable.

Message to the shareholders

As we move forward, we are strategically transforming our organisation and becoming future-ready to sustain the growing size and complexity in our business. We are making continuous investments in productive assets and in areas where we see growth opportunities. We have devised strategies keeping in mind our in-depth risk mitigated approach towards incurring capital expansion. With our constant efforts to bottleneck, we have emerged as the largest

and most preferred producers of pigments and pigment intermediates in the world with massive capacities under one roof which gives us cost advantage.

We also intend to reduce our dependence on the ink segment by exploring business opportunities in paints and plastics segments to minimise the risk of segment concentration.

We are optimistic of the opportunities that lie ahead. The Indian economy, supported by structural reforms and continued recovery in investments and consumption, is projected growth upwards of 7% in the coming years. The country also remains an attractive global destination with stable Government having strong focus on reforms and robust fundamentals. Factors like ease of doing business, infrastructure creation and digital outreach will only boost its growth trajectory.

China factor will also be an important growth driver. They are the global leaders in chemical sector. However, the recent issues of trade wars with the US along with the environmental-related clampdown on chemical companies have led to global companies looking for better and reliable global partners. India as an attractive low-cost destination and Asahi as a quality, cost and environment conscious company fit well in this scenario.

We are well-equipped to cater to the increasing growth opportunities. We are targeting to become a global player with a presence across more countries and grow client base. We are continually striving for new product development and innovative methods to enhance our manufacturing capabilities and cater to the stringent quality requirements of our customers.

In Conclusion

On a closing note, I thank all our stakeholders for their unstinted support and trust. I thank our shareholders for staying with us through challenges. Your Company appreciates this and has decided to reward you proposing a final dividend of Rs. 3 per share for the FY2018-19 which shall ensue a capital outlay of Rs. 368 lacs. With this, we stand true to our ambitious dividend policy. I also thank our engaged employees, who are our strength, for the passion and enthusiasm they bring into the organisation. They have rightly been the harbingers of our success. We remain motivated to build a sustainable and long-term future and maximise value creation for all our stakeholders, while upholding the values of the Company.

Warm wishes

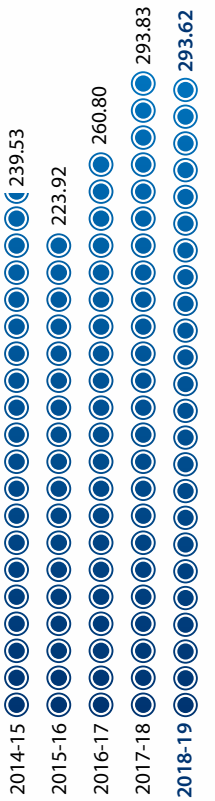


Paru M. Jaykrishna
Chairperson.

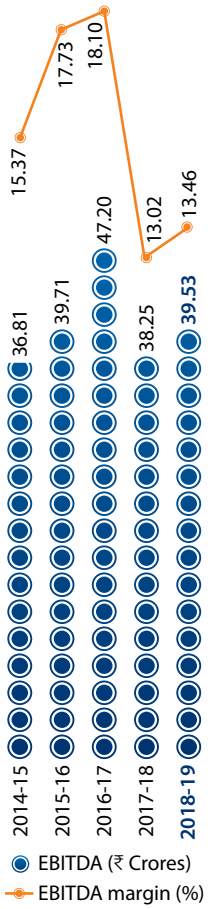
UNWAVERING FOCUS ON

performing sustainably

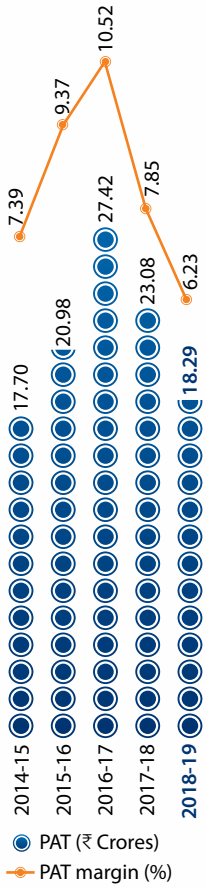
Revenue from operations (₹ Crore)



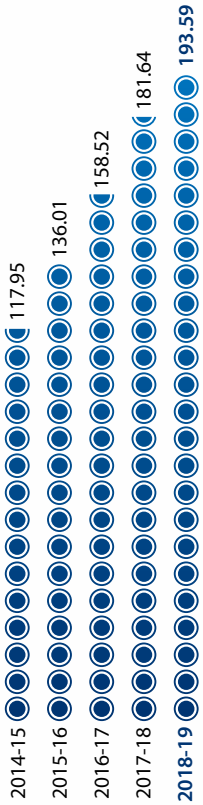
EBITDA & EBITDA margin



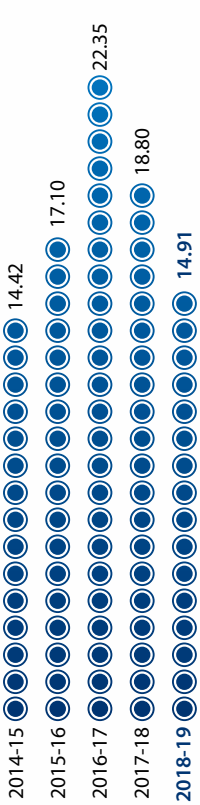
PAT



Net Worth (₹ Crore)



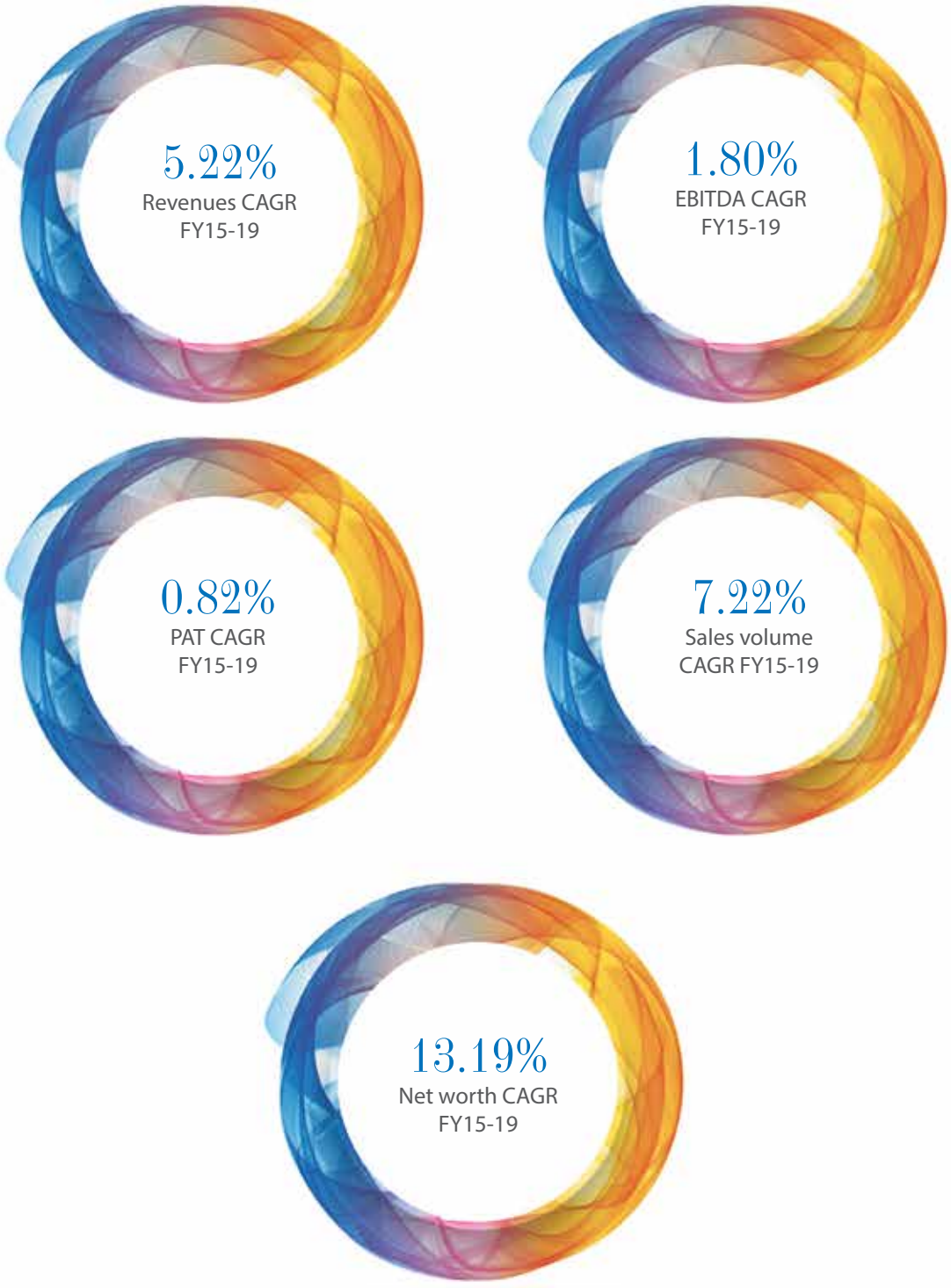
Earnings per share (in ₹)



Unwavering focus on delivering consistently…



Unwavering focus on delivering consistently…



UNWAVERING FOCUS ON

fortyfing competitive strengths

Corporate strength

Brand equity
Globally trusted for quality and service reliability

Quality certification
Department of Scientific and Industrial Research (Ministry of Science and Technology) registered

ISO 9001:2015, ISO 14001:2015 certified

Intellectual capital
35% of our employees are professionals and technologists with strong industry experience

Sustainable
All plants cater to environmental norms ensuing industry competitiveness and long-term sustainability

Marketing strength

Strong export market

Globally trusted for quality and service reliability

Strong relationships

~70% of our business is from repeat customers

Top-notch clientele

We cater evolving customer needs with quality products

Leading companies like DIC (Japan), Sun Chemicals (USA), Clariant Chemicals India and BASF are our repeat customers

Qualitative strength

Zero tolerance culture

Robust Quality Maintenance System and standard operating procedures

Dedicated quality team

Continuous improvement focused on process control, variability reduction and waste elimination

Equipment infrastructure

Presence of quality testing equipment like vibroshakers, muller machines and injection moulding machines

Operational expertise

Efficient systems and processes to maintain higher operational stability and predictability

Manufacturing strength

Strategically located

India is a leading chemical destination providing access to experienced, technically qualified personnel

Proximity to raw material supplier

Operational Scale

Accounting for nearly 5% of the world's organic pigment production, we are amongst the largest manufacturers of phthalocyanine pigments and derivatives globally

Application diversity

Products find application in multiple end-user industries like Ink, Plastics, Paint and Rubbers

UNWAVERING FOCUS ON

managing risks to maximise returns

1

Industry slowdown risk

Macro-economic and business activity slowdown may impact industrial activity and demand.

Mitigation: Our presence in multiple geographies and portfolio of multiple products catered to diverse industries like printing inks, paints, textiles, plastics and automobile coatings de-risk our operations. Further, environmental crackdown on chemical companies in China has created a demand vacuum which opens opportunity for Indian chemical companies. Besides, the global economy is quite stable.

2

Quality risk

Inability to deliver quality products will lead to loss of customers and business.

Mitigation: We have strong focus on quality which is evident in our zero-rejection rate track record since inception and ISO 9001:2015 certification. We maintain ensure quality control through high-end manufacturing and quality testing equipment, quality control team for stringent monitoring, and adoption of global best manufacturing practices.

3

Raw material risk

Fluctuations in raw material prices and availability may impact our operations.

Mitigation: While our operation is not completely protected from raw material risks, we partly offset its impact by passing on costs to customers. Measures like better forecasting, production planning to predict availability along with adopting diverse cost control methods to minimise its impact.

4

Environmental risk

International companies adhere to strict environmental compliances and do business with only those companies following such compliances. Inability to become environment-compliant may lead to loss of such clients.

Mitigation: Asahi has always been at the forefront of using environment-friendly technologies – be it by installing effluent treatment plant and renewable energy sources, reducing water consumption and reusing water, or maintaining lower sound pollution from plants. This reinforces investor confidence in our, given the increasing regulatory compliances.

5

Competition risk

Inability to provide more value to clients may result in loss of business

Mitigation: Our ability to provide clients the proposition of high quality at competitive pricing along with compliances to all regulatory and environmental norms makes us a preferred vendor. This is evident in over 70% of our business coming in from repeat customers, who continue to enhance scale of business with us.

6

Technology risk

Inability to upgrade technology and processes may reduce efficiency and impact quality.

Mitigation: We consistently invest in moderising our plants with latest technologies. Additionally, technical support from industry leaders like DIC and Clariant Pigments, along with periodic benchmarking with global standards enables us to ensure that we are updated.

board of directors



Mrs. Paru M Jaykrishna,
Chairperson and Managing Director

She holds a Bachelor's degree in Law and Philosophy & Sanskrit, and a Masters' degree in English Literature. She is the Founder, Chairperson and Managing Director of the Company responsible for strategic decision making and devising policies for growth. A renowned Women Entrepreneur of India, she has the distinction of being the First Elected Lady as a President of Gujarat Chambers of Commerce and Industry in 68 years. She has been a Director in Tourism Corporation of Gujarat Ltd., Gujarat State Handloom House Corporation and Small Industries Development Bank of India (SIDBI).



Mr. R. K. Sukhdevsinhji,
Director

A graduate from St. Stephens College, Delhi, he is the son of late Maharaja Rajendrasinhji. In 1981 he was deputed to the Ministry of Petroleum and Natural Gas, as Director (Operations) in the Oil Coordination Committee (OCC). He has also served as the Chairman and Managing Director of Bharat Petroleum Corporation Ltd. He has held Board level position in various Central Government and public sectors companies.



Mr. Arvind Goenka,
Director

A graduated from St. Xavier College, Kolkata, he is an industrialist hailing from the renowned Goenka family. He commands rich experience over 32 years in managing and overlooking operations of diverse business interests such as jute, cotton textiles, rubber, chemical and sophisticated industrial engineering products. He is on the board of reputed companies like Oriental Carbon and Chemicals Ltd. and Schrader Duncan Ltd.



Mr. Jayprakash M. Patel,
Director

He holds a B.E. degree in Chemical Engineering from USA. He is an industrialist with more than 44 years of experience in Dyes and Chemicals Industry and has in-depth and expert knowledge in this field. He is the founder of Loxim Industries Limited.



Dr. Pradeep Jha,
Director

A renowned mathematician having over 44 years of teaching experience. A research guide at several universities actively involved in exploring different research areas in mathematics, he has written over 20 research articles, which have been published by reputed international journals. Additionally, he has authored several books on Mathematics and Operations Research along with designing soft skills program for corporates.



Mr. Gokul M. Jaykrishna,
Joint Managing Director & CEO

A Specialist in Finance from Lehigh University, USA, he overlooks the Company's operations, finance, production, marketing and strategic development. Prior to his stint with the Company, he worked for Krieger Associates, New Jersey (USA), one of the most influential currency and option traders in USA. He is also on board of AksharChem (India) Ltd. & Skyjet Aviation Pvt. Ltd.



Mr. Munjal M. Jaykrishna,
Director

A Major in Finance and Marketing from Lehigh University, USA, he has an experience of working with Bank of California (San Francisco) as Financial Analyst and Paragon Knits, Bethlehem, (USA) as a Consultant.

Notice

Notice is hereby given that the 29th Annual General Meeting of the Members of **ASAHI SONGWON COLORS LIMITED** will be held on Friday, 27th day of September, 2019 at AMA Seminar Hall, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad -380 015, at 11.30 A. M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2019 and the Reports of the Board of Directors and Auditors thereon.

2. To declare a final dividend on Equity Shares of the Company for the financial year 2018-19.

3. To appoint a director in place of Mr. Munjal M Jaykrishna (DIN: 00671693), liable to retire by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **RE-APPOINTMENT OF MR. RAJKUMAR SUKHDEVSINHJI (DIN: 00372612) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (Listing Regulations), Mr. Rajkumar Sukhdevsinhji (DIN: 00372612), Non-Executive Independent Director of the Company, whose present term of office as an Independent Director expires at the ensuing Annual General Meeting, and in respect of whom the Company has received a Notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act along with the Rules framed there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, to hold office for a second term of 5 (five) consecutive years commencing from August 12, 2019, and whose period of office shall not be liable to retire by rotation.

   RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions if any, consent of members of the Company be and is hereby accorded for continuation as Non-Executive Independent Director of the Company notwithstanding that he has attained the age of 75 years.

   RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

5. **RE-APPOINTMENT OF MR. ARVIND GOENKA (DIN: 00135653) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (Listing Regulations), Mr. Arvind Goenka (DIN: 00135653), Non-Executive Independent Director of the Company, whose present term of office as an Independent Director expires at the ensuing Annual General Meeting, and in respect of whom the Company has received a Notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act along with the Rules framed there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, to hold office for a second term of 5 (five) consecutive years commencing from August 12, 2019, and whose period of office shall not be liable to retire by rotation.

   RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

6. **RE-APPOINTMENT OF DR. PRADEEPBHAI JASUBHAI JHA (DIN: 01539732) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (Listing Regulations), Dr. Pradeepbhai Jasubhai Jha (DIN: 01539732), Non-Executive Independent Director of the Company, whose present term of office as an Independent Director expires at the ensuing Annual General Meeting, and in respect of whom the Company has received a Notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act along with the Rules framed there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby re-appointed as a Non-Executive Independent Director of the Company to hold office for a second term of 5 (five)

consecutive years commencing from August 12, 2019, and whose period of office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions if any, consent of members of the Company be and is hereby accorded for continuation as Non-Executive Independent Director of the Company beyond November 28, 2020, on account of his attaining the age of 75 years on the said date.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

7. **APPOINTMENT OF MR. JAYPRAKASH MANEKLAL PATEL (DIN: 00256790) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, (including any statutory modification(s) or re-enactment for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Articles of Association of the Company, Mr. Jayprakash Maneklal Patel (DIN: 00256790), who was appointed as an Additional Director and Non-executive Independent Director of the Company with effect from August 12, 2019 and whose term of office expires at this Annual General Meeting ("AGM") and in respect of whom the Company has received a Notice in writing from a member under Section 160 of the Companies, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, along with the Rules framed there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from August 12, 2019 and whose office shall not be subject to retirement by rotation.

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions if any, consent of members of the Company be and is hereby accorded for continuation of Mr. Jayprakash Maneklal Patel (DIN: 00256790), as Non-Executive Independent Director of the Company beyond February 09, 2023, on account of his attaining the age of 75 years on the said date.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

8. **PAYMENT OF MANAGERIAL REMUNERATION UNDER SECTION 197 OF THE COMPANIES ACT, 2013**

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

"RESOLVED THAT partial modification to the resolution passed by the Members at the 26th Annual General Meeting of the Company held on September 26, 2016 and pursuant to the second proviso to Sub-Section (1) of Section 197 of the Companies Act, 2013 ("the Act") as amended vide Companies (Amendment) Act, 2017 effective from September 12, 2018 and all other applicable provisions, if any, of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Members be and is hereby accorded for payment of managerial remuneration for the Financial Year 2019-20 and all subsequent Financial Years, in excess of the limits prescribed under the second proviso to Sub-Section (1) of Section 197 of the Act as under:

(a) exceeding five per cent (5%) of net profits of the Company calculated in accordance with Section 198 of the Act ("Net Profits") to any one Managing Director or Whole Time Director or Manager;

(b) where there is more than one Managing Director or Whole Time Director, exceeding ten per cent (10%) of the Net Profits of the Company to all such Directors and Manager; and

(c) exceeding one percent (1%) of Net Profits of the Company to all Directors who are neither Managing Director nor Whole Time Director of the Company.

RESOLVED FURTHER THAT the total managerial remuneration payable by the Company to its Directors, including Managing Director and Whole-time Director, in respect of any Financial Year shall exceed eleven per cent (11%) of the net profits of the Company for that Financial Year computed in the manner laid down in Section 198 of the Act except as may be authorized by the Company in general meeting, subject to the provisions of Schedule V to the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as it may deem necessary and authorise executives of the Company for the purpose of giving effect to this Resolution."

9. **PAYMENT OF REMUNERATION TO EXECUTIVE DIRECTORS WHO ARE PROMOTERS OR MEMBER OF PROMOTER GROUP**

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

"RESOLVED THAT pursuant to the provisions of Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to Section 197 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Company be and is hereby accorded for payment of remuneration to the Executive Directors who are Promoters or members of Promoter Group as under:

(a) annual remuneration to an Executive Director who is a Promoter or member of Promoter Group, exceeding ₹ 5 Crores or 2.5 per cent (2.5%) of the net profits of the Company computed in accordance with Section 198 of the Companies Act, 2013 ("Net Profit"), whichever is higher; or

(b) aggregate annual remuneration to Executive Directors who are Promoters or members of Promoter Group, where there is more than one such Executive Director, exceeding 5 per cent (5%) of the Net Profit.

RESOLVED FURTHER THAT the approval herein granted for payment of remuneration to Executive Directors who are Promoters or members of Promoter Group ("such Executive Directors") shall be effective for the Financial Year commenced from April 1, 2019 and for subsequent years till the expiry of respective term of such Executive Directors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as it may deem necessary and authorise executives of the Company for the purpose of giving effect to the above Resolution."

10. **PRIVATE PLACEMENT OF NON-CONVERTIBLE DEBENTURES AND/ OR OTHER DEBT SECURITIES**

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

"RESOLVED THAT pursuant to the provisions of Sections 42 and 71 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 framed there under as amended from time to time and all other applicable rules, if any, and other applicable Guidelines and Regulations issued by the Securities and Exchange Board of India, provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any other applicable law for the time being in force (including any statutory modification(s) or amendment thereto or re-enactment thereof for the time being in force) and subject to the provisions of the Articles of Association of the Company and such other approvals as may be required from regulatory authorities from time to time, consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) to make offer(s), invitation(s), to subscribe and issue Non-Convertible Debentures ("NCDs"), Bonds, Commercial Papers ("CP") or any other Debt Securities in one or more series/tranches aggregating upto ₹ 500 crores (Rupees Five Hundred Crores Only), whether rupee denominated or denominated in foreign currency, during the period commencing from the date of passing of special resolution till completion of one year thereof or the date of next Annual General Meeting be held in calendar year 2020, whichever is earlier, on such terms and conditions and at such times and at par or at such premium, as the Board may, from time to time determine and consider proper and most beneficial to the Company including as to when the said Non Convertible Debentures and /or Bonds and/or Commercial Papers or other debt securities be issued, the consideration for the issue, utilisation of the issue proceeds and all matters connected with or incidental thereto.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things, and execute all such deeds, documents, instruments and writings, and take all such steps as it may in its sole and absolute discretion deem necessary including for the purpose of determining terms of issue of Non-Convertible Debentures and/or Bonds and/or Commercial Papers and/or other debt securities and to settle all questions, difficulties and doubts that may arise in relation thereto."

By the Order of the Board of Directors

Paru M. Jaykrishna
Chairperson and Mg. Director
DIN 00671721

Place : Ahmedabad
Date : August 12, 2019

Registered Office :
"Asahi House"
13, Aaryans Corporate Park
Nr. Shilaj Railway Crossing
Thaltej – Shilaj Road
Thaltej, Ahmedabad – 380 059 (India)
CIN: L24222GJ1990PLC014789
Phone: +91 79 39825000
Fax: +91 79 39825100
Website: www.asahisongwon.com
Email id: cs@asahisongwon.com

NOTES:

1. **Proxy**

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company, either in person or through post, duly completed and signed, not later than forty-eight hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. The relevant explanatory statement pursuant to provisions of Section 102 of the Companies Act, 2013 ("the Act") relating to the Special Business to be transacted at the Annual General Meeting ("Meeting") as set out under Item No. 4 to 10 of the Notice, is annexed hereto.

3. Mr. Gaurang Navinchandra Shah (DIN:00024424) was appointed as Independent Directors of the Company at the 24th Annual General Meeting held on September 26, 2014 to hold office for a term of five consecutive years till the conclusion of the 29th Annual General Meeting. Mr. Gaurang Navinchandra Shah, who will be completing their

first term of appointment as Independent Directors at the conclusion of the ensuing Annual General Meeting, has expressed his unwillingness to be re-appointed as Independent Directors for a second term of 5 years and has resigned as Independent Director of the Company w.e.f. August 12, 2019, due to work and other travel commitments.

4. Pursuant to the provisions of Section 91 of the Companies Act, 2013, Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, September 21, 2019 to Friday, September 27, 2019 (both days inclusive).**

5. At the ensuing Annual General Meeting, Mr. Munjal M. Jaykrishna (DIN: 00671693), retire by rotation and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as annexure to notice of Annual General Meeting.

6. The Company's Statutory Auditors M/s. Mahendra N. Shah & Co, Chartered Accountants (Firm Registration No. 105775W), Ahmedabad were appointed as the Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of Twenty Seventh Annual General Meeting till the conclusion of Thirty Second Annual General Meeting of the Company (subject to ratification of such appointment at every Annual General Meeting, if so required under the Companies Act, 2013).

   Pursuant to the Companies (Amendment) Act, 2017, effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from Section 139 of the Companies Act, 2013.

   In view of the above, no resolution is proposed for ratification of appointment of the Statutory Auditors. As authorised by the members, at the 27th Annual General Meeting, the Board of Directors (the Board), as recommended by the Audit Committee, has ratified the appointment of the Statutory Auditors for their respective remaining terms, at such remuneration as may be mutually agreed between the Board and the Statutory Auditors, from time to time. The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as the Statutory Auditors.

7. The dividend on equity shares for the financial year ended March 31, 2019, if declared by the members, will be paid within thirty days of declaration by members:

   (i) in respect of shares held in physical form, to those members whose names appear in the Register of Members of the Company on **Friday, September 20, 2019.**

   (ii) in respect of shares held in electronic form, to those beneficial owners whose names appear in the statements of beneficial ownership furnished by NSDL and CDSL as at the end of business on **Friday, September 20, 2019**.

   The members are hereby informed that the Company is required to transfer the dividends, which remain unclaimed for a period of seven years, to the Investor Education and Protection Fund ("IEPF") constituted by the Central Government. During the financial year 2018-19, the Company has transferred unclaimed dividend for the financial year 2010-11 (Final) and 2011-12 (Interim) to IEPF.

   The Company has uploaded the details of unpaid and unclaimed amount lying with the Company as on the date of last Annual General Meeting i.e. **Friday, September 28, 2018**, on the website of the Company as well as on the website of the Ministry of Corporate Affairs. The following are the details of dividends declared by the Company and respective due dates for transfer of unclaimed dividend to IEPF:

Dividend Year	Date of Declaration of Dividend	Due date of transfer to IEPF
2011-12 – Final	27/09/2012	01/11/2019
2012-13 – Final	27/09/2013	01/11/2020
2013-14 - Final	26/09/2014	31/10/2021
2014-15 – Final	30/09/2015	04/11/2022
2015-16 – Interim	23/03/2016	28/04/2023
2016-17 – Interim	18/03/2017	23/04/2024
2017-18 Final	28/09/2018	02/12/2025

   The members are advised to send their requests for payment of unpaid dividend pertaining to the financial years 2011-12 to 2017-18 to our Registrar and Share Transfer Agent for payment before the same becoming due for transfer to IEPF.

8. **Payment of Dividend**

   The members may kindly note that pursuant to the provisions of Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ("IEPF Rules"), all shares in respect of which dividend has remained unclaimed/unpaid for seven consecutive years or more shall be transferred by the Company to the demat account of Investor Education and Protection Fund Authority ("IEPF Authority"). During the financial year ended March 31, 2019, the Company has transferred 653 equity shares to the demat account of IEPF Authority in respect of which dividend has remained unpaid/ unclaimed for the last seven years.

   The members, whose unclaimed dividend and / or shares have been transferred to IEPF/ IEPF Authority, may claim the refund of dividend and / or shares, as the case may be, from IEPF/IEPF Authority by submitting an application in Form No. IEPF-5 available on www.iepf.gov.in and following the procedure mentioned at the said website and in IEPF Rules.

9. **Dispatch of documents through electronic mode / Registration of E-mail addresses**

   In pursuance of the provisions of the Companies Act, 2013 and the Rules made there under, the Company proposes to send documents like notice of general meeting, Annual Report, etc. to the shareholders through electronic mode. The members who have not registered their e-mail address so far, are requested to register their email address (or change therein, if any) with their Depository Participant (where the shares are held in dematerialized form) or our Registrar and Share Transfer Agent (where the shares are held in physical form) by submitting the E-communication Registration Form.

10. **Voting through electronic means**

    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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standards on General Meeting (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to its Members facility to exercise their right to vote on resolutions proposed to be considered at the 29th Annual General Meeting ("AGM") by electronic means and the business may be transacted through e-voting services arranged by National Securities Depository Limited ("NSDL"). The Members may cast their votes using an electronic voting system from a place other than the venue of the AGM ("remote e-voting").

The Members desiring to vote through electronic mode may refer to the detailed procedure on remote e-voting given hereinafter.

Voting Options

10.1 The Company has engaged National Securities Depository Limited ("NSDL") to provide the facility of casting the votes by the members using an electronic voting system from a place other than the venue of Annual General Meeting ("Remote E-voting").

10.2 The facility for voting through ballot paper shall also be made available at the Annual General Meeting and the members attending the Annual General Meeting who have not cast their vote by Remote E-voting shall be able to exercise their right at Annual General Meeting.

10.3 The members who have cast their vote by Remote E-voting prior to Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again at Annual General Meeting.

10.4 The instructions for remote e-voting are as under:

How do I vote electronically using NSDL e-voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1is mentioned below:

How to Log-in to NSDL e-Voting website?

10.4.1.1 Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/

10.4.1.2 Once the home page of Remote E-voting system is launched, click on the icon "Login" which is available under "Shareholders" section.

10.4.1.3 A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to cast your vote electronically.

10.4.1.4 Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL or Physical	User ID
(i) For members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******
(ii) For members who hold shares in demat account with Central Depository Services (India) Limited ("CDSL")	16 Digit Beneficiary ID For example if your Beneficiary ID is 12**********then your user ID is 12**********
(iii) For members holding shares in Physical Form	EVEN (E-Voting Event Number) of the Company followed by Folio Number registered with the Company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

10.4.1.5 Password details are given below:

(a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

(b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

(c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. **Asahisongwon.pdf** file. Open the **Asahisongwon.pdf** file. The password to open the **Asahisongwon.pdf** file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The **Asahisongwon.pdf** file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

10.4.1.6 If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

10.4.1.7 After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

10.4.1.8 Now, you will have to click on "Login" button.

10.4.1.9 After you click on the "Login" button, Home page of e-Voting will open.

10.4.2 **Details on Step 2 is given below:**

How to cast your vote electronically on NSDL e-Voting system?

10.4.2.1 After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

10.4.2.2 After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

10.4.2.3 Select "EVEN" of **Asahi Songwon Colors Limited.**

10.4.2.4 Now you are ready for e-Voting as the Voting page opens.

10.4.2.5 Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

10.4.2.6 Upon confirmation, the message "Vote cast successfully" will be displayed.

10.4.2.7 You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

10.4.2.8 Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

10.5 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to makwanabipin577@gmail.com with a copy marked to evoting@nsdl.co.in.

10.6 It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

10.7 The Remote E-voting period shall commence at 9.00 a.m on **Tuesday, September 24, 2019** and ends at 5.00 p.m. on **Thursday, September 26, 2019**. At the end of the Remote E-voting period, the Remote E-voting facility shall be blocked by NSDL forthwith. The Remote E-voting shall not be allowed after 5.00 p.m. on **September 26, 2019**.

10.8 A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories (in case of shares held in dematerialised form) as on the cut-off date i.e. **Friday, September 20, 2019** only shall be entitled to avail the facility of Remote E-voting as well as voting in the Annual General meeting. A person who is not a member of the Company, as on the cut-off date should treat this Notice for information purposes only.

10.9 The voting rights of the shareholders shall be reckoned in proportion to their shares in the total paid-up equity share capital of the Company as on cut-off date i.e. **Friday, September 20, 2019.**

10.10 In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders, available at the download section of www.evoting.nsdl.com or call on toll free no. 1800-222-990. In case of any queries/grievances connected with Remote E-voting, the members may contact Mr. Saji V. Joseph, Company Secretary & Compliance Officer at the Registered Office of the Company at "Asahi House", 13, Aaryans Corporate Park, Nr. Shilaj Railway Crossing, Thaltej – Shilaj Road, Thaltej, Ahmedabad - 380059 Phone: 079-39825000. E-mail: cs@asahisongwon.com.

10.11 A person who becomes a member of the Company after dispatch of notice of Annual General Meeting and holding shares as on the cut-off date i.e. September 20, 2019, may obtain the User ID and password by sending a request at evoting@nsdl.co.in or cs@asahisongwon.com or call on toll free no. 1800-222-990.

10.12 The Board of Directors of the Company has appointed Mr. Bipin L. Makwana, Practicing Company Secretary (Membership No. A15650), to scrutinise the voting at Annual General Meeting and Remote E-voting process in a fair and transparent manner.

10.13 The scrutiniser shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the Annual General Meeting and thereafter unblock the votes cast through Remote E-voting in the presence of atleast two witnesses not in the employment of the Company.

10.14 The Scrutiniser shall make, not later than 48 Hours of conclusion of the Annual General Meeting, a consolidated scrutiniser's report and submit the same to the Chairperson of Annual General Meeting or any other person authorized by Chairperson in writing who shall countersign the same and declare the results of the voting forthwith, which shall be displayed on the Notice Board of the Company at its Registered Office (as per details mentioned above). The results declared along with scrutiniser's report shall be placed on the Company's website www.asahisongwon.com and on the website of NSDL immediately after the results are declared. The results shall also be immediately forwarded to the BSE Limited (BSE), Mumbai, National Stock Exchange of India Limited (NSE), Mumbai.

11. Corporate members, intending to depute their authorised representatives to attend the meeting pursuant to Section 113 of the Act, are requested to send to the Company a duly certified true copy of the Board Resolution / Power of Attorney authorizing their representatives to attend and vote on their behalf at the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

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

13. In terms of the amendments to the Listing Regulations, with effect from April 1, 2019, requests for effecting transfer of securities in

physical form shall not be processed unless the securities are held in dematerialised form with the depository, i.e., NSDL and CDSL. Members are, therefore, requested to demat their physical holding for any further transfer. Members can, however, continue to make request for transmission or transposition of securities held in physical form.

14. Attendance slip, proxy form and a route map showing directions to reach the venue of the 29th Annual General Meeting is given along with this Annual Report as per the requirement of the Secretarial Standards - 2 on General Meetings are annexed hereto.

15. Members can send their queries, if any, to reach the Company's Registered Office atleast 10 days before the date of Annual General Meeting so that information can be made available at Annual General Meeting. The members are requested to bring attendance slip at the meeting.

16. All documents referred to in the notice and the explanatory statement requiring the approval of the members at the Annual General Meeting and other statutory resisters shall be available for inspection by the members at the Registered Office of the Company during office hours on all working days between 11.00 a.m. to 1.00 p.m., on all working days of the Company from the date hereof up to the date of ensuing Annual General Meeting.

17. Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report for 2018-19 will also be available on the Company's website www.asahisongwon.com for their download. The physical copies of the aforesaid documents will also be available at the Registered Office of the Company during office hours on all working days between 11.00 a.m. to 1.00 p.m., except Sundays and holidays.

18. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to Link Intime India Private Limited. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.

STATEMENT PURUSANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

As required under section 102 (1) of the Companies Act, 2013, the following Statement set out all the material facts relating to the Special Business mentioned in Item No. 4 to 10 of the accompanying Notice.

Item No. 4, 5 & 6

Mr. Rajkumar Sukhadevsinhji (DIN : 00372612), Mr. Arvind Goenka (DIN: 00135653) and Dr. Pradeepbhai Jasubbhai Jha (DIN: 01539732), were appointed as Independent Directors at the 24th Annual General Meeting held on September 26, 2014, to hold office for a term of five consecutive years till the conclusion of 29th Annual General Meeting.

On the recommendation of Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, the Board of Directors have re-appointed Mr. Rajkumar Sukhadevsinhji, Mr. Arvind Goenka and Dr. Pradeepbhai Jasubbhai Jha as Independent Director(s) of the Company for a second term of 5 (five) consecutive years commencing from August 12, 2019 in accordance with the provisions of the Companies Act, 2013 (Act) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), subject to approval of members by way of special resolution in the ensuing Annual General Meeting.

Mr. Rajkumar Sukhadevsinhji, Mr. Arvind Goenka and Dr. Pradeepbhai Jasubbhai Jha have consented to their re-appointment and have confirmed that they do not suffer from any disqualifications which stand in the way of their re-appointment as the Independent Directors. The Company has also received declarations from the aforesaid Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149 (6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Company has received a Notice from a member in writing under Section 160 of the Act, proposing their candidature for the office of Independent Directors. In the opinion of the Board, the aforesaid Independent Directors fulfill the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for their re-appointment as Independent Directors of the Company and are independent of the management.

Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on June 7, 2018 prescribes that no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

Nomination and Remuneration Committee of the Board discussed the matter and recommended the continuation of Directorship of Mr. Rajkumar Sukhadevsinhji, notwithstanding that he has attained the age of 75 years. Further, they also considered continuation of Directorship of Dr. Pradeepbhai Jasubbhai Jha, who may attain the age of 75 years during the tenure of reappointment.

The above mentioned Independent Directors are experts in their respective fields and their experience and valuable guidance is beneficial to the Company. The Board based on the recommendation of Nomination and Remuneration Committee and considering benefits of the expertise of the aforesaid independent Directors, has recommended the resolutions for approval of shareholders by way of special resolution.

Brief profile of the aforesaid Independent Directors and the disclosures required under the Listing Regulations forms part of the Notice.

A copy of the letters of their appointment as Independent Directors, setting out the terms and conditions of their appointment are available for inspection by the members at the registered office of the Company on all working days (except Saturday and public holidays) between 11.00 a.m. to 1.00 p.m. and will also be available at the Annual General Meeting.

Except Mr. Rajkumar Sukhadevsinhji, Mr. Arvind Goenka and Dr. Pradeepbhai Jasubbhai Jha and their relatives, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the respective resolutions for their appointment, set out at Item Nos. 4 to 6 of this Notice.

Item No. 7

Mr. Jayprakash Maneklal Patel (DIN: 00256790) was appointed as an Additional Director and Non-executive Independent Director of the Company with effect from August 12, 2019 by the Board of Directors of the Company. In terms of Section 161(1) of the Companies Act, 2013, Mr. Jayprakash Maneklal Patel holds office up to the date of this Annual General Meeting but is eligible for the appointment as a Director. The Company has received a Notice from a member in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Non Executive Independent Director, to be appointed under Section 149 of the Act.

The Company has received a declaration form Mr. Jayprakash Maneklal Patel to the effect that he meet the criteria for independence as provided in Section 149(6) of the Act, along with the Rules framed there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has also confirmed that he does not suffer from any disqualification in terms of Section 164 of the Act.

Mr. Jayprakash Maneklal Patel, 71 years, is a chemical engineer having vast experience of 44 years in chemical industry. In the opinion of the Board Mr. Jayprakash Maneklal Patel fulfills the conditions specified in the Act and Rules thereunder and the Listing Regulations and is Independent to the Management.

Accordingly, the Board recommends the passing of Special resolution as set out in the Item No. 7 of the Notice for the appointment of Mr. Jayprakash Maneklal Patel as an Independent Director notwithstanding that he has attained the age of 70 years not liable to retire by rotation..

Brief profile of Mr. Jayprakash Maneklal Patel as an Independent Director on the Board of the Company and the disclosures required under the Listing Regulations form part of the Notice.

A copy of the letter of his appointment as Independent Director, setting out the terms and conditions of his appointment is available for inspection by the members at the registered office of the Company on all working days (except Saturday and public holidays) between 11.00 a.m. to 1.00 p.m. and will also be available at the Annual General Meeting.

Mr. Jayprakash Maneklal Patel is not related to any other Director of the Company.

Except Mr. Jayprakash Maneklal Patel and his relatives, none of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 7 of the Notice.

Item No. 8

As per the provisions of Section 197 of the Companies Act, 2013 ("the Act") the overall managerial remuneration to Directors shall not exceed 11 per cent (11%) of the net profits of the Company calculated in accordance with Section 198 of the Act ("Net Profit") and should be within the sub-limits as prescribed under the second proviso to Sub-Section (1) of Section 197 of the Act.

As per the amendments made by the Companies (Amendment) Act, 2017 in the second proviso to Sub-Section (1) of Section 197 of the Act, which were made effective from September 12, 2018, with the approval of the Members of the Company by special resolution at the general meeting, pay remuneration to the Managing Director, Whole Time Director or Manager, in excess of 5 per cent (5%) of the Net Profit for a particular financial year and where there is more than one such Directors, in excess of 10 per cent (10%) of the Net Profit to all of them together and to the Non-Executive Directors in excess of 1 per cent (1%) of the Net Profit of the Company.

Accordingly, approval of the Members is being sought for the Special Resolution as set out under Item No. 8 of the Notice for payment of remuneration to Directors in excess of sub-limits prescribed under the provisions of Section 197 of the Act for the Financial Year 2019-20 and subsequent years.

None of the Key Managerial Personnel of the Company / their relatives, other than the Directors to the extent of remuneration which may be paid to them in accordance with the provisions of Section 197 of the Companies Act, 2013, are concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 8 of the Notice.

The Board recommends the Special Resolution as set out at Item No. 8 of the Notice for approval by the Members.

Item No. 9

As required under Regulation 17 (6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ('Listing Regulations'), inserted by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the fees or compensation payable to executive directors who are promoters or members of the promoter group of the listed entity, shall be subject to the approval of the shareholders by special resolution in general meeting, if :

(i) Annual remuneration payable to such executive director exceeds ₹ 5 Crore or 2.5 per cent (2.5%) of the net profits of the listed entity, whichever is higher; or

(ii) Where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent (5%) of the net profits of the listed entity Further, the approval of the shareholders under the said Regulation shall be valid only till the expiry of the terms of such director.

In view of the above and in order to have a flexibility for payment of annual remuneration to the Executive Director(s) who are Promoter(s) or Member(s) of Promoter Group in excess of the limits as mentioned in Regulation 17 (6) (e) of the Listing Regulations from Financial Year 2019-20 and for subsequent years, till the expiry of respective term of such Executive Directors, it is necessary to obtain the approval of shareholders by way of Special Resolution.

None of the Key Managerial Personnel of the Company / their relatives, other than the Directors to the extent of remuneration which may be paid to them, are concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 9 of the Notice.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the Members.

Item No. 10

In order to augment resources inter alia, for financing capital expenditure and / or for general corporate purposes, the Company may offer or invite subscription for secured and / or unsecured, bonds, Commercial Paper ("CP") or any other Debt securities in one or more series / tranches on private placement basis.

Pursuant to the provision of Section 42 and any other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time, a Company shall not make a private placement of its securities unless

the proposed offer of securities or invitation to subscribe securities has been previously approved by the members of the Company by a Special Resolution for each offer or invitation. Further, the sub rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement, the Company shall obtain previous approval of the members by means of special resolution only once in a year for all the offers or invitations for such debentures during the year.

Accordingly, consent of the members is sought for passing a Special Resolution as set out under this item no. 10 of the Notice. This resolution enables the Board of Directors of the Company / its duly authorised Committee to offer or invite subscription for debt securities, including but not limited to non-convertible debentures, commercial paper, bonds, etc., whether in rupee denominated or denominated in foreign currency, in one or more series or tranches aggregating up to ₹ 500 crores (Rupees Five Hundred Crores Only), as deemed fit, from time to time, during the period commencing from the date of passing of special resolution till completion of one year thereof or the date of next Annual General Meeting to be held in calendar year 2020, whichever is earlier within a period of one year within the overall Borrowing limits of the Company, as approved by the Members from time to time.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said Resolution set out at Item No. 10 except to the extent of their equity shareholding in the Company.

By the Order of the Board of Directors

Paru M. Jaykrishna
Chairperson and Mg. Director
DIN 00671721

Place : Ahmedabad
Date : August 12, 2019

Registered Office :
"Asahi House"
13, Aaryans Corporate Park
Nr. Shilaj Railway Crossing, Thaltej – Shilaj Road
Thaltej, Ahmedabad – 380 059 (India)
CIN: L24222GJ1990PLC014789
Phone : +91 79 39825000
Fax: +91 79 39825100
Website : www.asahisongwon.com
Email id : cs@asahisongwon.com

B. DISCLOSURE RELATING TO DIRECTORS PURSUNAT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSRUE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINS (SS-2)

	Re-Appointment	Re-Appointment	Re-Appointment	Re-Appointment	Appointment
Name of the Director	Mr. Munjal M. Jaykrishna	Mr. Rajkumar Sukhdevsinhji	Mr. Arvind Goenka	Dr. Pradeepbhai Jasubhai Jha	Mr. Jayprakash Maneklal Patel
DIN	00671693	00372612	00135653	01539732	00256790
Date of Birth /Age	08/04/1970 (49 years)	06/08/1936 (83 years)	05/06/1962 (57 years)	28/11/1945 (74 years)	09/02/1948 (71 years)
Date of first appointment to the Board	08/03/1996	28/05/1996	16/04/1996	26/08/1997	12/08/2019
Qualification	Major in Finance and Marketing from Lehigh University, USA	Commerce Graduate	Commerce Graduate	M.Sc (Maths), He holds a degree of doctorate in philosophy of science	BE – Chemical Engineer USA
Expertise in specific functional Area	He has an experience of working with Bank of California (San Francisco) as Financial Analyst and Paragon Knits, Bethlehem, (USA) as a Consultant. He is the Joint Managing Director & CEO of AksharChem (India) Limited.	He has served as the Chairman and Managing Director of Bharat Petroleum Corporation Ltd. He has held Board level position in various Central Government and public sectors companies. He was deputed to the Ministry of Petroleum and Natural Gas, as Director (Operations) in the Oil Coordination Committee (OCC).	He commands rich experience of over 32 years in managing and overlooking operations of diverse business interests such as jute, cotton textiles, rubber, chemical and sophisticated industrial engineering products. He is on the board of reputed companies like Oriental Carbon and Chemicals Ltd. and Duncan Engineering Ltd.	A renowned mathematician having over 44 years of teaching experience. A research guide at several universities actively involved in exploring different research areas in mathematics, he has written over 20 research articles, which have been published by reputed international journals. Additionally, he has authored several books on Mathematics and Operations Research along with designing soft skills program for corporate.	He is an industrialist with more than 44 years of experience in Dyes and Chemicals Industry and has indepth and expert knowledge in this field. He is the founder of Loxim Industries Limited.

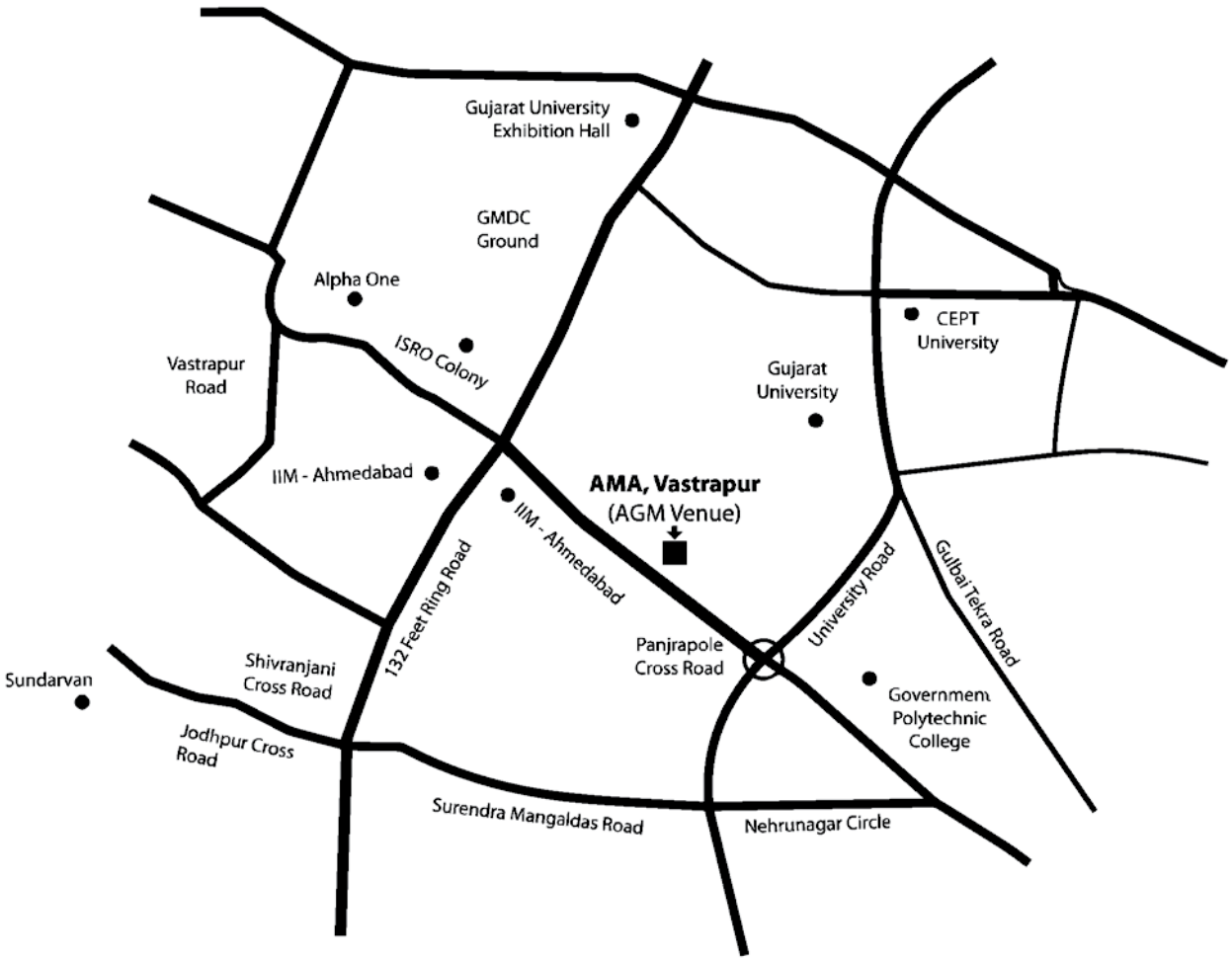
	Re-Appointment	Re-Appointment	Re-Appointment	Re-Appointment	Appointment
Name of the Director	Mr. Munjal M. Jaykrishna	Mr. Rajkumar Sukhdevsinhji	Mr. Arvind Goenka	Dr. Pradeepbhai Jasubhai Jha	Mr. Jayprakash Maneklal Patel
Number of shares held in the Company	0	0	0	0	0
Number of Board meetings attended during the Financial year 2018-2019	5	4	3	4	0
List of outside Directorship held in Listed Companies	1. AksharChem (India) Limited	1. Swan Energy Limited	1. Oriental Carbon and Chemicals Limited 2. Duncan Engineering Limited	1. AksharChem (India) Limited	None
Membership in the Committees of Board of other listed companies#	None	1. **Audit Committee** Swan Energy Limited – Member	1. **Stakeholder Committee** Oriental Carbon and Chemicals Limited – Member	1. **Audit Committee** AksharChem (India) Limited – Chairman 2. **Stakeholder Committee** AksharChem (India) Limited – Chairman	None
Membership and Chairman in the Committees of the Board of the Company#	None	1. **Audit Committee** – Member	None	1. **Audit Committee** – Chairman 2. **Stakeholder Committee** – Chairman	1. **Audit Committee*** – Member 2. **Stakeholder Committee.** – Member*
Terms and conditions of reappointment /appointment alongwith details of remuneration sought to be paid	He was appointed as Non-Executive Non Independent Director of the Company. As per the terms of appointment, he is liable to retire by rotation as per the provisions of Section 152 of the Companies Act, 2013 and being eligible offer himself of reappointment. He is not entitled to any remuneration.	He was appointed as Independent Director of the Company for a period of five years effective from September 26, 2014 to ensuing Annual General Meeting. The Board of Directors of the Company recommends reappointment of Mr. Rajkumar Sukhdevsinhji as an Independent Director for second term of five years commencing from August 12, 2019, subject to approval of the member at the ensuring Annual General Meeting.	He was appointed as Independent Director of the Company for a period of five years effective from September 26, 2014 to ensuing Annual General Meeting. The Board of Directors of the Company recommends reappointment of Mr. Arvind Goenka as an Independent Director for second term of five years commencing from August 12, 2019, subject to approval of the member at the ensuring Annual General Meeting.	He was appointed as Independent Director of the Company for a period of five years effective from September 26, 2014 to ensuing Annual General Meeting. The Board of Directors of the Company recommends reappointment of Dr. Pradeepbhai Jasubhai Jha as an Independent Director for second term of five years commencing from August 12, 2019, subject to approval of the member at the ensuring Annual General Meeting.	The Board of Directors on the recommendation of the Nomination and Remuneration Committee appointed Mr. Jayprakash Maneklal Patel as Additional Director of the Company, effective from August 12, 2019 He holds office upto the date of ensuing Annual General Meeting, but eligible for appointment as Director. The Board of Directors of the Company recommends his appointment as an Independent Director for a term of five years commencing from August 12, 2019, subject to approval of the member at the ensuring Annual General Meeting.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Son of Mrs. Paru M. Jaykrishna and Brother of Mr. Gokul M. Jaykrishna	None	None	None	None

Chairmanship and membership of the Audit Committee and the Stakeholders Relationship Committee are considered.

* Mr. Jaypraksah Maneklal Patel has become a committee member with effect from August 12, 2019.

*Dr. Pradeepbhai Jasusbhai Jha become Chairman of the Audit Committee and Stakeholders Relationship Committee with effect from August 12, 2019.

Route Map to the Venue of Annual General Meeting of Asahi Songwon Colors Limited CIN: L24222GJ1990PLC014789



Boards' Report

To the Members of
Asahi Songwon Colors Limited

Your Directors are pleased to present their Twenty Ninth Annual Report of the Company along with the Audited Financial Statement for the financial year ended March 31, 2019.

FINANCIAL HIGHLIGHTS

Your Company's standalone financial performance for the year ended March 31, 2019 is summarized below:

(₹ In Lakhs)

Particulars	2018-2019	2017-2018
Revenue from Operations	29,362.04	29,383.17
Other Income	4.24	447.21
Total Income	29,366.28	29,830.38
Profit for the year before Finance Costs, Depreciation and Tax Expenses	3,957.69	4,271.77
Less : Finance Costs	517.27	353.28
Profit for the year before Depreciation and Tax Expenses	3,440.42	3,918.49
Less : Depreciation	816.12	721.93
Profit for the year before Tax Expenses	2,624.30	3,196.56
Less : Current Tax	693.00	835.00
Less : Deferred Tax	101.80	54.00
Net Profit for the year	1,829.50	2,307.56
Other Comprehensive Income (Net of Taxes)	(190.33)	4.76
Total Comprehensive Income for the period	1,639.17	2,312.32
Surplus available for Appropriation	**14,281.93**	**12,792.76**
Appropriation:		
General Reserve	-	150.00
Final Dividend at ₹ Nil (Previous Year ₹ 3.00) per Equity Shares	368.16	-
Dividend Distribution Tax	75.68	-
Balance Carried to Balance Sheet	13,838.09	12,642.76
Total	**14,281.93**	**12,792.76**

BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/ STATE OF COMPANY'S AFFAIRS

a. General

During year 2018-19, the global economy continued to be uncertain, characterized by weak growth in global output, weakening commodity prices, global trade and capital flows. Growth prospect of most of the developing countries remained gloomy. However, Indian economy has shown sign of revival, where, inflation and fiscal deficit showed marked improvement.

The market of the Pthalo Pigment was also sluggish during the year. In spite of such uncertain economic condition your Company was able to sustain business performance. The Company is taking all the measures of effective management of resources to reduce cost and improve the margin, especially by making big efforts on energy saving.

b. Performance Review

During the year under review, the total sales of the Company stood at ₹ 29,362 lakhs compared to ₹ 29,383 lakhs in the previous year. The profit after tax (PAT) stood at ₹ 1,830 lakhs (Previous year ₹ 2,308 lakhs).

During the year under review, domestic sales of the Company was ₹ 9,690 lakhs 33% higher as compared to ₹ 7,288 lakhs during the previous year.

c. Exports

During the year under review, the total exports value to ₹ 18,873 lakhs compared to ₹ 21,241 lakhs during the previous year. Your Company continues to view focus on export markets for its products and are confident to explore better overseas markets in the coming years.

d. Capital Expenditure

The Company has incurred for the existing plant a capital expenditure of ₹ 1,822 lakhs in the year under review compared to ₹ 1,973 lakhs in the previous year.

DIVIDEND

Based on your Company's performance, the Directors are pleased to recommend for your approval final dividend @30% (Rupee 3.00 per share of face value of ₹ 10/- each) for the financial year ended March 31, 2019.

The final dividend if approved at the forthcoming Annual General Meeting will result in an outflow of ₹ 368 lakhs to the Members of the Company, in addition to ₹ 76 lakhs as dividend distribution tax.

During the previous financial year, the Company had paid final dividend @30% (Rupee 3.00 per share of face value of ₹ 10/- each) on the fully paid up equity share capital of the Company.

TRANSFER TO RESERVE

The Board of Directors of your Company has decided not to transfer any amount to the General Reserves for the financial year ended March 31, 2019 (Previous Year the Company has transferred ₹ 150 lakhs to the General Reserves). An amount of ₹ 13,838 lakhs is proposed to be retained in the Statement of Profit and Loss.

SHARE CAPTIAL

a. Issue of equity Shares with differential rights

During the year under review, there was no change in the Company's issued, subscribed and paid-up equity share capital. As at March 31, 2019, it stood at ₹ 1227.23 lakhs divided into 12,272,262 equity shares of ₹ 10/- each. During the year under review, no equity shares with differential rights as to dividend, voting or otherwise where issued.

b. Issue of sweat equity shares

During the year under review, the Company has not issued any sweat equity shares.

c. Issue of employee stock options

The Company has not granted any Employee Stock Option within the meaning of section 62(1) (b) of the Companies Act, 2013 read with its Rules framed there under and Regulation 14 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, the Company does not have any subsidiaries, joint ventures and associate companies.

INTELLECTUAL PROPERTY RIGHTS

The Company has certificate for registration of trademark for its logo i.e. Asahi Songwon and its products i.e. Asafast, Asaglow, Asalnk and Asaperm.

CHANGE IN PROMOTERS HOLDING

During the year under review, Mrugesh Jaykrishna Family Trust -1 and Gokul M. Jaykrishna Family Trust has acquired 26,000 (0.21%) and 23,000 (0.19%) Equity Shares of the Company through the stock exchange respectively. The total promoter shareholding of the Company hence stands increased from 65.41% to 65.81%.

FINANCE AND INSURANCE

The Company has been financed by State Bank of India and Federal Bank Limited for both working capital and term loans.

All assets and insurable interests of your Company including building, plant and machinery, stocks, vehicles, stores and spares have been adequately insured against various risks and perils.

Bank Term Loans

During the year under review, CARE has reaffirmed "CARE AA- Stable [Double A Minus; Outlook; Stable]" rating assigned to the long-term facilities of your Company. This rating is applicable to facilities having tenure of more than one year. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations.

CARE has also reaffirmed the CARE A1+ [Single A One Plus] rating assigned to the short-term facilities of your Company. This rating is applicable to facilities having tenure up to one year. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations.

Commercial Paper

During the year under review, CARE has reaffirmed "CARE A1+ (A One Plus) indicating very strong degree of safety regarding timely payment of financial obligations for Commercial Paper to be issued carved out of the sanctioned working capital limits of the Company. As at March 31, 2019, outstanding commercial paper was Nil.

LISTING

The Equity shares of the Company continue to remain listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has paid the Annual Listing Fees to the said Stock Exchange(s) for the financial year 2019-2020.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There has been no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year to which the financial statements relate and the date of the report.

RISK MANAGEMENT

The Company has well defined process to identify, assess, monitor and mitigate various business risks. The Company recognizes that these risks need to be managed to protect interest of the stakeholders, to achieve business objective and enable sustainable growth. Many risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. Further details are set out in the Management Discussion and Analysis Report forming part of this Report.

PUBLIC DEPOSIT

During the year under review, your Company has not accepted or renewed any deposits within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014, and, as such, no amount of principal or interest was outstanding, as on the date of the Balance Sheet.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the financial year ended March 31, 2019.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL INCLUDING THOSE WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

Directors liable to retirement by rotation

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment & Qualification of Directors) Rules, 2014, and the Articles of Association of the Company, Mr. Munjal M. Jaykrishna, Director of the Company is due to retire by rotation at the ensuing 29th Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his reappointment.

Resolution seeking shareholders' approval for the re-appointment of Mr. Munjal M. Jaykrishna have been included in the Notice of the ensuing Annual General Meeting.

Change in Directorate

Mr. H. K. Khan ceased to be a director of the Company w.e.f. April 20, 2019 on account of his death.

Late Mr. H. K. Khan was appointed on the Board of the Company in 2006 and the Company has immensely benefitted from his vision and leadership during his tenure.

The Board of Directors of the Company express their deep condolences and pay tribute to late Mr. H. K. Khan.

Mr. Gaurang N. Shah whose existing term of office as Independent Director is up to the conclusion of the ensuing Annual General Meeting and who was eligible for re-appointment as Independent Director has expressed his unwillingness to be re-appointed for the second term at the ensuing Annual General Meeting and has tender his resignation as independent director and member from all committees of the Board due to his work and other travel commitments with effect from close of business hours of August 12, 2019.

The Board placed on record its deep appreciation for the contribution made by Mr. Gaurang N. Shah during his tenure as Independent Directors of the Company.

Independent Directors

The current tenure of Mr. R. K. Sukhdevsinhji, Mr. Arvind Goenka and Dr. Pradeep Jha as Independent Directors of the Company are expiring on conclusion of 29th Annual General Meeting of the Company. Based on the report of performance evaluation and recommendations of the Nomination and Remuneration Committee, the Board of your Company has recommended the appointment of Mr. R. K. Sukhdevsinhji, Mr. Arvind Goenka and Dr. Pradeep Jha as Independent Directors of the Company for their 2nd term of 5 (five) consecutive years with effect from August 12, 2019 with the approval of shareholders' by way of special resolutions at the ensuing Annual General Meeting of the Company.

The brief profile and other information of the Directors seeking re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been included in the Notice convening the ensuing Annual General Meeting of the Company. None of Directors of the Company are disqualified as per applicable provisions of the Act.

Subject to the approval of the shareholders, and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on August 12, 2019 appointed Mr. Jayprakash M. Patel as an Additional Independent Director of the Company, for a period of 5 years commencing from August 12, 2019. The resolution seeking the appointment of Mr. Jayprakash M. Patel as an Independent Director has been included in the Notice of the ensuing Annual General Meeting.

Your Directors recommends the Resolutions for your approval for the aforesaid appointment/re-appointment continuation.

Declaration of independence

The Company has received necessary declarations from all the independent directors of your Company confirming that they meet the criteria of independence under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The Board confirms that the said Independent Directors meet the criteria as laid down under the Companies Act, 2013 as well as SEBI Regulations.

Profile of Directors seeking appointment/re-appointment

As required under Regulation 36 (3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, particulars of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting are annexed to the notice convening 29th Annual General Meeting.

Key Managerial Personnel

Pursuant to the provisions of Sections 2(51), and 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Key Managerial Personnel of the Company as on March 31, 2019 are as follows:

Mrs. Paru M. Jaykrishna, Chairperson and Managing Director

Mr. Gokul M. Jaykrishna, Joint Managing Director & CEO

Mr. Chandravadan R. Raval, General Manager (Accounts) & CFO

Mr. Saji Varghese Joseph, Company Secretary

There was no change in the Key Managerial Personnel during the year under review.

Women Director

The Composition of the Board of Directors of the Company includes a women director viz. Mrs. Paru M. Jaykrishna. Accordingly, the Company is in

compliance with the requirement of Section 149 (1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Remuneration Policy

The Remuneration Policy of your Company, as formulated by the recommendation of the Nomination and Remuneration Committee of the Board of Directors is attached herewith as per "Annexure – B" to this Report and is also available on your Company's website.

Board Effectiveness

a. Familiarization Programme for the Independent Directors

Your Company has put in place a well structured familariston programme for all its directors including independent directors of the Company with respect to the roles and responsibilities outlined under the Companies Act, 2013 and other related Regulations. The Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plants, Product Category and Corporate Function from time to time. Details of the Familiarization Programme are explained in the Corporate Governance Report.

b. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has carried out an annual evaluation of its own performance, its Committees, Independent Directors, Non-Executive Directors, Executive Directors, and the Chairperson of the Board.

The Nomination and Remuneration Committee of the Board has laid down the manner in which formal annual evaluation of the performance of the Board, its Committees and Individual Directors has to be made. It includes circulation of evaluation forms separately for evaluation of the Board and its Committees, Independent Directors/Non-Executive Directors/Executive Directors and the Chairman of your Company.

The performance of Non-Independent Directors, the Board as a whole, and the Committees of the Board has been evaluated by Independent Directors in a separate meeting. At the same meeting, the Independent Directors also evaluated the performance of the Chairperson of your Company, after taking into account the views of Executive Directors and Non-Executive Directors. Evaluation as done by the Independent Directors was submitted to the Nomination and Remuneration Committee and subsequently to the Board.

The performance of the Board and its Committees was evaluated by the Nomination and Remuneration Committee after seeking inputs from all the Directors, on the basis of criteria such as the Board/Committee composition and structure, effectiveness of the Board/Committee process, information and functioning, etc.

The performance evaluation of all the Directors of your Company, (including Independent Directors, Executive and Non-Executive Directors and Chairman), is done at the Nomination and Remuneration Committee meeting and the Board meeting by all the Board members, excluding the Director being evaluated on the basis of criteria, such as contribution at the meetings, strategic perspective or inputs regarding the growth and performance of your Company, among others. Following the meetings of Independent Directors and of Nomination and Remuneration Committee, the Board at its meeting discussed the performance of the Board, as a whole, its committees and individual Directors.

The Independent Directors are regularly updated on industry & market trends, plant process, and operational performance of the Company etc. through presentations in this regard and periodic plant visits. They are also periodically kept aware of the latest developments in the Corporate Governance, their duties as directors and relevant laws.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of its knowledge and ability, confirm that:

i) in the preparation of the annual financial statements for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

ii) the directors had selected such accounting policies and applied them consistently and made judgements 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 the profit and loss of the Company for that period;

iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) the annual financial statements have been prepared on a going concern basis;

v) your Company has laid down proper internal financial controls, and that such internal financial controls are adequate and were operating effectively; and

vi) your Company has devised proper systems to ensure compliance with the provisions of all applicable laws, and that such systems were adequate and operating effectively.

MEETINGS

Number of Meeting of the Board of Directors

During the Financial Year 2018-19, five (5) numbers of Board Meetings were held to deliberate on various matters, the details of which are given in the Corporate Governance Report which forms an integral part of this Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

Independent Directors' Meeting

A separate Meeting of the Independent Directors of the Company was also held on January 12, 2019, whereat the prescribed items enumerated under Schedule IV to the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, were discussed.

AUDIT COMMITTEE

During the year under review, the Audit Committee comprised of three Non-Executive Directors, all of whom are Independent Directors. Mr. Gaurang N. Shah was the Chairman of the Audit Committee. The Composition of the Audit Committee meets the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The Company Secretary is the Secretary of the Committee. The Joint Managing Director & CEO, Chief Financial Officer and Auditors are permanent invitees to the committee meetings.

The detail of terms of reference of Audit Committee, number and dates of meetings held, attendance of the directors and remunerations paid to them are given separately in the attached Corporate Governance Report. Your Company has a well structured Internal Audit System commensurate with its size and operations. During the year there were no instances where the board had not accepted the recommendations of the Audit Committee.

There are no recommendations of the Audit Committee which have not been accepted by the Board. Further details on the Audit Committee are provided in the Corporate Governance Section of the Annual Report.

On August 12, 2019 the Audit Committee was reconstituted due to the resignation of Mr. Gaurang N. Shah. Dr. Pradeep Jha has been appointed as the Chairman of the Audit Committee. The Audit Committee comprised of three Non-Executive Directors, all of them are Independent Directors.

NOMINATION AND REMUNERATION COMMITTEE

During the year under review, the Nomination and Remuneration Committee comprised of three Non-Executive Directors, all of whom are Independent Directors. Further details relating to the Nomination and Remuneration Committee are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Stakeholders' Relationship Committee looks into matters relating to transfer/ transmission of securities; non-receipt of dividends; non-receipt of annual report etc. Further details pertaining to Stakeholders Relationship Committee are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

In terms of the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 the Board of Directors of your Company has constituted a Corporate Social Responsibility ('CSR") Committee which is Chaired by Mrs. Paru M. Jaykrishna the Chairperson and Managing Director of the Company Your Company also has in place a CSR policy and the same is available on the website of the Company. The committee places before the Board the details of the activities to be undertaken during the year. A detail report is attached as "Annexure – D" forming part of this report.

CORPORATE GOVERNANCE

The report of the Board of Directors of your Company on Corporate Governance in terms of Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented as a separate section titled Corporate Governance Report, which forms a part of the Annual Report is attached to the report on Corporate Governance as per "Annexure – H".

The composition of the Board, the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee, the Corporate Social Responsibility Committee and other Committees of the Board, the number of meetings of the Board and Committees of the Board, and other matters are presented in the Corporate Governance Report.

A certificate from Mr. Bipin L. Makwana, Practising Company Secretaries, Ahmedabad regarding compliance with the Corporate Governance requirements as stipulated in the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), which forms part of the Annual Report.

AUDITORS

a. Statutory Auditors

The Statutory Auditors M/s. Mahendra N. Shah & Co., Chartered Accountants (Firm Registration No. 105775W), Ahmedabad were appointed as the Statutory Auditors of the Company for a term of five years up to the conclusion of the 32nd Annual General Meeting of the Company, if so required under the Law.

The Pursuant to the provisions of Section 139(1) of the Companies Act, 2013, as amended with effect from May 7, 2018, ratification of the appointment of the statutory auditors, by the Members at every Annual General Meeting during the period of their appointment, has been withdrawn from the Section 139(1) of the Companies Act, 2013 with effect from that date. In view of the above, no resolution is proposed for ratification of appointment of the Statutory Auditors at the ensuing Annual General Meeting, and a note in respect of the same has been included in the Notice of the ensuing Annual General Meeting.

M/s. Mahendra N. Shah & Co., Chartered Accountants, Ahmedabad have confirmed that they are not disqualified to continue as Auditors, and are eligible to hold office as Auditors of the Company. As authorized by the shareholders, the Board, on the recommendation of the Audit Committee, has ratified the appointment of the Statutory Auditors for their respective remaining terms at such remuneration, as may be mutually agreed between the Board of Directors and the Statutory Auditors, from time to time.

The Auditors have also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

The observations made by the Statutory Auditors on the Financial Statements of the Company, in their Report for the financial year ended March 31, 2019, read with the Explanatory Notes therein, are self-explanatory and, therefore, do not call for any further explanation or

comments from the Board under Section 134(3)(f) of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation, disclaimer or adverse remark.

b. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. Bipin L. Makawana, Company Secretary in Practice to undertake the Secretarial Audit of the Company.

Mr. Bipin L. Makawana Company Secretary in Practice have carried out Secretarial Audit of the Company for the Financial Year 2018-19 and the Report of Secretarial Auditor in Form MR-3 is annexed with this Report as "Annexure – F" forming part of this Report.

c. Cost Auditors

During the year under review, cost audit was not applicable to the Company.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors of the Company have reported to the Audit Committee under Section 143(12) of the Companies Act, 2013 any instances of fraud committed against your Company by its officers and employees, details of which would need to be mentioned in the Board's Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has in place adequate internal financial control system commensurate with the size of its operations. Internal control systems comprising of policies and procedures are designed to ensure sound management of your Company's operations, safe keeping of its assets, optimal utilisation of resources, reliability of its financial information and compliance. Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of your Company's operations. Internal Audit is conducted throughout the organization by qualified outside Internal Auditors. Findings of the internal Audit Report are reviewed by the top Management and by the Audit Committee of the Board and proper follow up actions are ensured wherever required. During the year under review, no material or serious observation has been received from the Auditors of your Company citing inefficiency or inadequacy of such controls.

EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return of your Company as on March 31, 2019 in Form MGT-9, in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, is given in "Annexure - E" and is also available on the Company's website.

CASH FLOW STATEMENT

As required under Regulation 34(2) (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a Cash Flow Statement prepared in accordance with the Indian Accounting Standard 7 (IND AS-7) is attached to the Financial Statement.

EXPORT HOUSE STATUS

The Company has been awarded status of "Two Star Export House" by Office of Development Commissioner, Kandla Special Economic Zone, Gandhidham, Kutch in accordance with provisions of Foreign Trade Policy 2015-2020. This status is valid till December 15, 2020.

RESEARCH AND DEVELOPMENT (R&D)

The Company has a Research and Development centre, which is recognized by the Ministry of Science and Technology, Government of India. Focused areas of R & D was on product quality, cost reduction, new product offerings and environmental sustainability.

AWARDS AND RECOGNITION

Over the years, the Company has participated and won many awards and recognition. The awards won during the financial year 2018-19:

- The Gujarat Dyestuff Manufacturing Association (GDMA) First award for self manufactured direct export of Dye Intermediates and special trophy for self manufactured domestic sale of Dye Intermediates of ₹ 25 crore and above during the year 2017-18.
- CHEMEXCIL award for outstanding export performance in exporters during the 2016-17 in Dye & Dye intermediate category.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Pursuant to Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, disclosures on particulars relating to loans, advances and investments as at March 31, 2019 are given in the Notes to the Financial Statements. There are no guarantees issued, or securities provided by your Company in terms of Section 186 of the Companies Act, 2013, read with the Rules issued there under.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review all contracts / arrangements / transactions entered into by your Company with Related Parties were on arm's length basis and in the ordinary course of business. There are no material transactions with any Related Party as defined under section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014. All Related Party transactions have been approved by the Audit Committee of your Company.

The details of contracts and arrangements with Related Parties of your Company for the financial year ended March 31, 2019, are given in Notes to the Standalone Financial Statements, forming part of this Annual Report.

The Policy on Related Party Transactions, as approved by the Board, is available on the website of the Company.

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

Information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given as per "Annexure – A " hereto forming part of this Report.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Your Company has established a Vigil Mechanism for reporting of concerns through the Whistle Blower Policy of your Company, which is in compliance of the provisions of Section 177 of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and the Listing Regulations. The Policy provides for framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. Whistle Blower Policy is disclosed on the website of the Company. The Audit Committee of the Board overseas the functioning of the policy.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which shall impact the going concern status and Company`s operations in future.

INDUSTRIAL RELATIONS

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across organization.

PARTICULAURS OF EMPLOYEES AND RELATED DISCLOUSRES

The information required pursuant to Section 197 of Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are annexed as per "Annexure – C" to this Report.

CERTIFICATIONS

Your Company has ISO 14001:2015 for Environmental Management System certification and ISO 9001-2015 for quality management system for plant at Vadodara.

MANAGEMENT'S DISCUSSSION AND ANALYSIS REPORT

Management Discussion and Analysis as stipulated under s stipulated under Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 is presented in a separate section forming part of this Annual Report. It provides details about the overall industry structure, global and domestic economic scenarios, developments in business operations/ performance of the Company's businesses international operations, internal controls and their adequacy, risk management systems and other material developments during the financial year 2018-19 forming part of the Annual Report as per "Annexure- G".

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PRHIBITION & REDRESSAL) ACT, 2013

Your Company has zero tolerance for sexual harassment at workplace. The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and the rules framed thereunder. It is the continuous endeavour of the Management of the Company to create and provide an environment to all its employees that is free from discrimination and harassment, including sexual harassment. During the year under review, the Committee had not received any compliant.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Transfer of Unpaid/ Unclaimed Dividend to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013 ("the Act") unclaimed/ unpaid dividend of ₹ 116,314/- (Final Dividend of 2010-11 ₹ 67,376 and Interim Dividend of 2011-12 ₹ 48,938) was transferred during the year under review to Investor Education and Protection Fund (IEPF).

Pursuant to the provisions of the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has filed the necessary form and uploaded the details of unclaimed amounts lying in unpaid dividend accounts with the Ministry of Corporate Affairs.

Unclaimed dividend in respect of the Financial year 2011-12 will be due for transfer to IEPF on November 1, 2019.

Transfer of Equity Shares to Investor Education Protection Fund Authority (IEPFA)

In terms of Section 124(6) of the Act read with Rule 6 of the IEPFA (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time), shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of IEPFA within a period of thirty days of such shares becoming due for transfer. Upon transfer of such shares, all benefits (like dividend, bonus, split, Annual Report 2018-19 consolidation etc.), if any, accruing on such shares shall also be credited to the Account of IEPF and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which were transferred to the Demat Account of IEPFA can be claimed back by the shareholder by following the procedure prescribed under the aforesaid rules.

During the year under review, the Company has transferred 653 equity shares to IEPFA as dividend had not been encashed or claimed on the above shares during the seven consecutive years from the financial Year 2010-11 to 2017-18.

Details of Nodal Officer

The details of the nodal officer appointed by the Company under the provisions of IEPF are given below and the same is disseminated in the website of the Company.

Name of the Company Secretary Nodal Officer	Mr. Saji Varghese Joseph
Direct Phone No.	079 – 39825000
Email Id	cs@asahisongwon.com
Address	"Asahi House" 13, Aaryans Corporate Park Nr. Shilaj Railway Crossing Thaltej - Shilaj Road, Thaltej Ahmedabad – 380059

ENVIRONMENT, HEALTH AND SAFETY

The Company is committed to health and safety of its employees, contractors and visitors. We are compliant with all EHS Regulations stipulated under the Water (Prevention and Control of Pollution) Act, The Air (Prevention and Control of Pollution) Act, The Environment Protection Act, The Factories Act and Rules made there under. Safety and environmental standards are periodically reviewed and upgraded. The Company preserves in its efforts to educate safe and environmentally accountable behavior in every employee, as well as its vendors.

The solid waste generated at the Works, after treatment of its liquid effluent is shifted to a Gujarat Pollution Control Board (GPCB) approved site.

The Company has maintained a greenbelt around its sites as a part of its commitment to environment management.

The Company continues to demonstrate its commitment to a clean and safe environment. The state of the art effluent treatment plant continues to run satisfactorily, so that the treated wastewater discharged is well within the stipulated norms set by GPCB. As a part of water conservation efforts, the Company has implemented suitable engineering solution to utilize recycled water as much as possible in cleaning, gardening and other utilities.

INSIDER TRADING REGULATIONS

Based on the requirements under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Code of Conduct for prevention of insider trading is in force in your Company. The Board of Directors of the Company has adopted the revised Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in compliance with Chapter IV of the said Regulations and the same has been uploaded on the Company's website.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India (SS1 and SS2) respectively relating to Meetings of the Board and its Committees which have mandatory application during the year under review.

APPRECIATION AND ACKNOWLEDGEMENTS

Your Directors would like to express their appreciation for the assistance and cooperation received from the Government of India, Government of Gujarat, Electricity supply companies and Bankers during the year under review.

The Company is thankful to the shareholders for reposing trust in the Company and their unflinching enthusiasm and patronage.

For and on behalf of the Board of Directors

Paru M. Jaykrishna
Chairperson & Mg. Director
DIN 00671721

Place :Ahmedabad
Date: August 12, 2019

Registered Office:
"Asahi House"
13, Aaryans Corporate Park
Nr. Shilaj Railway Crossing, Thaltej – Shilaj Road
Thaltej, Ahmedabad – 380 059 (India)
(CIN: L24222GJ1990PLC014789)

Annexure – "A" to the Directors' Report

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

A. CONSERVATION OF ENERGY

The Company mainly focuses on the conservation of energy and its utilization. Continuous monitoring of high consumption areas/ equipment and taking appropriate corrective measures as and when required resulted in energy saving and maintained marginal increment in power consumption as against production growth.

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

- Replacement of eight old thermic fluid heaters with two new thermic fluid heaters, which will to conserve fuel. Due to switch over to two Nos. TFH, the company is expecting 30% saving in fuel consumption in TFH area.
- The Company installed an automatic coal feed controller, which controls the feeding of coal to boiler by sensing 02 content in the gases.
- The Company has installed a Heat exchanger to recover the heat from alkaline hot wash water.
- Efforts have been taken to upgrade plant and machinery.
- The Company has also undertaken various initiatives towards green energy thereby contributing towards clean environment.
- Installation of capacitors to control the Power Factor.
- Street Light 70 watts converted to LED light of 36 watts.
- Periodical checking of electrical earthing.
- Flood Light 400 Watts converted to 40 W LED Flood Light.
- 125 Watts Flame proof lamps are changed to 15 watts LED lamps.
- Vessel lamps 60 watts converted to LED 18 watts with Timer.
- CT motors replaced from 75 HP to 15HP.
- Installed Electrostatic Precipitator (ESP) for Boiler and TFH flue gases, thereby, reduction in air pollution. Around 95% of particulate matter is being arrested by ESP.
- Maintaining power factor 0.99 and for that periodic monitoring done. By maintaining power factor we are reducing total units in electrical consumption every month.
- Diverted our 750 KVA transformer load to 1600 KVA transformer, so that line loss eliminate 4000 units every month.
- Plant lighting load is get reduced up to 3000 units per month in CPC & Beta plant by installing LED lights.

(ii) The steps taken by the Company for utilizing alternative sources of energy: To conserve energy the Company has one windmill with total installed capacity of 750 KW WTG and 128 KVA Solar Power Plant, which will help to generate energy through environmental friendly measure and also reduce carbon emission in the atmosphere.

(iii) The Capital investment on energy conservation equipment: Studies to reduce energy consumption of existing unit are on and suitable investment will continue to be made in these areas.

B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

(i) The efforts made towards technology absorption:

The Company has a Research and Development centre, which is recognized by the Ministry of Science and Technology, Government of India. The centre is engaged in

(a) Development of new products.

(b) Cost effective technology for existing and new product which are environment friendly.

(c) Improvement in quality, productivity and cost reduction to meet the customers changing requirements.

(d) Cost reduction by process improvement and cycle time reduction.

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

(a) High quality products and process rationalisation.

(b) Improved product quality, production and cost reduction to meet the changing requirements of customer.

(c) Cost reduction by process improvement and cycle time reduction.

(d) Reduction in waste generation and energy inputs.

(e) Successful in developing value added pigments.

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

a.	The details of technology imported	:	Nil
b.	The year of Import	:	Not Applicable
c.	Whether the technology been fully absorbed	:	Not Applicable
d.	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	:	Not Applicable

(iv) The Expenditure incurred on Research and Development

(₹ in lakhs)

	2018-2019	2017-2018
Capital	7.51	89.70
Recurring	110.00	85.61
Total	117.51	175.31
Total Research and Development Expenditure as percentage of total turnover	0.40	0.60

C. FOREIGN EXCHANGE EARNINGS AND OUT GO

a. Activities relating to Exports, initiatives taken to increase exports, development of new export markets for products and service and export plans

The Company is an export oriented company, where 66% of the total turnover comes from Exports. During the year under review, the Company exported pigments (Blue) valuing (FOB) ₹ 18,760.59 lakhs (Previous Year ₹ 21,019.42 lakhs) to various countries around the World. The Company is global phthalocyannie pigment exporter to various countries, major to Europe, USA and Asian Markets. Your Company is constantly exploring new markets to enhance the exports of its products.

(₹ in lakhs)

	2018-2019	2017-2018
Foreign Exchange Earned (FOB)	18,760.59	21,019.42
Foreign Exchange Used	7,802.24	7,631.97

Annexure – "B" to the Directors' Report

Nomination and Remuneration Policy

1. PREAMBLE

The Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and the provisions of SEBI Listing Regulations, 2015. The Policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and has been approved by the Board of Directors of the Company.

2. OBJECTIVES

The objective of the policy is to ensure that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long–term performance objectives appropriate to the working of the Company and its goals.

3. REMUNERTION TO DIRECTORS

A. Remuneration to Managing Director / Whole–time Directors:

The remuneration / commission etc to be paid to Managing Director / Whole – time Directors etc shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactments for the time being in force and the approvals obtained from the Members of the Company.

The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors as it may consider appropriate with regard to remuneration to Managing Director / Whole–time Director.

B. Remuneration to Non-Executive / Independent Directors:

- The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Director of the Company.
- All the remuneration of the Non-Executive/Independent Directors (excluding remuneration for the attending the meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling / limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders as the case may be.
- An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

C. Remuneration to Key Managerial Personnel and Senior Management:

- The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's policy.
- A committee of the Company constituted for the purpose of administering the Employee Stock Options shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension scheme etc., as decided from time to time.
- The incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management to be decided annually or such interval as may be consider appropriate.

4. REVIEW

The policy shall be reviewed by the Nomination and Remuneration Committee and the Board from time to time as may be necessary.

Annexure – "C" to the Directors' Report

A. Details pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended are given below:

i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Sr. No.	Particulars	Remuneration for the year ended March 31, 2019 (₹ in lakhs)	Ratio of Remuneration to median remuneration of employees
1.	Mrs. Paru M. Jaykrishna Chairperson and Managing Director	81.10	22.25
2.	Mr. Gokul M. Jaykrishna Joint Managing Director & CEO	78.59	21.56

ii. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase/(decrease) in remuneration in the financial year
Mrs. Paru M. Jaykrishna	(17.91)
Mr. Gokul M. Jaykrishna	(50.82)
Mr. Munjal M. Jaykrishna	Not Applicable
Mr. H. K. Khan	Not Applicable
Mr. R. K. Sukhdevsinhji	Not Applicable
Mr. Arvind Goenka	Not Applicable
Mr. Gaurang N. Shah	Not Applicable
Dr. Pradeep Jha	Not Applicable
Mr. Chandravadan R. Raval – General Manager (Accounts) & CFO	(10.24)
Mr. Saji V. Joseph – Company Secretary	(11.83)

iii. The percentage increase in the median remuneration of employees in the financial year: During the year under review, there was a increase of 13.18% in the median remuneration of employees.

iv. The number of permanent employees on the rolls of Company: There were 144 permanent employees on the rolls of the Company as on March 31, 2019.

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: The average percentage of increase made in the salaries of employees other than the managerial personnel in the year under review was 15.06%, whereas there was average decrease in the managerial remuneration of 36.44% for the financial year 2018-19.

vi. Affirmation that the remuneration is as per the remuneration policy of the Company: It is herby affirmed that remuneration paid is as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Annexure – "D" to the Directors' Report

Annual Report on Corporate Social Responsibility Activities

(Pursuant to Rule 8 of Companies (Corporate Social Responsibility policy) Rules, 2014

1. **A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes**
   Corporate Social Responsibility is the contribution by the Corporate towards social and economic development of the society. The Company's vision on CSR is to enhance the quality of life and the economic well being of communities around our operations. The Company has framed a CSR policy in compliance with the provisions of Section 135 of the Companies Act, 2013 and is placed on website of the Company.

2. **Composition of the CSR Committee:**
   As at March 31, 2019, the Corporate Social Responsibility Committee comprises of 3 (Three) members of the Board out of which 2 (Two) are Independent Directors.

   The CSR Committee comprises of the following directors:

   1. Mrs. Paru M. Jaykrishna - Chairperson
   2. Mr. Gaurang N. Shah - Member
   3. Dr. Pradeep Jha - Member

3. **Average net profit of the Company for last three financial years (2015-16 to 2017-18):** The Average Net Profit of three financial years preceding the reporting financial year (i.e. 2017-18, 2016-17, 2015-16) calculated in accordance with section 135 of the Companies Act, 2013 is ₹ 3,467.11 lakhs.

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** The prescribed CSR Expenditure to be incurred during the financial year i.e. 2018-19 is ₹ 69.34 lakhs.

5. **Details of CSR spend for the financial year :**
   a) Total Amount to be spent for the financial year: ₹ 69.92 lakhs.
   b) Amount unspent, if any : Nil
   c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR project /Activity identified	Sector in which the project is covered	Projects / Programmes 1. Local area / other – 2. Specify the state / district (Name of the District/s State/s where project / programmme was undertaken)	Amount outlay (budget) project / programme wise (in ₹ lakhs)	Amount spent on the project / programme	Cumulative spend up to the reporting period (₹ in lakhs)	Amount spent : Direct / through implementing agency
1.	To promote facility of education to poor and under privileged children	Promotion of Education	Bhat, Ahmedabad	1.00	1.00	1.00	Implementing Agency: Yuva Unstoppable
2.	To promote facility of education to poor and under privileged children	Promotion of Education	Dudhwada, Vadodara	1.46	1.46	2.46	Implementing Agency: Direct
3.	To promote facility of education to poor and under privileged children	Promotion of Education	Padra, Vadodara	0.25	0.25	2.71	Implementing Agency: Shree Jala Kelavani Trust
4.	To promote rural infrastructure development project	Rural Development	Padra, Vadodara	0.20	0.20	2.91	Implementing Agency : Tithor Gram Panchayat
5.	To promote Animal Husbandry Based Treatment and vaccination, Breed improvement Productivity, Improvement programs and training	Environment & Livelihood	Ahmedabad	1.00	1.00	3.91	Implementing Agency: The Studbook and Horse Breeder Federation

Sr. No.	CSR project /Activity identified	Sector in which the project is covered	Projects / Programmes 1. Local area / other – 2. Specify the state / district (Name of the District/s State/s where project / programmme was undertaken)	Amount outlay (budget) project / programme wise (in ₹ lakhs)	Amount spent on the project / programme	Cumulative spend up to the reporting period (₹ in lakhs)	Amount spent : Direct / through implementing agency
6.	To promote facility of education to poor and under privileged children	Promotion of Education	Maninagar Ahmedabad	65.00	65.00	68.91	Implementing Agency: All India Social Education Charitable Trust
7.	To promote Animal Husbandry Based Treatment and vaccination, Breed improvement Productivity, Improvement programs and training	Environment & Livelihood	Ahmedabad	1.01	1.01	69.92	Implementing Agency: Shree Jalaram Sewa Trust

6. **Reason for not spending the amount at 5(c) :** Not Applicable

7. **Responsibility Statement**
The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR policy is in compliance with CSR objective and policy of the Company.

Gokul M. Jaykrishna
Jt. Managing Director & CEO
DIN : 00671652

Paru M. Jaykrishna
Chairperson of CSR Committee
DIN : 00671721

Place : Ahmedabad
Date : August 12, 2019

Annexure – "E" to the Directors' Report

Form No. MGT-9

Extract of Annual Return

as on the financial year ended on March 31, 2019

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	:	L24222GJ1990PLC014789
ii)	Registration Date	:	December 10, 1990
iii)	Name of the Company	:	Asahi Songwon Colors Limited
iv)	Category / Sub-Category of the Company	:	Public Company limited by shares
v)	Address of the Registered office and contact details	:	"Asahi House", 13, Aaryans Corporate Park Nr. Shilaj Railway Crossing, Thaltej-Shilaj Road Thaltej, Ahmedabad – 380 059.
vi)	Whether Listed company	:	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Link Intime India Private Limited C-101, 247 Park, L.B. S Marg, Vikhroli (West) Mumbai – 400 083. Tel : 022- 49186270

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Pigments	20114	100
2.	Trading Activity and Power Generation	-	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	NA	NA	NA	NA	NA

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. Shareholding of Promoters and Promoter Group									
(1) Indian									
a) Individual/Hindu Undivided Family	0	0	0	0	0	0	0	0.0000	0.0000
b) Central Government/ State Government	0	0	0	0	0	0	0	0.0000	0.0000
c) Bodies Corporate	0	0	0	0	0	0	0	0.0000	0.0000
d) Financial Institutions Banks	0	0	0	0	0	0	0	0.0000	0.0000
e) Any Other- Private Trust	8,026,820	0	8,026,820	65.4062	8,075,820	0	8,075,820	65.8055	0.3993

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	
Sub-total (A) (1)	**8,026,820**	**0**	**8,026,820**	**65.4062**	**8,075,820**	**0**	**8,075,820**	**65.8055**	**0.3993**
(2) Foreign									
a) Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Qualified Foreign Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any Other	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-total (A) (2)	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.0000**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**8,026,820**	**0**	**8,026,820**	**65.4062**	**8,075,820**	**0**	**8,075,820**	**65.8055**	**0.3993**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Financial Institutions / Banks	4,170	0	4,170	0.0340	4,510	0	4,510	0.0367	(0.0027)
c) Central Government / State Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Foreign Portfolio Investors	40,273	0	40,273	0.3282	47,798	0	47,798	0.3895	0.0613
g) Foreign Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
h) Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
i) Others (specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-total (B)(1)	**44,443**	**0**	**44,443**	**0.3622**	**52,308**	**0**	**52,308**	**0.4262**	**0.0641**
2. Non- Institutions									
a) Individuals									
i. Individual shareholders holding nominal share capital upto ₹ 1 lakh	1,807,054	2,099	1,809,153	14.7418	1,851,983	2,099	1,854,082	15.1079	0.3661
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	7,69,100	0	769,100	6.2700	766,229	0	766,229	6.2436	(0.0234)
b) NBFCs registered with RBI	0	0	0	0.0000	4,000	0	4,000	0.0326	0.0326
c) Others (specify)									
Bodies Corporate	454,186	0	454,186	3.7009	312,078	0	312,078	2.5430	(1.1579)
Hindu Undivided Family	141,497	0	141,497	1.1530	148,703	0	148,703	1.2117	0.0587
Non Resident Indian (Non Repat)	57,917	0	57,917	0.4719	70,337	0	70,337	0.5731	0.1012
Non Resident Indian (Repat)	61,290	0	61,290	0.4994	66,158	0	66,158	0.5391	0.0397
IEPF	1,016	0	1,016	0.0083	1,669	0	1,669	0.0136	0.0053
Clearing Member	41,640	0	41,640	0.3393	55,678	0	55,678	0.4537	0.1144
Foreign Company	0	865,200	865,200	7.0500	0	865,200	865,200	7.0500	0.0000
Sub-total (B)(2)	**3,333,700**	**867,299**	**4,200,999**	**34.2234**	**3,276,835**	**867,299**	**4,144,134**	**33.7683**	**(0.4551)**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**3,378,143**	**867,299**	**4,245,442**	**34.5938**	**3,329,143**	**867,299**	**4,196,442**	**34.1945**	**(0.3993)**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.0000**
Grand Total (A+B+C)	**11,404,963**	**867,299**	**12,272,262**	**100.0000**	**11,404,963**	**867,299**	**12,272,262**	**100.0000**	**0.0000**

ii) Shareholding of Promoters

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year as on April 1, 2018			Share holding at the end of the year as on March 31, 2019			% 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.	Mrugesh Jaykrishna Family Trust – I	5,297,811	43.1690	0.0000	5,323,811	43.3808	0.0000	0.2118
2.	Gokul M. Jaykrishna Family Trust	2,729,009	22.2372	0.0000	2,752,009	22.4246	0.0000	0.1874
	Total	**8,026,820**	**65.4062**	**0.0000**	**8,075,820**	**65.8154**	**0.0000**	**0.3992**

iii) Change in Promoters' Shareholding*

Sr. No.	Shareholders Name	Shareholding at the beginning of the year as on April 1, 2018			Cumulative Shareholding during the year	
		Date	Increase / Decrease	% of total shares of the company	No. of Shares	% of total shares of the company
*1.	**Mrugesh Jaykrishna Family Trust – I**					
	At the beginning of the year	01/04/2018	-	-	5,297,811	43.1690
		20/04/2018	4,000	0.0326	5,301,811	43.2016
		04/05/2018	2,000	0.0163	5,303,811	43.2179
		08/06/2018	18,090	0.1474	5,321,901	43.3653
		15/06/2018	1,910	0.1556	5,323,811	43.3808
	At the End of the year	31/03/2019	-	-	5,323,811	43.3808
*2.	**Gokul M. Jaykrishna Family Trust**					
	At the beginning of the year	01/04/2018	-	-	2,729,009	22.2372
		20/04/2018	2,000	0.0163	2,731,009	22.2535
		04/05/2018	1,000	0.0081	2,732,009	22.2617
		08/06/2018	9,027	0.7356	2,741,036	22.3352
		15/06/2018	973	0.0079	2,742,009	22.3431
		23/11/2018	10,000	0.8148	2,752,009	22.4246
	At the End of the year	31/03/2019	-	-	2,752,009	22.4246

* During the year under review, Mrugesh Jaykrishna Family Trust -1 and Gokul M. Jaykrishna Family Trust has acquired 26,000 (0.021%) and 23,500 (0.19%) Equity Shares of the Company through the stock exchange respectively during the year. The total promoter shareholding of the Company hence stands increased from 65.41% to 65.81%.

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

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the year	
		No of shares at the beginning (01/04/2018)/ end of the year (31/03/2019)	% of total shares of the Company				No of shares	% of total shares of the Company
1.	**DIC Corporation**	865,200	7.0500	01/04/2018	-	No Change	865,200	7.05
		865,200	7.0500	31/03/2019			865,200	7.05
2.	**D. Srimathi**	127,966	1.0427	01/04/2018			127,966	1.0427
				13/04/2018	573	Transfer	128,539	1.0474
				27/04/2018	20,765	Transfer	149,304	1.2166
				18/05/2018	2,000	Transfer	151,304	1.2329
		151,304	1.2329	31/03/2019				
3.	**Rural Engineering Co. Pvt Limited**	45,000	0.3667	01/04/2018		No Change	45,000	0.3667
		45,000	0.3667	31/03/2019				

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the year	
		No of shares at the beginning (01/04/2018)/ end of the year (31/03/2019)	% of total shares of the Company				No of shares	% of total shares of the Company
4.	**Globe Capital Market Limited**	18,395	0.1499	01/04/2018			18,395	0.1499
				06/04/2018	17,400	Transfer	35,795	0.2917
				20/04/2018	17,522	Transfer	53,317	0.4345
				27/04/2018	50	Transfer	53,367	0.4349
				04/05/2018	145	Transfer	53,512	0.4360
				11/05/2018	100	Transfer	53,612	0.4369
				25/08/2018	50	Transfer	53,662	0.4373
				01/06/2018	(50)	Transfer	53,612	0.4376
				08/06/2018	(50)	Transfer	53,562	0.4364
				30/06/2018	(4,866)	Transfer	48,696	0.3968
				06/07/2018	(9,545)	Transfer	39,151	0.3190
				17/08/2018	(53)	Transfer	39,098	0.3186
				31/08/2018	(19,812)	Transfer	19,286	0.1572
				07/09/2018	812	Transfer	20,098	0.1638
				14/09/2018	(1,163)	Transfer	18,935	0.1543
				21/09/2018	500	Transfer	19,435	0.1584
				29/09/2018	(500)	Transfer	18,935	0.1543
				12/10/2018	5,745	Transfer	24,680	0.2011
				26/10/2018	10,000	Transfer	34,680	0.2826
				09/11/2018	(1,499)	Transfer	33,181	0.2704
				16/11/2018	(1)	Transfer	33,180	0.2704
				23/11/2018	100	Transfer	33,280	0.2712
				30/11/2018	47	Transfer	33,327	0.2716
				14/12/2018	(9,690)	Transfer	23,637	0.1926
				28/12/2018	879	Transfer	24,516	0.1998
				18/01/2019	19,000	Transfer	43,516	0.3546
				01/02/2019	40	Transfer	43,556	0.3549
				08/02/2019	(8)	Transfer	43,548	0.3548
				15/02/2019	89	Transfer	43,637	0.3556
				22/02/2019	(15)	Transfer	43,622	0.3555
				08/03/2019	175	Transfer	43,797	0.3569
				22/03/2019	(10)	Transfer	43,787	0.3568
				29/03/2019	(314)	Transfer	43,473	0.3542
		43,473	0.3542	31/03/2019				
5.	**Amit Jain**	55,591	0.4530	01/04/2018			55,591	0.4530
				06/04/2018	(5,001)	Transfer	50,590	0.4122
				13/04/2018	(590)	Transfer	50,000	0.4074
				18/05/2018	(1,248)	Transfer	48,752	0.3973
				31/08/2018	(4,513)	Transfer	44,239	0.3605
				14/09/2018	(4,533)	Transfer	39,706	0.3235
				02/11/2018	(5)	Transfer	39,701	0.3235
		39,706	0.3235	31/03/2019				
6.	**Kalyani P. Jain**	37,587	0.3063	01/04/2018	-	No Change	37,587	0.3063
		37,587	0.3063	31/03/2019				

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the year	
		No of shares at the beginning (01/04/2018)/ end of the year (31/03/2019)	% of total shares of the Company				No of shares	% of total shares of the Company
7.	**Sabitha Chandran**	86,412	0.7041	01/04/2018			86,412	0.7041
				22/03/2019	(6,038)	Transfer	80,374	0.6549
				29/03/2019	(44,049)	Transfer	36,280	0.2956
		36,280	0.2956	31/03/2019				
8.	**Kavitha Chandran**	34,828	0.2838	01/04/2018	-	No Change	34,828	0.2838
		34,828	0.2838	31/03/2019				
9.	**Gymkhana Partners LP**	25,450	0.2074	01/04/2018			25,450	0.2074
				01/06/2018	6,750	Transfer	32,200	0.2624
				08/06/2018	6,700	Transfer	38,900	0.3170
				29/03/2019	(4,509)	Transfer	34,391	0.2802
		34,391	0.2802	31/03/2019				
10.	**Pravin Natvarlal Bhagwati**	32,174	0.2622	01/04/2018	-	No Change	32,174	0.2622
		32,174	0.2622	31/03/2019				
11.	**Achintya Securities Private Limited**	34,922	0.2846	01/04/2018			34,922	0.2846
				06/04/2018	(17,400)	Transfer	17,522	0.1428
				20/04/2018	(17,522)	Transfer	0	0.0000
				30/06/2018	4,900	Transfer	4,900	0.0399
				31/08/2018	19,812	Transfer	24,712	0.2014
				07/09/2018	(19,812)	Transfer	4,900	0.0399
				12/10/2018	(4,900)	Transfer	0	0.0000
				26/10/2018	165	Transfer	165	0.0013
				02/11/2018	160	Transfer	325	0.0026
				14/12/2018	5,090	Transfer	5,415	0.0441
				28/12/2018	(864)	Transfer	4,551	0.0371
				15/09/2018	200	Transfer	4,751	0.0387
				08/03/2019	(175)	Transfer	4,576	0.0373
				29/03/2019	324	Transfer	4,900	0.0399
		4,900	0.0399	31/03/2019			4,900	0.0399
12.	**Hitesh Ramji Javeri**	35,101	0.2860	01/04/2018			35,101	0.2860
				16/11/2018	(8,895)	Transfer	26,206	0.2135
				23/11/2018	(26,101)	Transfer	105	0.0009
		105	0.0009	31/03/2019				
13.	**IL and FS Securities Services Limited**	38,740	0.3157	01/04/2018			38,740	0.3157
				06/04/2018	1,357	Transfer	40,097	0.3267
				13/04/2018	(1,470)	Transfer	38,627	0.3148
				20/04/2018	(1,506)	Transfer	37,121	0.3025
				27/04/2018	(760)	Transfer	36,361	0.2963
				11/05/2018	(150)	Transfer	36,211	0.2951
				25/05/2018	(1,928)	Transfer	34,283	0.2794
				01/06/2018	(638)	Transfer	33,645	0.2742
				08/06/2018	(400)	Transfer	33,245	0.2709
				15/06/2018	504	Transfer	33,749	0.2750
				22/06/2018	108	Transfer	33,857	0.2759
				30/06/2018	2,680	Transfer	36,537	0.2977
				06/07/2018	1,000	Transfer	37,537	0.3059
				13/07/2018	(229)	Transfer	37,308	0.3040

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the year	
		No of shares at the beginning (01/04/2018)/ end of the year (31/03/2019)	% of total shares of the Company				No of shares	% of total shares of the Company
				20/07/2018	(394)	Transfer	36,914	0.3008
				27/07/2018	(414)	Transfer	36,500	0.2974
				03/08/2018	870	Transfer	37,370	0.3045
				10/08/2018	(21,114)	Transfer	16,256	0.1325
				17/08/2018	(1,800)	Transfer	14,456	0.1178
				24/08/2018	(130)	Transfer	14,326	0.1167
				31/03/2018	199	Transfer	14,525	0.1184
				07/09/2018	(1,000)	Transfer	3,525	0.1102
				14/09/2019	(1,290)	Transfer	12,235	0.0997
				21/09/2018	(445)	Transfer	11,790	0.0961
				29/09/2019	39,134	Transfer	50,924	0.4150
				12/10/2018	66	Transfer	50,990	0.4155
				26/10/2018	25	Transfer	51,015	0.4157
				16/11/2018	1190	Transfer	52,205	0.4254
				30/11/2018	395	Transfer	52,600	0.4286
				07/12/2018	(21,822)	Transfer	30,778	0.2508
				28/12/2018	(376)	Transfer	30,402	0.2477
				04/01/2019	(3,790)	Transfer	26,612	0.2168
				18/01/2019	(13)	Transfer	26,599	0.2167
				01/02/2019	(1,000)	Transfer	25,599	0.2086
				15/02/2019	(360)	Transfer	25,239	0.2057
				01/03/2019	(2,410)	Transfer	22,829	0.1860
				15/03/2019	(22,034)	Transfer	795	0.0065
				22/03/2019	(472)	Transfer	323	0.0026
				29/03/2019	(223)	Transfer	100	0.0008
		100	0.0008	31/03/2019				

- The above information is based on weekly downloads of beneficiary position received from Depositories.

- The details of holding has been clubbed based on PAN.

- % of total shares of the Company is based on the paid up capital of the Company at the end of the year.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Date wise Increase / Decrease			Cumulative Shareholding during the year	
		Date	Increase / Decrease	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Mrs. Paru M. Jaykrishna***					
	At the beginning of the year	01/04/2018	0.0000	0.0000	0.0000	0.0000
	At the End of the year	31/03/2019	0.0000	0.0000	0.0000	0.0000
2.	**Mr. Gokul M. Jaykrishna***					
	At the beginning of the year	01/04/2018	0.0000	0.0000	0.0000	0.0000
	At the End of the year	31/03/2019	0.0000	0.0000	0.0000	0.0000
3.	**Mr. Munjal M. Jaykrishna**					
	At the beginning of the year	01/04/2018	0.0000	0.0000	0.0000	0.0000
	At the End of the year	31/03/2019	0.0000	0.0000	0.0000	0.0000
4.	**Mr. H. K. Khan**					
	At the beginning of the year	01/04/2018	0.0000	0.0000	0.0000	0.0000
	At the End of the year	31/03/2019	0.0000	0.0000	0.0000	0.0000

Sl. No.	For Each of the Directors and KMP	Date wise Increase / Decrease			Cumulative Shareholding during the year	
		Date	Increase / Decrease	% of total shares of the company	No. of shares	% of total shares of the company
5.	**Mr. R. K. Sukhdevsinhji**					
	At the beginning of the year	01/04/2018	0.0000	0.0000	0.0000	0.0000
	At the End of the year	31/03/2019	0.0000	0.0000	0.0000	0.0000
6.	**Mr. Arvind Goenka**					
	At the beginning of the year	01/04/2018	0.0000	0.0000	0.0000	0.0000
	At the End of the year	31/03/2019	0.0000	0.0000	0.0000	0.0000
7.	**Mr. Gaurang N. Shah**					
	At the beginning of the year	01/04/2018	0.0000	0.0000	0.0000	0.0000
	At the End of the year	31/03/2019	0.0000	0.0000	0.0000	0.0000
8.	**Dr. Pradeep Jha**					
	At the beginning of the year	01/04/2018	0.0000	0.0000	0.0000	0.0000
	At the End of the year	31/03/2019	0.0000	0.0000	0.0000	0.0000
9.	**Mr. Chandravadan R. Raval**					
	At the beginning of the year	01/04/2018	0.0000	0.0000	0.0000	0.0000
	At the End of the year	31/03/2019	0.0000	0.0000	0.0000	0.0000
10.	**Mr. Saji V. Joseph**					
	At the beginning of the year	01/04/2018	0.0000	0.0000	0.0000	0.0000
	At the End of the year	31/03/2019	0.0000	0.0000	0.0000	0.0000

* Mrs. Paru M. Jaykrishna is not holding any Equity shares of the Company in individual capacity but holds 5,323,811 (43.38%) Equity Shares as trustee(s) of Mrugesh Jaykrishna Family Trust – I.

* Mr. Gokul M. Jaykrishna is not holding any Equity shares of the Company in individual capacity but holds 2,752,009 (22.42%) Equity Shares as trustee(s) of Gokul M. Jaykrishna Family Trust.

V. INDEBTEDNESS

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	7,375.41	0	0	7,375.41
i. Principal Amount	7,375.41	0	0	7,375.41
ii. Interest due but not paid	0	0	0	0
iii. Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	7,375.41	0	0	7,375.41
Change in Indebtedness during the financial year				
• Addition	16,621.36	0	0	16,621.36
• Reduction	18,813.92	0	0	18,813.92
Net Change	(2,192.56)	0	0	(2,192.56)
Indebtedness at the end of the financial year				
i. Principal Amount	5,182.85	0	0	5,182.85
ii. Interest due but not paid	0	0	0	0
iii. Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	**5,182.85**	**0**	**0**	**5,182.85**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mrs. Paru M. Jaykrishna (CMD)	Mr. Gokul M. Jaykrishna (JMD & CEO)	
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	81.10	76.80	157.90
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00	1.79	1.79
2.	Stock Option	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission			
	- as % of profit	0.00	0.00	0.00
	- others, specify…	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	Total (A)	**81.10**	**78.59**	**159.69**
	Ceiling as per the Act	₹ 300.80 lakhs (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013).		

B. Remuneration to other directors:

(₹ in Lakhs)

Sr. No.	Name of Directors	Particulars of Remuneration			Total Amount
		Fees for attending the Board/Committee Meetings	Commission paid	Other, please specify	
I.	**Independent Directors**				
1.	Mr. H. K. Khan	0.060	0.000	0.000	0.060
2.	Mr. R. K. Sukhdevsinhji	0.060	0.000	0.000	0.060
3.	Mr. Arvind Goenka	0.045	0.000	0.000	0.045
4.	Dr. Pradeep Jha	0.130	0.000	0.000	0.130
	Total (I)	**0.295**	**0.000**	**0.000**	**0.295**
II.	**Other Non-Executive Director**				
	Total (II)	**0.295**	**0.000**	**0.000**	**0.295**
	Total Managerial Remuneration (I+II)	**0.295**	**0.000**	**0.000**	**0.295**
	Overall Ceiling as per the Companies Act, 2013	₹ 30.08 lakhs (being 1% of the net profits of the Company as per Section 196 of the Companies Act, 2013)			

* Mr. Gaurang N. Shah has not accepted any Sitting Fees or Commission.

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

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Saji V. Joseph Company Secretary	Mr. Chandravadan R. Raval General Manager (Accounts) & CFO	
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10.79	11.85	22.64
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission			
	- as % of profit	0.00	0.00	0.00
	- others, specify…	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	Total	**10.79**	**11.85**	**22.64**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment			Nil		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			Nil		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			Nil		
Compounding					

Annexure – "F" to the Directors' Report

Form No. MR-3
Secretarial Audit Report

For the financial year ended March 31, 2019

[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,
Asahi Songwon Colors Limited
Ahmedabad

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Asahi Songwon Colors Limited (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 March 31, 2019 ("Audit Period"), 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 March 31, 2019, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. 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, as amended from time to time;
   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendment from time to time; (Not applicable during Audit period);
   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the Audit Period);
   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period);
   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
   h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit Period);
6. I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test – check basis other than fiscal and labour laws which are generally applicable to all manufacturing/trading companies, the following laws/ acts are also, inter alia, applicable to the Company:
   1. Indian Boilers Act, 1923
   2. Hazardous Wastes (Management and Handling) Rules, 1989.
   3. Hazardous Chemicals Rules, 1989
   4. The Explosives Act, 1884

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

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

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

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent mentioned above :-

I further report that based on the information provided by the Company, its officers there exists adequate systems, process and control commensurate with the size and operation of the Company to monitor and ensure compliance of other laws. I have not reviewed the compliance by the company of applicable financial laws like direct and indirect tax laws as the same has been reviewed by the other designated professionals.

I further report that:

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

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

The Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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

I further report that during the audit period there were no specific event/action having a major bearing on the Company' s affairs in pursuance to the above referred laws, rules, regulations, guidelines, etc referred to above more specifically related to:

(i) Public / Right / Preferential Issue of Shares/ debentures/ Sweat equity etc.

(ii) Redemption/ Buy back of securities.

(iii) Major decisions taken by the Members in pursuance to Section 180 of the Act.

(iv) Foreign technical collaboration.

Bipin L. Makwana
Company Secretary in Practice
Membership No. 15650
C. P. No. 5265

Place: Ahmedabad
Date: August 12, 2019

Annexure: "A to the Secretarial Audit Report"

To,
The Members,
Asahi Songwon Colors Limited
Ahmedbaad

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 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 the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices 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. Wherever 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 responsibly of the management. My examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company not of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Bipin L. Makwana
Company Secretary in Practice
Membership No. 15650
C. P. No. 5265

Place: Ahmedabad
Date: August 12, 2019

Annexure – "G" to the Directors' Report

Management Discussion and Analysis

OVERVIEW

Color trends over the past few years are moving towards brighter colorful palette. Phthalocyanine Blue also known as phthalo blue is bright blue color used by most of the industry.

Aashi Songwon Colors Limited (ASCL) is specialized in spreading a dash of colors into the homes of millions across the globe by producing high quality pigments. We are one of the world's leading manufacturers of Phthalocyanine Blue Crude and a range of blue pigments. Your Company has significant presence in inks, paints, coating and plastics application and positioned itself as preferred supplier to major players in Global Market.

The Company has a dedicated plant operating at Padra near Vadodara, Gujarat manufacturing pigments. All the three plants of the Company are on the same location. The facility is fully integrated and equipped to manage products from the stage of chemical treatment to dispatch lending competitive advantages such as cost effectiveness and maintenance of quality standards. The manufacturing facility is ISO 14001:2015 and ISO 9001:2015 certified reflecting the Companies commitment towards quality, safety and sustainable environment.

Overall global economic growth in 2018-19 was as strong as expected at the beginning of the year. However, momentum slowed considerably over the course of the year, market sentiments turned bearish and economic expansion moderated. The global economy recorded a healthy growth of 3.6% up to 2018 end. The global economy was weighed down by the escalating trade dispute between the United State and China.

On the other hand, Indian economy exhibited mixed record. Indian economy witnessed a growth of 6.8 percent during financial year 2018-19, on account of improved customer confidence, slowing inflation and robust investment as the policy reforms have materialized. However, tight financial conditions faced by the non-banking financial sector and moderation of external demand were the key challenges faced by the economy. Consumption growth declined during the second half of the year, but there were some signs of revival. Overall, India's microeconomic environment remained healthy.

In this market environment, the revenue figures of the Company on year to year (YoY) basis were sustained. However, margins were under pressure on account of increasing crude and copper prices with strengthening rupee. This has improved thereafter.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The global pigments industry produces hundreds of colourants for a wide spectrum of industries and consumers. The major markets are printing inks, paints and coatings, plastics, paper, ceramics, textiles, glass, food and cosmetics.

Pigment industry is divided into organic and inorganic pigments based on their chemical composition, whereas organic pigments consists of high performance pigments, AZO pigments (red, yellow and orange) and Phthalocyanines (Phthlo) pigments (blue and green). India is dominant player in the green and blue and China is a clear force in the yellow and red.

Your Company is specialized in Phthlo pigment and is one of leading manufacturers of the blue pigments in India. With India slowly becoming the preferred location for phtahlocyanine pigments apart from China, globally, the market is becoming more favourable for the Company. Over the years, your Company has transformed from being just a raw material supplier (CPC Blue Crude) to pigment manufacturing Company. With a strong emphasis on research and development is on path to be emerged as preferred specialty pigment manufacturer.

OPPORTUNITIES, THREATS, RISK & CONCERNS

The pigment industry is seeing another brush of restructuring. Environmental regulations have forced many western players to look eastward. China is the key global Chemical supplier. Due to the US-China trade war and tightened global supply due to stringent environmental norms in China, there will open up growth opportunities for the Company. With our quality and service reliability, competitive pricing, strong relations and adherence to environmental norms we would stand advantaged to make the most of this opportunity.

Your Company actively seeks out opportunities available in the market and works on converting the opportunities into viable business. Your Company is one of the largest and preferred producers of pigments and pigments intermediates in the World with massive quantity under one roof this reduce overhead cost. The Company believes in long term strong relationship on the back of our quality, supply reliability and costs.

The Company is exposed to the risk of foreign currency fluctuations as it derives substantial portion of its revenues from the exports. Though the Company has a natural hedge, if there is any adverse fluctuation in the foreign currencies, it may affect the overall performance of the Company.

The cost of raw material consumed make up a large portion of our operating expenses. These raw materials are sourced primarily from third party suppliers. The key raw materials used in the manufacture of the pigments are derivatives of crude oil. Hence, prices of raw material vary with fluctuation in the international crude oil prices. The Company has an in built system of monitoring the inventory and logistics. Further production process of the Company is vertically integrated, where CPC Blue Crude is the primary raw material for the production of Pigment Blue. This helps the Company to manage the raw material cost.

Economic slowdown or factors that affecting the economic health of the customer countries may increase risk to revenue growth of the Company. Our product cater to requirements of diverse downstream industries like printing inks, plastics, paints with robust quality standards, good relationship and environment friendly production process, we remains preferred customer. We are continually striving for continuous product development and innovative methods to enhance our manufacturing capabilities and cater to the stringent quality requirements of our customers.

There are continuous environmental head winds in many parts of the world, especially in Asia. There has been tightening of pollution control norms in India particularly related to water and industrial waste treatment. The Company has to address the issues of REACH compliance. The Company has been investing continuously in meeting the relevant statutory and environmental compliances. Safety and environmental standards are periodically reviewed and upgraded. The Company has a state of the art

emissions and effluent management system. To reduce our carbon foot print and water consumption and ensure discharge is well within the prescribed norms, the Company had installed Electrostatic Precipitator (ESP) for Boiler and TFH flue gases, thereby, reducing air emission.

The Company is having a well structured risk management system under the guidance of experienced Board of Directors. The Audit Committee monitors the implementation of the risk mitigation plans.

OUTLOOK AND STRATEGY

Global economic outlook for 2019-2020 has turned more challenging as growth momentum has softened. The slowdown of the world's economy and in the major industrial countries is further clouded by the uncertainties surrounding the outcome of the United States-China trade conflict, the possibility of a disorderly withdrawal of the United Kingdom from the European Union and the stance of monetary tightening in the United States.

India remains one of the most attractive economies of the world, with stable government, focus on wide-ranging reforms and robust macro-economic fundamentals. A number of factors such as ease of doing business, infrastructure creation and digital outreach will help to accelerate the country's growth trajectory. India Government has set an ambitious target of making India a USD 5 Trillion economy by 2024-2025.

Further, with the global pigments market is anticipated to grow at healthy CAGR of 4.5% during the forecast period from 2018 to 2026, growth is expected to be depicted in the form of revenue worth US$43bn projected by 2026. (Source: - Transparency Market Research). With robust growth in end user industry like printing inks, plastics, paints and coating industry demand of pigment is to intensifying.

The Company will continue with its efforts to increase the utilisation of its installed capacities, which will be crucial to achieve an improvement in the operational results. Priority will be on the quality of the products. The disciplined focus will be cost reductions, operating efficiencies and diligent cash deployment in value creating opportunities.

Looking ahead in 2019-2020, the Company will continue to focus more on research and development, new product launches, process reengineering and reduction in carbon foot print.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has Internal Control Systems commensurate with the nature of its business, size and complexities. They have been designed to provide reasonable assurance with recording and providing reliable financial and operational information, complying with the applicable Accounting Standards and relevant statutes, safeguarding assets from unauthorized use and executing transaction with proper authorization. The Company has appointed Independent Internal Auditors who periodically audit the adequacy and effectiveness of the internal controls and suggest improvements.

Internal Control Systems are reviewed by Audit Committee headed by a Non-Executive Independent Director on a regular basis for its effectiveness and the necessary changes suggested are interpreted into the system. Every quarter the Audit Committee reviews the adequacy and effectiveness of internal control systems and monitors the implementation of improvement actions.

Further, the Statutory Auditors of the Company also carried out audit of the Internal Financial Controls over Financial Reporting of the Company as on March 31, 2019 and issued their report which forms part of the Independent Auditor's report.

FINANCIAL PERFORMANCE

The year under review has been difficult in terms of the operating business environment. The economic downturn both at global and national level has affected the business volumes. Despite of all the odds your Company was able to sustain profits of the Company.

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Revenue from Operations	29,362.04	29,383.17
Other Income	4.24	447.21
Total Income	29,366.28	29,830.38
Operating Profit	3,957.69	4,271.77
Finance Costs	517.27	353.28
Depreciation and Amortization Expenses	816.12	721.93
Profit for the year before extra ordinary item and tax expenses	2,624.30	3,196.56
Extra Ordinary Item	-	-
Profit for the year before tax expenses	2,624.30	3,196.56
Tax Expenses	794.80	889.00
Profit after Tax	1,829.50	2,307.56

Results of Operations

During the year under review, the Company earned a total income of ₹ 29,366 lakhs compared to ₹ 29,830 lakhs in the previous year.

The total sales of the Company stood at ₹ 29,362 lakhs compared to ₹ 29,383 lakhs in the previous year. The profit after tax (PAT) stood at ₹ 1,830 lakhs (Previous year ₹ 2,308 lakhs).

Exports

During the year under review, the total exports value to ₹ 18,873 lakhs compared to ₹ 21,241 lakhs during the previous year. Your Company continues to view focus on export markets for its products and see good potential for growth to the export business.

HUMAN RESOURCES DEVELOPMENT

Overall industrial relations climate of your Company continue to remain harmonious with a focus on productivity, quality and safety. During the year under review, there were, no significant labour issues outstanding or remaining unresolved during the year.

There was no change in the attribution rate. As on March 31, 2019 the Company has 144 employees on its pay roll as compared to 140 in the previous year and increase of 2.86% year to year.

The Board records their appreciation of the commitment and support of the employees and looks forward to its continuation.

CAUTIONARY STATEMENT

Some of the statements in this "Management Discussion and Analysis", describing the Company's objectives, projections, estimates, expectations and predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company's operations are influenced by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

Annexure – "H" to the Directors' Report

Report on Corporate Governance

The Corporate Governance Report relating to the year ended March 31, 2019 has been issued in compliance with the requirements of Regulation 34(3) read with Clause C of Schedule V of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forms part of the Report of the Directors to the Members of the Company.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Asahi Songwon Colors Limited is committed to doing business in an efficient, responsible and ethical manner. Corporate Governance practice ensures transparency, disclosures, accountability, compliances, ethical conduct and shareholders interest in its functioning. It refers to a set of laws, regulations and good practices that enables an organisation to perform its business efficiently. The Company constantly endevour for the best corporate governance and for complete satisfaction of all its shareholders.

Our governance practice is to build the trusts between the Company and its stakeholder's viz. shareholders, customers, suppliers and employees. The Company believes that Corporate Governance is a perquisite for attaining sustained growth in this competitive world.

In the line with this philosophy, your company continuously strives for excellence through timely compliances and maximum disclosure of information to investors.

2. BOARD OF DIRECTORS

The Board of Directors along with its Committees provides leadership and guidance to the Company's management and supervises the Company's performance. The Board also provides strategic guidance and independent view to the Company's senior management which discharging its fiduciary responsibilities.

As per Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, board of directors shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors. Where the chairperson of the board of directors is a non-executive director, at least one-third of the board of directors shall comprise of independent directors and where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors provided that where the regular non-executive chairperson is a promoter of the listed entity or is related to any promoter or person occupying management positions at the level of board of director or at one level below the board of directors, at least half of the board of directors of the listed entity shall consist of independent directors.

As on March 31, 2019, the Board of Directors of your Company represents optimum combination of Executive and Non-Executive Directors with one women director and more than fifty per cent of the Board of Directors comprised of Non-Executive Directors. The Chairperson of the Board is an Executive Director and half of the board of directors is comprised of Independent Directors.

The Board meets at least five times a year. In addition to the above, the Board also meets as and when necessary to address specific issued concerning to business of your Company. During the financial year 2018-19, the time gap between two Board Meetings did not exceed one hundred and twenty days. The Board of Directors periodically reviews compliance reports pertaining to all laws applicable to the Company. All Statutory and other matters of significance including information as mentioned in Part A of Schedule II to the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company. The Chairperson and Managing Director and Joint Managing Director & CEO of the Company looks after the day – to – day business affairs of the Company, the Board of Directors reviews the overall business operations at least once in quarter based on updates on the Company's performance provided by the Chairperson and Managing Director/Joint Managing Director & CEO.

2.1 Composition and category of Directors

The Company has a balanced mix of Executive and Non-Executive Directors. As at March 31, 2019, the total strength of the Board of Directors of the Company was eight (8) members including two executive directors and six non executive directors and five of them are independent directors. There are two directors in whole time employment being the Managing Directors of the Company. Mr. Munjal M. Jaykrishna is the Non-Executive – Non Independent director of the Company.

Board Diversity

Your Company has over the years been fortunate to have eminent persons from diverse fields as Directors on its Board. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination & Remuneration Committee has formalized a policy on Board Diversity to ensure diversity of experience, knowledge, perspective, background, gender, age and culture. The policy is posted on the Company's website and can be accessed on web link http://www.asahisongwon.com.

Independent Directors

Independent Directors plays an important role in the governance processes of the Board. With different points of views flowing from their expertise and experience, they enrich the decision making process of the Board and prevent conflicts of interest in such decision making.

As on March 31, 2019, Mr. R. K. Sukhdevsinhji, Mr. Arvind Goenka, Mr. H. K. Khan, Mr. Gaurang N. Shah, Dr. Pradeep Jha were the independent directors of the Company.

The independent directors on the Board are senior, competent and eminent persons from their respective fields/profession. Based on the confirmations / disclosures received from the Directors and on evaluation of the relationships disclosed, all the Non-Executive – Independent Directors are independent in terms of provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the directors have made necessary disclosures none of the Director holds directorship in more than 8 listed companies. Further, none of the Director is a Member of more than 10 committees or chairperson of more than 5 committees, across all listed companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, chairmanship and

membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

No Independent Director is related to any other director on the Board in terms of the definition of "relative" as defined under Section 2(77) of the Companies Act, 2013.

The Board does not have any Nominee Director representing any institution.

Nomination and Remuneration Committee for appointment of Independent Directors on the Board inter alia, consider qualification, area of expertise and number of directorship and membership held in various committees of the other Companies by such person in accordance with Company's policy for selection of Directors and determining Directors' independence.

The composition of the Board is in conformity with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as the Companies Act, 2013.

As on March 31, 2019, the composition of the Board of Directors of the Company was as follows:

No.	Name of the Director	Promoter/ Non-Promoter	Category	Number of Shares held as on March 31, 2019	% holding as on March 31, 2019
1.	Mrs. Paru M. Jaykrishna*	Promoter	Executive Chairperson and Managing Director	-	-
2.	Mr. Gokul M. Jaykrishna*		Executive Joint Managing Director & CEO	-	-
3.	Mr. Munjal M. Jaykrishna		Non-Executive Director	-	-
.	Mr. R. K. Sukhdevsinhji	Non-Promoter	Independent Director	-	-
5.	Mr. Arvind Goenka		Independent Director	-	-
6.	Mr H. K. Khan		Independent Director	-	-
7.	Mr. Gaurang N. Shah		Independent Director	-	-
8.	Dr. Pradeep Jha		Independent Director	-	-

* Mrs. Paru M. Jaykrishna is not holding any Equity shares of the Company in individual capacity but holds 5,323,811 (43.38%) Equity Shares as trustee(s) of Mrugesh Jaykrishna Family Trust – I.

* Mr. Gokul M. Jaykrishna is not holding any Equity shares of the Company in individual capacity but holds 2,752,009 (22.42%) Equity Shares as trustee(s) of Gokul M. Jaykrishna Family Trust.

Board Meetings Process

The Board plays a pivotal role in ensuring good governance. The Board's role, functions, responsibility and accountability are clearly defined. In addition to its primary role of setting corporate goals and monitoring corporate performance, it directs and guides the activities of the Management towards creating long term sustainable growth that benefits all stakeholders. It also ensures strict compliance with the law and all regulations by the Company. The Board's key functions include:

a) Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance and overseeing major capital expenditures, acquisitions and divestments.

b) Monitoring the effectiveness of the company's governance practices and making changes as needed.

c) Selecting, compensating, monitoring and when necessary, replacing key executives and overseeing succession planning.

d) Aligning key executive and Board remuneration with the longer term interests of the company and its shareholders.

e) Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.

f) Monitoring and managing potential conflicts of interest of management, Board members and shareholders, including misuse of corporate assets and abuse in related party transactions.

g) Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control and compliance with the law and relevant standards.

h) Overseeing the process of disclosure and communications.

i) Monitoring and reviewing Board Evaluation framework.

The notice of Board Meeting is given well in advance to all the Directors. The meetings are usually held at the company's at the Registered Office of the Company. The Agenda and Pre-reads are circulated well in advance in the prescribed agenda format before each meeting to all the Directors for facilitating effective discussion and decision making. Where it is not practicable to attach any document to the agenda, the same is placed on the table at the meeting with specific reference to this effect in the agenda. With the permission of Chairperson, in special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. Sensitive subject matters may be discussed at the meeting without written material being circulated in advance of the meeting.

In case of business exigencies or urgency of matters, resolutions are passed by circulation and the same is placed before the Board in the next meeting. Considerable time is spent by the Directors on discussion and deliberations at the Board Meetings.

Support and Role of Company Secretary

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary is also responsible for preparation of the Agenda and convening of the Board and

Committee meetings. The Company Secretary attends all the Meetings of the Board and its Committees, advises/assures the Board on Compliance and Governance principles and ensures appropriate recording of minutes of the meetings. He acts as interface between the Board and the Management and provides required assistance and assurance to the Board and the Management on compliance and governance aspects.

Invitees & proceedings

Apart from the Board members, Company Secretary, Senior Management executives are invited as and when necessary, to provide additional inputs for the items being discussed by the Board. The Chairman of various Board Committees brief the Board on all the important matters discussed & decided at the respective committee meetings, which are generally held prior to the Board meeting.

2.2 Details of Attendance of each director at the meeting of Board of Directors

Sr. No.	Date of Board Meeting	Place	Number of Directors Present
1.	29/05/2018	Ahmedabad	6
2.	08/08/2018	Ahmedabad	7
3.	30/10/2018	Ahmedabad	7
4.	12/01/2019	Ahmedabad	8
5.	05/02/2019	Ahmedabad	5

2.3 Details of Number of other Board of Directors or Committees in which a Director is a Member or Chairperson and their attendance in the last Annual General Meeting

Name of the Director	Number of Outside Directorship Held		Number of Outside Committee Positions Held		Attendance in Annual General Meeting 28.09.2018
	Public	Private	Public	Private	
Mrs. Paru M. Jaykrishna	1	4	1	-	Yes
Mr. H.K. Khan	1	1	2	-	No
Mr. R. K. Sukhdevsinhji	5	2	6	-	No
Mr. Arvind Goenka	2	1	3	-	No
Mr. Gaurang N. Shah	1	3	-	-	Yes
Dr. Pradeep Jha	1	-	4	-	Yes
Mr. Gokul M. Jaykrishna	2	4	-	-	Yes
Mr. Munjal M. Jaykrishna	1	6	-	-	No

2.4 Number of Meetings of the Board of Directors held and dates on which held

During the financial year 2018-19, Five (5) meetings of the Board of Directors were held and the maximum time gap between two meetings did not exceed one hundred and twenty days. All the Directors have periodically and regularly informed the Company about their Directorship and Membership on the Board / Committees of the Board of other companies. As per the disclosure received, none of the Directors of your Company hold memberships / Chairmanships more than the prescribed limits across all companies in which he / she is a Director.

2.5 Information placed before the Board of Directors

The Board has complete access to any information within your Company which includes the information as specified in Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Regular updates provided to the Board, inter alia, include:

- Annual operating plans and budgets and any updates;
- Capital budgets and any updates;
- Quarterly financial results for your Company and its operating divisions or business segments;
- Minutes of meetings of Committees of the Board of Directors;
- The information on recruitment and remuneration of Senior Management Personnel just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material defaults in financial obligations to and by the Company;
- Any issue, which involves possible public or product liability claims of substantial nature;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Any significant labour problem involving human resource management;
- Sale of a material nature, or of investments, subsidiaries and assets which are not part of the normal course of business;
- Details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as nonpayment of dividend, delay in share transfer;

- Issues relating to shareholders such as ratification of transfers, demat status, pending grievances, issue of duplicate share certificates etc;
- Contracts in which Director(s) are deemed to be interested;
- Details of investment of surplus funds available with the company;
- General disclosure of interest;
- The information on recruitment and remuneration of senior officers just below the Board level including appointment or removal of Chief Financial Officer and the Company Secretary;
- Perspective plan for the future of the company;
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material; and
- Any other information which is relevant for decision making by the Board.

2.6 Recording minutes of proceeding of Board and Committee meetings

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting or in the next Board Meeting.

2.7 Post Meeting Follow-up

The Important decisions taken at Board/ Committee meetings are communicated promptly to the concerned departments. Action taken report on decisions of the previous meeting(s) is placed at the succeeding meeting of the Board/Committees for noting.

2.8 Compliance

The Company Secretary is responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 2013 read with the rules issued there under and to the extent feasible, the Secretarial Standards recommended by the Institute of Company Secretaries of India, New Delhi.

2.9 Disclosure of relationships between Directors inter-sec

Mrs. Paru M. Jaykrishna, Chairperson and Managing Director of the Company is the mother of Mr. Gokul M. Jaykrishna, Joint Managing Director & CEO of the Company and Mr. Munjal M. Jaykrishna, Non Executive Director of the Company. Mr. Gokul M. Jaykrishna and Mr. Munjal M. Jaykrishna are brothers. Other than Mrs. Paru M. Jaykrishna, Mr. Gokul M. Jaykrishna and Mr. Munjal M. Jaykrishna, none of the directors are related to any other directors.

2.10 Familiarisation Programme

Your Company has put in place a well structured familaristion programme for all its directors including independent directors of the Company. They are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plants, Product Category and Corporate Function from time to time. The entire Board including Independent Directors has access to Product Heads/ Factory Heads and other commercial/ technical staff, wherever required for informed decision making. Detailed agenda are sent well in advance to all the Directors in order for the Board to perform its function and fulfill its role effectively.

2.11 Reappointment of Director liable to retire by rotation

Mr. Munjal M. Jaykrishna, director of the Company shall retire by rotation at the ensuing Annual General Meeting of the Company and being eligible is considered for reappointment. His brief resume is annexed to the notice of the Annual General Meeting.

2.12 Change/Appointment/Reappointment in Independent Directors

Mr. H. K. Khan ceased to be a director of the Company w.e.f. April 20, 2019 on account of his death. Late Mr. H. K. Khan was appointed on the Board of the Company in 2006 and the Company has immensely benefitted from his vision and leadership during his tenure. The Board of Directors of the Company express their deep condolences and pay tribute to late Mr. H. K. Khan.

Mr. Gaurang N. Shah, whose existing term of office as Independent Director is up to the conclusion of the ensuing Annual General Meeting and who was eligible for re-appointment as Independent Director has expressed his unwillingness to be re-appointed for the second term at the ensuing Annual General Meeting and has tender his resignation as independent director and member from all committees of the Board due to his work and other travel commitments with effect from August 12, 2019. Further, Mr. Gaurang N. Shah had provided confirmation that there was no such material reason other than those provided under his resignation letter. The Board placed on record its deep appreciation for the contribution made by Mr. Gaurang N. Shah during his tenure as Independent Director of the Company.

Subject to the approval of the shareholders, and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on August 12, 2019 has appointed Mr. Jayprakash M. Patel as an Additional Independent Director of the Company, for a period of 5 years commencing from August 12, 2019. The resolution seeking the appointment of Mr. Jayprakash M. Patel as an Independent Director has been included in the Notice of the ensuing Annual General Meeting.

The current tenure of Mr. R. K. Sukhdevsinhji, Mr. Arvind Goenka and Dr. Pradeep Jha as Independent Directors of the Company are expiring on conclusion of 29th Annual General Meeting of the Company. Based on the report of performance evaluation and recommendations of the Nomination and Remuneration Committee, the Board of your Company has recommended the re-appointment of Mr. R. K. Sukhdevsinhji, Mr. Arvind Goenka and Dr. Pradeep Jha as Independent Directors of the Company for their 2nd term of 5 (five) consecutive years with effect from August 12, 2019 for the approval of shareholders' by way of special resolutions at the ensuing Annual General Meeting of the Company.

2.13 Directors Profile

A brief resume of Directors, nature of their expertise in specific functional areas are available on the website of the Company.

2.14 Evaluation of Board

In terms of applicable provisions of the Companies Act, 2013 read with Rules framed there under and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on the recommendation of the Nomination and Remuneration Committee,

the Board of Directors has put in place a process to formally evaluate the effectiveness of the Board, its Committees along with performance evaluation of each Director to be carried out on an annual basis.

Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the financial year 2018-19.

2.15 Code of Conduct

The Board has formulated Code of Conduct for all Board members and senior level employees of the Company. Requisite annual affirmations of compliance with the Code have been made by the Board member and senior level employees for the financial year 2018-19. Annual Declaration by the Chairperson and Managing Director to this effect is annexed at the end of this report.

2.16 Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company was held on January 12, 2019, without the presence of Non-Independent Directors and the management, inter alia, to discuss:

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

The suggestions made by the Independent Directors were discussed at the Board meeting and are being implemented.

2.17 Code of Conduct

The Board of Directors has laid down a "Code of Conduct for the Board of Directors and Senior Management" of your Company, which is available on the Company's website. All Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the Board of Directors and Senior Management. A declaration to that effect signed by the Managing Director is attached and forms part of this Report.

3. COMMITTEES OF THE BOARD

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board as a part of good corporate governance practice. The Board supervises these committees and minutes of the all the committees are placed before the board for review.

The Meetings of each of these Committees are convened by the respective Chairman of the Committees, who also apprise the Board about the summary of discussions held in the Committee Meetings. The minutes of the Committee Meetings are sent to all the Committee Members individually for their approval/comments and after the Minutes are duly approved are circulated to the Board of Directors' and tabled at the Board Meeting.

As on March 31, 2019 there are Four (4) committees of the Board.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility (CSR) Committee

3.1 Audit Committee

The Audit Committee is, inter alia, entrusted with the responsibility to monitor the financial reporting, audit process, determine the adequacy of internal controls, evaluate and approve transactions with related parties, disclosure of financial information and recommendation of the appointment of Statutory Auditors.

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The members of the Audit Committee are financially literate and have experience in financial management. The Committee invites the Managing Director, Joint Managing Director & CEO, General Manager Accounts and CFO & Company Secretary, Vice President – Finance, Statutory Auditor and Internal Auditors as and when necessary.

The Audit Committee meets the Statutory Auditors and the Internal Auditor independently without the management at least once in a year.

A. Brief description of terms of reference:

The terms of reference of the Audit Committee are as per the governing provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part C of Schedule II). The terms of reference of the Audit Committee include the monitoring, implementing and review of risk management plan as required under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore a separate Risk Management Committee has not been constituted. The broad terms of reference of the Audit Committee therefore include:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board the appointment, reappointment and if required, the replacement or removal of the statutory auditors and fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to :
   a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of Sub section 3 of section 134 of the Companies Act, 2013;
   b) Changes, if any, in accounting policies and practices and reasons for the same;
   c) Major accounting entries involving estimates based on the exercise of judgment by management;
   d) Significant adjustments made in the financial statements arising out of audit findings;
   e) compliance with listing and other legal requirements relating to financial statements;

f) Disclosure of any related party transactions;

g) modified opinion(s) in the draft audit report;

5. Reviewing with the Management, the quarterly financial statements before submission to the Board for approval;

6. Reviewing with the Management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance and effectiveness of audit process;

8. Approval of any subsequent modification of transactions of the Company with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the Company wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing with the Management, the performance of statutory and internal auditors and adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;

14. Discussion with internal auditors any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting matters to the Board;

16. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as postaudit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. Reviewing the functioning of the whistle blower mechanism;

19. Approval of appointment of CFO after assessing the qualifications, experience and background etc., of the candidate; and

20. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower;

21. To review periodically statutory compliances of various laws, regulatory changes, if any;

22. Periodically review pending legal cases;

23. Carrying out any other function as is mentioned in terms of reference of the Audit committee; and

24. Considering such other matters as may be required by the Board.

The Audit Committee mandatorily reviews the following information:

a. Management discussion and analysis of financial condition and results of operations;

b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;

c. Management letters / letters of internal control weaknesses issued by the statutory auditors;

d. Internal audit reports relating to internal control weaknesses; and

e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

f. Statement of deviations:

i. quarterly statement of deviation(s), including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Listing Regulation;

ii. annual statement of funds utilised for the purposes other than those stated in the offer document/prospectus/notice in terms of Listing Regulation;

g. Any Show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important, including any correspondence with regulators or government agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies;

h. Any material default in financial obligations by the Company; and

i. Any significant or important matters affecting the business of the Company.

There are no instances of Board not accepting the recommendations of the Audit Committee during the year.

B. Composition, Name of Members and Chairman

As on March 31, 2019, the Audit Committee comprises of three Non Executive Directors as members. All of the members are independent directors. All members of the Audit Committee are financially literate and a majority having accounting or financial management expertise.

The following are members of Audit Committee:

Name of the Member	Category	Designation
Mr. Gaurang N. Shah	Independent – Non Executive Director	Chairman
Mr. R. K. Sukhdevsinhji	Independent – Non Executive Director	Member
Dr. Pradeep Jha	Independent – Non Executive Director	Member

Mr. Gaurang N. Shah, Chairman of the Audit Committee attended the last Annual General Meeting (AGM).

C. Secretary

The Company Secretary act as secretary to the committee.

D. Meeting and Attendance during the year

No.	Name of the Member	Attendance in Audit Committee Meetings held on				
		29.05.2018	08.08.2018	30.10.2018	12.01.2019	05.02.2019
1.	Mr. Gaurang N. Shah	✓	✓	✓	✓	✓
2.	Mr. R. K. Sukhdevsinhji	✓	✓	✓	✓	×
3.	Dr. Pradeep Jha	×	✓	✓	✓	✓

E. Vigil Mechanism/Whistle Blower Policy

The Company has adopted Whistle Blower Policy that provides a formal vigil mechanism for Directors and Employees to report genuine concerns about the unethical behaviour, actual or suspected frauds of violation of the Company's Code of Conduct. The said mechanism also provides for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. No employee of the Company was denied access to the Chairman of the Audit Committee.

3.2. Nomination and Remuneration Committee

The constitution and terms of reference of nomination and remuneration committee of the Company are in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A. Brief description of terms of reference:

The Nomination and Remuneration Committee determines on behalf of the Board and on behalf of the Shareholders, the Company's policy governing remuneration payable to the Wholetime Directors as well as the nomination and appointment of Directors.

The terms of reference of the Nomination and Remuneration Committee are as per the governing provisions of Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II). The Nomination and Remuneration Committee is empowered with the following terms of reference and responsibilities in accordance with the provisions of law and the Nomination and Remuneration Policy:

1. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
2. Formulate the criteria for effective evaluation of performance of the Board, its Committees and individual Directors and review its implementation and compliance;
3. Devise a policy on diversity of the Board of Directors;
4. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
5. To consider whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of independent directors;
6. Set the level and composition of remuneration which is reasonable and sufficient to attract, retain and motivate Directors and Senior Management of the quality required to run the Company successfully;
7. Set the relationship of remuneration to performance;
8. Check whether the remuneration provided to Directors, Key Managerial Personnel and Senior Management includes a balance between fixed and incentives pay reflecting short-term and long-term performance objectives appropriate to the working of the Company and its goals;
9. Review and implement succession plans for Managing Director, Executive Directors and Senior Management;
10. Review and make recommendations to the Board with respect to any incentive-based compensation and equity-based plans that are subject to Board or shareholder approval (including broad-based plans); and
11. Undertake any other matters as the Board may decide from time to time.

B. Composition, Name of Members and Chairman

As on March 31, 2019, the Nomination and Remuneration Committee comprises of three (3) Non-Executive Independent Directors:

Name of the Member	Category	Designation
Mr. Gaurang N. Shah	Independent – Non Executive Director	Chairman
Mr. H. K. Khan	Independent – Non Executive Director	Member
Dr. Pradeep Jha	Independent – Non Executive Director	Member

Mr. Gaurang N. Shah, Chairman of the Nomination and Remuneration Committee attended the last Annual General Meeting (AGM).

C. Secretary

The Company Secretary acts as secretary to the committee.

D. Meeting and Attendance during the year

Name of the Member	Number of Meeting (s)	
	Held	Attended
Mr. Gaurang N. Shah	4	4
Mr. H. K. Khan	4	3
Dr. Pradeep Jha	4	4

E. Performance Evaluation of Directors

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has carried out an annual evaluation of its own performance, its Committees, Independent Directors, Non-Executive Directors, Executive Directors, and the Chairman of the Board.

The Nomination and Remuneration Committee of the Board has laid down the manner in which formal annual evaluation of the performance of the Board, its Committees and Individual Directors has to be made. It includes circulation of evaluation forms separately for evaluation of the Board and its Committees, Independent Directors/Non-Executive Directors/Executive Directors and the Chairman of the Company.

The performance of Non-Independent Directors, the Board as a whole, and the Committees of the Board has been evaluated by Independent Directors in a separate meeting. At the same meeting, the Independent Directors also evaluated the performance of the Chairman of your Company, after taking into account the views of Executive Directors and Non-Executive Directors. Evaluation as done by the Independent Directors was submitted to the Nomination and Remuneration Committee and subsequently to the Board.

The performance of the Board and its Committees was evaluated by the Nomination and Remuneration Committee after seeking inputs from all the Directors, on the basis of criteria such as the Board/Committee composition and structure, effectiveness of the Board/Committee process, information and functioning, etc.

Following the meetings of Independent Directors and of Nomination and Remuneration Committee, the Board at its meeting discussed the performance of the Board, as a whole, its committees and individual Directors. The performance evaluation of all the Directors of your Company, (including Independent Directors, Executive and Non-Executive Directors and Chairman), is done at the Board meeting by all the Board members, excluding the Director being evaluated on the basis of criteria, such as contribution at the meetings, strategic perspective or inputs regarding the growth and performance of your Company, among others.

F. Remuneration policy, details of remuneration and other terms of appointment of directors

The remuneration policy of the Company is directed towards rewarding performance based on review of achievements on a period basis.

G. Details of remuneration paid to Executive Directors

Mrs. Paru M. Jaykrishna, Chairperson and Managing Director of the Company and Mr. Gokul M. Jaykrishna, Joint Managing Director & CEO of the Company are the Executive Directors on the Board. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors decides and approves the remuneration payable to them within the ceiling fixed by the shareholders as per the Resolution passed at the General Meeting.

Details of the remuneration paid to the Whole-time Directors are as below:

Whole – Time Director	Business relationship with the Company	Remuneration during the year 2018-19 (inclusive of Perquisites and Commission) (₹ in Lakhs)
Mrs. Paru M. Jaykrishna	Chairperson & Managing Director Joint Managing Director & CEO	81.10
Mr. Gokul M. Jaykrishna	Joint Managing Director & CEO	78.59
Total		**159.69**

1. Service Contract, Severance Fees and Notice Period:

The appointment of the Managing Director and whole time directors are governed by Articles of Association of the Company and the resolution passed by Board of Directors and the members of the Company. These covers and terms and condition of such appointment. No separate service contract is entered into by the Company with Managing Directors. There is no separate provision for payment of Severance fees under the resolution governing the appointment of the Managing Directors.

2. Stock Option details, if any

The Company does not have any stock option plan for the Executive Directors.

H. Details of remuneration paid to Non Executive Directors

Non Executive Directors

Non-Executive Directors were paid sitting fees for attending the Board Meeting and Committee Meetings, except to Mr. Gaurang N. Shah who has voluntarily consented not to avail any benefits including sitting fees from the Company.

Shareholding of Non-Executive Directors

None of the Non-Executives of the Company are holding any shares in the Company.

3.3. Corporate Social Responsibility (CSR) Committee

The Company has constituted a Corporate Social Responsibility Committee as required under section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

A. Terms of Reference

The Committee looks into the matters relating to:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and rules made there under;
2. To recommend the amount of expenditure to be incurred on CSR activities;
3. To monitor the implementation of framework of CSR policy; and
4. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may applicable or as may be necessary or appropriate for performance of its duties.

The Corporate Social Responsibility Policy of the Company is available on the website of the Company.

The details of the Corporate Social Responsibility Policy of the Company have also been disclosed in the Directors' Report section of the Annual Report.

B. Composition of the Committee

As on March 31, 2019, the Committee comprises of following directors:

Name of the Member	Category	Designation
Mrs. Paru M. Jaykrishna	Executive Director	Chairman
Mr. Gaurang N. Shah	Independent – Non Executive Director	Member
Dr. Pradeep Jha	Independent – Non Executive Director	Member

C. Secretary

The Company Secretary acts as secretary to the committee.

D. Attendance of the Corporate Social Responsibility (CSR) Committee

The details of meeting and attendance of the members are as below:

Name of the Member	Number of Meeting (s)	
	Held	Attended
Mrs. Paru M. Jaykrishna	5	5
Mr. Gaurang N. Shah	5	5
Dr. Pradeep Jha	5	4

3.4. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders'/ investors'/ security holders' complaints.

The constitution and terms of reference of Stakeholder Relationship Committee of the Company pursuant to Section 178(5) of the Companies Act, 2013 and Regulation 20 and Part D of Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference and other details of the committee are as follows:

A. Terms of Reference

The functioning and broad terms of reference of the Stakeholders' Relationship Committee as adopted by the Board are as under:

1. To monitor complaints received by your Company from its Shareholders, and ther security holders, Securities and Exchange Board of India (SEBI), Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies etc. and action taken by your Company for redressing the same;
2. To approve allotment of shares, debentures or any other securities as per the authority conferred/to be conferred to the Committee by the Board of Directors from time to time;
3. To approve requests for transposition, deletion, consolidation, sub-division, change of name, dematerialisation, rematerialisation etc. of shares, debentures and other securities;
4. To authorise Officers of your Company to approve requests for transposition, deletion, consolidation, sub-division, change of name, dematerialisation, rematerialisation etc. of shares, debentures and other securities;
5. To approve and ratify the action taken by the authorised officers of your Company in compliance of the requests received from the shareholders/investors for issue of duplicate / replacement / consolidation / sub-division, dematerialisation, rematerialisation and other purposes for the shares, debentures and other securities of your Company;
6. To monitor and expedite the status and process of dematerialisation and rematerialisation of shares, debentures and other securities of your Company;
7. To give directions for monitoring the stock of blank stationery and for printing of stationery required by the Secretarial Department of your Company from time to time for issuance of share certificates, allotment letters, dividend warrants, pay orders, cheques and other related stationery;
8. To review the measures taken to reduce the quantum of unclaimed dividend/interest and ensuring timely receipt of dividend warrants / annual reports/statutory notices by the shareholders of your Company;
9. Resolving grievances of security holders including complaints related to transfers/transmission of shares, non-receipt of annual report, non-receipt of dividends, issue of new/ duplicate certificates, general meetings etc.;

10. Review measures taken for effective exercise of voting rights by shareholders;

11. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and

12. To perform such other acts, deeds, and things as may be delegated to the Committee by the Board from time to time.

The main object of the Committee is to strengthen investor relations.

B. Composition of the Committee

As on March 31, 2019, the Committee comprises of following directors:

Name of the Member	Category	Designation
Mr. Gaurang N. Shah	Independent – Non Executive Director	Chairman
Mrs. Paru M. Jaykrishna	Executive Director	Member
Dr. Pradeep Jha	Independent – Non Executive Director	Member

C. Secretary

The Company Secretary acts as secretary to the committee.

D. Meeting and Quorum

The committee meets as and when required. The quorum for the meeting is either two members.

E. Attendance of the Stakeholders Relationship Committee

The details of meeting held of Stakeholders Relationship Committee:

Name of the Committee Member	Number of Meeting (s)	
	Held	Attended
Mr. Gaurang N. Shah	4	4
Mrs. Paru M. Jaykrishna	4	4
Dr. Pradeep Jha	4	3

F. Details of Shareholders Complaints

Number of complaints received and resolved to the satisfaction of Stakeholders Relationship Committee during the year under review is below:

Number of complaints pending at the beginning of the year	:	1
Number of complaints received	:	36
Number of compliant s resolved during the year	:	37
Number of pending complaints at the end of the year	:	Nil

G. Compliance Officer

Mr. Saji V. Joseph, Company Secretary and Compliance Officer is entrusted with the responsibility to specifically look into the redressal of the shareholders and investors complaints and report the same to the Stakeholder's Relationship Committee.

4. GENERAL BODY MEETINGS

4.1 Details of location, time and date of last three Annual General Meeting are given below:

Financial Year	Date	Time	Venue
2015-16	September 29, 2016	11.00 a.m.	At the Registered Office at "Asahi House", 13, Aaryans Corporate Park, Nr. Shilaj Railway Crossing, Thaltej – Shilaj Road, Thaltej, Ahmedabad – 380059
2016-17	September 12, 2017	10.30 a.m.	At the Registered Office at "Asahi House", 13, Aaryans Corporate Park, Nr. Shilaj Railway Crossing, Thaltej – Shilaj Road, Thaltej, Ahmedabad – 380059
2017-18	September 28, 2018	4.00 p.m.	At AMA Seminar Hall, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad – 380015

4.2 Extra Ordinary General Meeting

No Extra Ordinary General Meeting was held during the financial year 2018-19.

4.3 Special Resolution passed in the last three years at the Annual General Meetings

At the 26th Annual General Meeting held on September 26, 2016 the following Special Resolutions were passed:

i. Resolution in respect of reappointment of Mrs. Paru M. Jaykrishna (DIN : 00671721), the Chairperson and Managing Director.

At the 27th Annual General Meeting held on September 12, 2017 the following Special Resolutions were passed:

i. Private Placement of Non-Convertible Debenture and/or other debt securities.

At the 28th Annual General Meeting held on September 28, 2018 the following Special Resolutions were passed:

i. Approval for continuation of current term of Mr. H. K. Khan (DIN: 00029713) as an Independent Director of the Company.

ii. Approval for continuation of current term of Mr. R. K. Sukhdevsinhji (DIN: 00372612) as an Independent Director of the Company.

iii. Private Placement of Non-Convertible Debenture and/or other debt securities.

4.4 Resolution passed with requisite majority in last year through Postal Ballot

No postal ballot was conducted during the financial year 2018-19.

4.5 Special Resolution proposed to be conducted through postal ballot

None of the business proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

5. MEANS OF COMMUNICATION

The Company promptly discloses information on material corporate developments and other events as required under SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015. Such timely disclosures are an indicator of the Company's good corporate governance practices.

i. **Publication of Financial Results:** The Company publishes limited reviewed un-audited standalone financial results on a quarterly basis. In respect of the fourth quarter, the Company publishes the audited financial results for the complete financial year. Quarterly, half-yearly and annual financial results of the Company are published in leading English and Gujarati language newspaper, viz., all India editions of Business Standard and Prabhat edition of Gujarati editions.

ii. **Annual Report:** Annual Report containing, inter alia, audited Annual Accounts, Directors' Report, Auditors' Report and other important information is sent to Members and others entitled thereto. The Management Discussion and Analysis (MD&A) forms part of the Annual Report. The Annual Report is also available on the Company's website.

iii. **Website, where displayed**
In compliance with Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate dedicated section under 'Investors' on the Company's website gives information on various announcements made by the Company, status of unclaimed dividend, Annual Report, Quarterly/Half yearly/ Nine-months and Annual financial results along with the applicable policies of the Company.

The Annual Report of the Company as well as the quarterly/ half yearly and annual results are posted on the website of the Company at www.asahisongwon.com and can be downloaded by the shareholders.

iv. Press release made by the Company from time to time are also displayed on the Company's website.

v. The Company intimates to the Stock Exchanges all the price sensitive matter which in its opinion are material and of relevance to the shareholders.

vi. Corporate presentations made to institution investors or to analyst are posted on the Company's website.

vii. **Chairperson's communiqué:** Printed copy of the Chairperson's speech is distributed to all the shareholders at the Annual General Meeting.

viii. The Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including material information having a bearing on the performance / operations of the listed entity or other electronically on BSE's online Portal – BSE Corporate Compliance & Listing Centre (Listing Centre) and on NSE Electronic Application Processing System (NEAPS), the on-line portal of National Stock Exchange of India Limited.

ix. **SEBI Complaints Redress System (SCORES)**
The investor complaints are processed in a centralised web-based complaints redress system.

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

x. All disclosures made to the stock exchanges as statutorily required are also available on the Company's website.

xi. **Extensive Business Reporting Language (XBRL):** XBRL is a language for electronic communication of business and financial data. It offers major benefits to all those who have to create, transmit, use or analyse such information which aids better analysis and decision making. Ministry of Corporate Affairs (MCA) had mandated certain companies to file their Annual Accounts vide this mode. The company has filed its Annual Accounts on MCA through XBRL.

xii. **Ministry of Corporate Affairs:** The Company has periodically filed all the necessary documents with the MCA.

6. GENERAL SHAREHOLDER'S INFORMATION

i.	**29th Annual General Meeting**		
	Day, Date, Time & Venue	Friday, September 27, 2019 at 11.30 A.M. at AMA Seminar Hall, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad – 380015.	
ii.	**Tentative Financial Year Calendar (2019-2020)**	Financial Year of the Company	April 1, 2019 to March 31, 2020
		First Quarter Results	On or before August 14, 2019
		Second Quarter Results	On or before November 14, 2019
		Third Quarter Results	On or before February 14, 2020
		Audited Results for the year 2018-19	On or before May 29, 2020
		30th Annual General Meeting	August/ September, 2020
iii.	**Dividend**	The Board of Directors in their meeting held on May 14, 2019 recommended a final dividend of Rupee 3.00 (30%) per equity share, which is subject to the approval of the shareholders at the ensuing Annual General Meeting.	
iv.	**Date of Book Closure**		
	Closure of Register of Members and Share Transfer Books	September 21, 2019 to September 27, 2019 (both days inclusive) on account of Annual General Meeting and Dividend.	

v.	**Electronic Voting**	Pursuant to Section 108 and other applicable provisions of the Companies Act, 2013 read with 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 obligation and Disclosure Requirements) Regulation, 2015 members have been provided the facility to exercise their right to vote at the 29th Annual General Meeting by electronic voting through services provided by NSDL. The electronic voting period will be from 9.00 a.m. IST on September 24, 2019 to 5.00 p.m. IST September 26, 2019, both days inclusive.
vi.	**Scrutiniser for electronic voting**	Mr. Bipin L. Makwana, Practicing Company Secretary (Membership No. ACS15650) has been appointed as the Scrutinizer to scrutinizer the electronic voting process in a fair and transparent manner and to give his report to the Chairperson.
vii.	**a. Dividend payment date**	Within 30 days from the date of declaration.
	b. Dividend Policy	Dividends, other than interim dividends are to be declared at the Annual General Meeting of the shareholders based on the recommendation of the Board of Directors. Generally, the factors that may be considered by the Board of Directors before making any recommendations for dividend include, without limitation, the Company's future expansion plan and capital requirements, profit earned during the fiscal year, cost of raising the funds from alternate sources, liquidity position, applicable laws including tax on dividend. The Board of Directors may also from time pay interim dividends to shareholders.
viii.	**Name and address of each Stock Exchange(s) at which the Company securities are listed and a confirmation about payment of annual listing fee to each of such Stock Exchange(s)**	The Equity Shares of the Company are listed at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). **Name and Address of Stock Exchange** **BSE Limited** P. J. Towers, Dalal Street, Fort, Mumbai - 400 001 **National Stock Exchange of India Ltd** Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (East) Mumbai – 400 051 The Annual Listing Fees for the Financial Year 2019-2020 have been paid to the above stock exchange within the stipulated time.
ix.	**Stock Code/Symbol**	BSE Scrip Code 532853 NSE Scrip Code ASAHISONG
x.	**Type of Security** **Number of paid up shares** **Market lot of shares**	Equity Shares 12,272,262 equity shares of ₹ 10/- each fully paid 1 Equity Share
xi.	**Corporate identification Number (CIN) of the Company**	The Company's CIN, allotted to the by the Ministry of Corporate Affairs, Government of India is L24222GJ1990PLC014789.
xii.	**International Securities Identification Number (ISIN)**	The Company's scrip form part of Securities Exchange Board of India (SEBI) compulsory demat segment bearing ISIN No. INE228I01012. The name address of depositories are: **National Securities Depository Limited** Trade World, 4th Floor, "A" Wing Kamala Mills Compound Senapati Bapat Marg, Lower Parel Mumbai – 400 013. **Central Depository Services (India) Limited** Marathon Futurex, 25th Floor N. M. Joshi Marg, Lower Parel (East) Mumbai – 400 013. The Annual Custodial fees for the financial year 2019-2020 have been paid to National Securities Depository Ltd (NSDL) and Central Depository Services (India) Limited (CDSL).

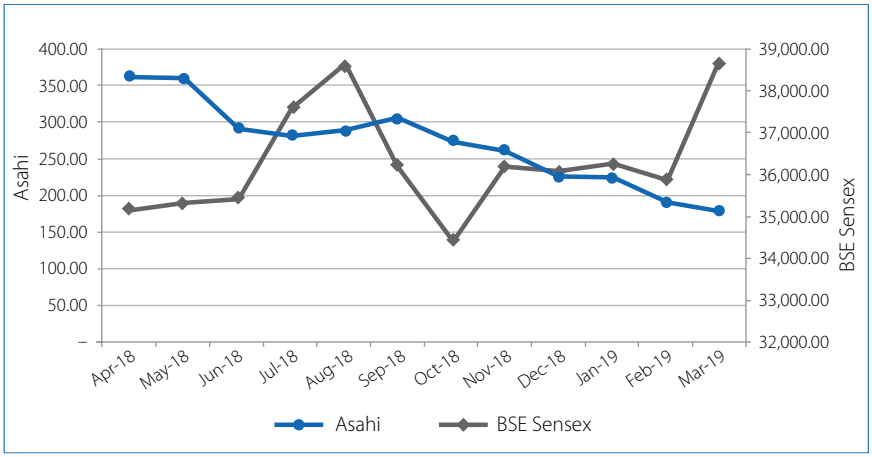
xiii. Market Price Data –high, low during each month in last financial year

The monthly High, Low (based on closing prices) and volumes of the equity shares of the Company during each month in the year 2018-19 on BSE Limited and National Stock Exchange of India Limited are given below:

Month	BSE Sensex	BSE Limited			National Stock Exchange of India Limited		
		High (₹)	Low (₹)	Volume (No of Shares)	High (₹)	Low (₹)	Volume (No of Shares)
April, 2018	35,213	360.90	320.00	49,977	361.30	320.05	182,911
May, 2018	35,993	360.30	279.00	52,533	365.00	278.70	117,988
June, 2018	35,877	291.00	236.90	17,099	292.65	235.00	85,126
July, 2018	37,644	281.25	235.10	21,273	285.00	236.25	80,219
August, 2018	38,989	288.30	260.00	17,385	293.00	258.00	121,441
September, 2018	38,934	306.40	248.00	58,157	306.90	247.00	183,823
October, 2018	36,616	274.40	227.00	12,769	269.90	231.10	60,408
November, 2018	36,389	260.95	213.10	30,866	259.85	213.05	77,143
December, 2018	36,554	226.00	205.50	23,272	228.00	207.00	98,550
January, 2019	36,701	223.80	181.15	14,950	224.00	183.00	59,865
February, 2019	37,172	193.95	135.00	43,863	193.00	135.25	174,475
March, 2019	38,748	179.60	151.30	22,406	179.00	149.30	165,008

xiv. Performance of the Company' Equity Share vis-a-visa BSE Sensex during 2018-19

The chart below provides the relative movement of the closing price of the Company's share and the BSE Sensex. The period covered is April 1, 2018 to March 31, 2019. The Management cautions that the stock movement shown in the chart should not be considered indicative of potential future stock price performance.



xv. In case the securities are suspended from trading the Directors Report shall explain the reason thereof : Not Applicable

xvi. Registrar and Transfer Agent

Link Intime India Private Limited

UNIT : ASAHI SONGWON COLORS LIMITED

Mumbai Office

C-101, 247 Park, L.B. S Marg, Vikhroli (West) Mumbai – 400 083.
Tel : 022- 49186270 Fax : 022-49186060
Email : rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in

Ahmedabad Branch Office

506-508, Amarnath Business Centre -1,
(ABC-1), Besides Gala Business Centre, Near St. Xavier's College Corner,
Off C. G. Road, Ellisbridge, Ahmedabad-380 006
Tel: 079-26465179/86/87
E-mail id: ahmedabad@linkintime.co.in
Website: www.linkintime.co.in

xvii. Share Transfer System

a) Share Transfer

Trading in equity shares of the Company through recognized Stock Exchanges can be done only in dematerialised form. Transfers of these shares are done through the depositories with no involvement of the Company. The Registrar and Transfer Agent deal with Share Transfer both in Physical and dematerialised Mode.

The transfers with respect to shares held in physical form are executed within 15 days from the receipt of documents, provided documents are valid and complete in all respects. Securities Exchange Board of India vide its circular No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, effective from April 1, 2019, has discontinued transfer of shares in physical mode and hence, the Company is not required to process any transfer request on or after April 1, 2019. The Company holds Stakeholders' Relationship Committee Meetings

for approving dematerialization, requests for transmission and rematerialization of equity shares. The Committee also reviews request for issue of duplicate share certificate, if any, received from shareholders. The Company obtains from a Company Secretary Practice a half yearly certificate of compliance with the share transfer formalities as required under the Regulation 40 (9) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

b) Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for shareholders in respect of shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer agent.

c) Payment of dividend through Automated Clearing House (ACH)

The Company provides the facility for direct credit of the dividend to the Members' Bank Account. SEBI Listing Regulations also mandate Companies to credit the dividend to the Members electronically. Members are therefore urged to avail of this facility to ensure safe and speedy credit of their dividend into their bank account through the Banks' "Automated Clearing House" mode. Members who hold shares in demat mode should inform their Depository Participant, whereas Members holding shares in physical form should inform the Company of the core banking account details allotted to them by their bankers. In cases where the core banking account details are not made available, the Company will issue the demand drafts mentioning the existing bank details available with the Company. Equity Shareholders holding shares in electronic mode may update their bank details with their Depository Participant (DP) and shareholder holding shares in physical form can update the details with Registrar and Share Transfer Agent.

d) Correspondence regarding change of address

Shareholders are requested to ensure that any correspondence of Change of Address, change of Bank Mandates should be signed by the first named shareholder. Shareholders who hold shares in dematerialized form should correspond with the Depository participant with whom they opened Demat Account.

e) Green Initiative for Paperless Communication

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" by allowing service of documents by a Company to its members through electronic mode. The move of the ministry allows public at large to contribute to the green movement. Keeping in view the underlying theme, the Company will continue to send various communication and documents in electronic form in the email address provided by the members to the Depositories or to the Company.

f) Pending Investors' Grievances

Any shareholder whose grievance has not been resolved to his/her satisfaction may kindly write to the Company Secretary at the Registered office of the Company with a copy of earlier correspondence.

xviii. Corporate Benefits to Shareholders

a) Dividend declared for the last five years

Financial Year	Dividend %	Total Dividend (₹)
2018-19	30	36,816,786
2017-18	30	36,816,786
2016-17	30	36,816,786
2015-16	20	24,544,524
2014-15	35	42,952,917

b) Unclaimed Dividend

Pursuant to Section 124 (5) of the Companies Act, 2013 dividend that are unclaimed/unpaid for a period of seven years are to be transferred statutorily to the Investor Education and Protection Fund (IEPF) administered by the Central Government. The Company shall be transferring the unclaimed/unpaid dividend for the financial year 2011-12 on due date to the Investor Education and Protection Fund (IEPF). Members who have not enchased their dividend may approach the Company or Registrar and Share Transfer Agent.

The following are the details of dividends declared by the Company and respective due dates for transfer of unclaimed dividend to IEPF:

Dividend Year	Date of Declaration of Dividend	Due date of transfer to IEPF
2011-12 Final	27/09/2012	01/11/2019
2012-13 Final	27/09/2013	01/11/2020
2013-14 Final	26/09/2014	31/10/2021
2014-15 Final	30/09/2015	04/11/2022
2015-16 Interim	23/03/2016	28/04/2023
2016-17 Interim	18/03/2017	23/04/2024
2017-18 Final	28/09/2018	03/11/2025

c) Transfer of Shares to Investor Shares to Investor Education and Protection Fund

In terms of Section 124(6) of the Act, read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereto, Notifications issued by the Ministry of Corporate Affairs from time to time, the Company is required to transfer the shares in respect of which dividends have remained unpaid/unclaimed for a period of seven consecutive years or more to the IEPF Account established by the Central Government. As required under the said Rules, the Company has within the due date, transferred the required number of shares during the year to the IEPF. Guidelines for Investors to file claim in respect of the Unclaimed Dividend or Shares transferred to the IEPF With effect from September 7, 2016, Investors/ Depositors whose unpaid dividends, matured deposits or debentures etc. have been transferred to IEPF under Companies Act, 1956 and/or the Act, can claim the amounts. In addition, claims can also be made in respect of shares which have been transferred into the IEPF, as per the procedures/guidelines stated below:

In terms of Section 124(6) of the Act, read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereto, Notifications issued by the Ministry of Corporate Affairs from time to time, the

Company is required to transfer the shares in respect of which dividends have remained unpaid/unclaimed for a period of seven consecutive years or more to the IEPF Account established by the Central Government. As required under the said Rules, the Company has transferred the required number of shares during the year to the IEPF. Guidelines for Investors to file claim in respect of the Unclaimed Dividend or Shares transferred to the IEPF With effect from September 7, 2016, Investors/ Depositors whose unpaid dividends, matured deposits or debentures etc. have been transferred to IEPF under Companies Act, 1956 and/or the Act, can claim the amounts. In addition, claims can also be made in respect of shares which have been transferred into the IEPF, as per the procedures/guidelines stated below:

Guidelines for Investors to file claim in respect of the Unclaimed Dividend or Shares transferred to the IEPF:

1. Shareholders are advised to verify their details like address, bank mandate, PAN, status of outstanding dividend(s), etc. from M/s. Link Intime India Private Limited, Company's Registrar and Transfer Agent, before filing an application with IEPF.
2. Download the Form IEPF-5 from the website of IEPF (http://www.iepf.gov.in) for filing the claim for the refund of dividend/shares. Read the instructions provided on the website/ instruction kit along with the e-form carefully before filling the form.
3. After filling the form, save it on your computer and submit the duly filled form by following the instructions given in the upload link on the website of IEPF. On successful uploading, an acknowledgement will be generated indicating the SRN. Please note down the SRN details for future tracking of the form.
4. Take a print out of the duly filled Form No.IEPF-5 and the acknowledgement issued after uploading the form.
5. Submit an indemnity bond in original, copy of the acknowledgement and self-attested copy of e-form along with other documents as mentioned in the Form No. IEPF-5 to the Nodal Officer (IEPF) of the Company at its Registered Office in an envelope marked "Claim for refund of dividend from IEPF Authority" / "Claim for shares from IEPF" as the case may be. Kindly note that submission of documents to the Company is necessary to initiate the refund process.
6. Claim forms completed in all respects will be verified by the Company and on the basis of Company's Verification Report, refund will be released by the IEPF Authority in favour of claimants' Aadhar linked bank account through electronic transfer and/or the shares shall be credited to the demat account of the claimant, as the case may be.

Details of Nodal Officer

The details of the nodal officer appointed by the Company under the provisions of IEPF are given below and the same is disseminated in the website of the Company viz., www.asahisongwon.com

Name of the Company Secretary as Nodal Officer	Mr. Saji Varghese Joseph
Direct Phone No.	079 – 39825000
Email Id	cs@asahisongwon.com
Address	"Asahi House" 13, Aaryans Corporate Park Nr. Shilaj Railway Crossing Thaltej - Shilaj Road Thaltej Ahmedabad – 380059

d) Disclosures with respect to demat suspense account/ unclaimed suspense account

Regulation 39(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule VI "Manner of dealing with Unclaimed Shares", had directed Companies to dematerialize such shares which have been returned as "Undelivered" by the postal authorities and hold these shares in an "Unclaimed Suspense Account" to be opened with either one of the Depositories viz. NSDL or CDSL.

All corporate benefits on such shares viz. bonus, dividends etc. shall be credited to the unclaimed suspense account as applicable for a period of seven years and thereafter be transferred in accordance with the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016 (IEPF Rules) read with Section 124(6) of the Companies Act, 2013.

The disclosure as required under schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

(i) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil

(ii) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil

(iii) Number of shareholders to whom shares were transferred from suspense account during the year: Nil

(iv) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil

(v) Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: NA

xix. Distribution of shareholding

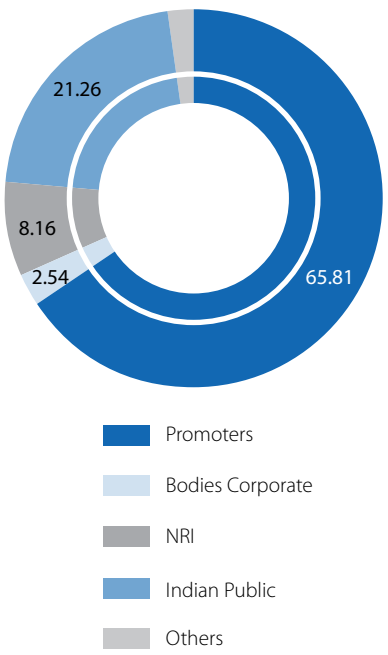
The distribution of shareholding as on March 31, 2019 is as under:

a. Distribution by number of shares:

Number of Equity Shares Held	Shareholders		Shareholding	
	Number of shares	% of Total Shareholding	Number of shares	% of Total Shareholding
1-500	5,935	86.47	750,569	6.12
501-1000	477	6.95	371,818	3.03
1001-2000	215	3.13	316,868	2.58
2001-3000	74	1.07	188,068	1.53
3001-4000	35	0.52	120,097	0.98
4001-5000	15	0.22	70,139	0.57
5001-10000	66	0.96	484,515	3.95
10001 and above	47	0.68	9,970,188	81.24
Total	**6,864**	**100.00**	**12,272,262**	**100.00**

b. Shareholding Pattern as on March 31, 2019 (Category wise)

Sr. No.	Category	Number of Holders	Number of Shares	% of Shareholding
A.	**Promoters**			
1.	**Indian Promoters**			
a.	Individuals	-	-	-
b.	Bodies Corporate	-	-	-
c.	Private Family Trust	2	8,075,820	65.81
2.	**Foreign Promoters**	**-**	**-**	**-**
	Total Promoters Holding	**2**	**8,075,820**	**65.81**
B.	**Non Promoters**			
1.	**Institutional Investors**			
a.	Mutual Funds	-	-	-
b.	Banks, Financial Institutions, Insurance Companies	1	4,510	0.04
c.	Foreign Portfolio Investors	2	47,798	0.39
	Sub Total	**3**	**52,308**	**0.43**
2.	**Non Institutional Investors**			
a.	Bodies Corporate	117	312,078	2.54
b.	NBFC registered with Reserve Bank of India	1	4,000	0.03
c.	Indian Public	6,056	2,620,311	21.36
d.	NRIs/OCBs/Foreign Company	204	1,001,695	8.16
e.	HUF	260	148,703	1.21
f.	IEPF	1	1,669	0.01
g.	Clearing Members	52	55,678	0.45
	Sub Total	**6,691**	**4,144,134**	**33.76**
	Grand Total	**6,696**	**12,272,262**	**100.00**



List of Top Ten Shareholders other than Promoters as on March 31, 2019

Sr. No.	Name of the Shareholder	No of Shares held	% of Total Holding
1.	DIC Corporation	865,200	7.05
2.	D. Srimathi	151,304	1.23
3.	Rural Engineering Co. Private Limited	45,000	0.37
4.	Globe Capital Market Limited	43,473	0.35
5.	Amit Jain	39,706	0.32
6.	Kalyani P. Jani	37,587	0.31
7.	Sabitha Chandran	36,280	0.30
8.	Kavitha Chandran	34,828	0.28
9.	Gymkhana Partners LP.	34,391	0.28
10.	Pravin Natvarlal Bhagwati	32,174	0.26

xx. Dematerialization of Shares and Liquidity

The shares of the Company are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company is INE228I01012. Nearly 92.93% of total listed Equity Shares have been dematerialised as on March 31, 2019. The status of shares held in demat and physical format is given below. The Company's shares are liquid and actively traded on the BSE Limited and National Stock Exchange of India Limited.

Securities Exchange Board of India vide its Circular No. SEBI/LAD-NRO/ GN/2018/24 dated June 8, 2018, amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to which after April 1, 2019, transfer of securities cannot be processed unless the securities are held in the dematerialized form with a depository.

The Company has sent three reminders to those shareholders holding shares in physical form advising them to dematerialize their holding. Members holding shares in physical form are requested to dematerialize their holdings at the earliest as it will not be possible to transfer shares held in physical mode going forward.

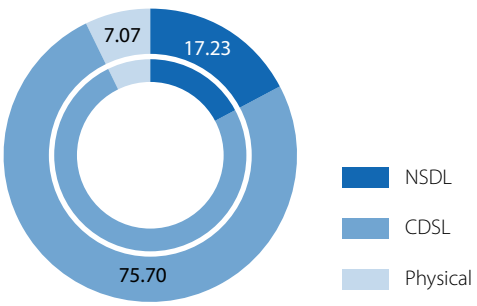
The said measure of SEBI is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Transfer of securities in demat form will improve ease, convenience and safety of transactions for investors.

Securities Exchange Board of India vide Press Release No. 12/2019 March 27, 2019, clarified that the transfer deed(s) once lodged prior to deadline of April 1, 2019 and returned due to deficiency in document(s) may be re-lodged for transfer.

Details of Dematerialised Shares as at March 31, 2019

Particulars	As on March 31, 2019		As on March 31, 2018	
	Number of Shares	Percentage	Number of Shares	Percentage
Shares in Demat Form				
NSDL	2,115,392	17.23	2,208,589	17.99
CDSL	9,289,571	75.70	9,196,374	74.94
Shares in Physical Form	867,299	7.07	867,299	7.07
Total	**12,272,262**	**100.00**	**12,272,262**	**100.00**

Dematerailastion of Shares



xxi. Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity:

There are no Global Depository Receipts or American Depository Receipts or Warrants outstanding as on March 31, 2019.

xxii. Details on use of public funds obtained in the last three years:

No public funds have been obtained in the last three years.

xxiii. Credit Ratings and any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended March 31, 2019.

During the year, CARE has reaffirmed the "CARE AA-; Stable [Double A Minus; Outlook; Stable rating assigned to the long-term facilities of your Company. This rating is applicable to facilities having a tenure of more than one year. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations.

CARE has also reaffirmed the CARE A1+ [Single A One Plus] rating assigned to the short-term facilities of your Company. This rating is applicable to facilities having a tenure up to one year. Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations.

xxiv. Secretarial Auditors

Pursuant to Section 204 of the Companies Act, 2013, Mr. Bipin L. Makwana, Practicing Company Secretaries, Ahmedabad have conducted a Secretarial Audit of the Company for the financial year 2018-19. The Audit Report is annexed to the Board's Report.

xxv. Plant Locations

Pigment Blue Plant
437-440, Village : Dhudwad,
ECP Channel Road, Padra
Vadodara, Gujarat – 391 450.

xxvi. Address for investor correspondence with the Company

The Company Secretary
Asahi Songwon Colors Limited
"Asahi House"
13, Aaryans Corporate Park
Nr. Shilaj Railway Crossing
Thaltej – Shilaj Road, Thaltej
Ahmedabad – 380 059, Gujarat
Tel : (079) 39825000
Fax: (079) 39825100
www.asahisongwon.com
Email: cs@asahisongwon.com

Address for correspondence with the Registrar and Transfer Agent

Link Intime India Private Limited
C-101, 247 Park, L.B. S Marg,
Vikhroli (West)
Mumbai – 400 083.
Tel : 022- 49186270
E-mail id: ahmedabad@linkintime.co.in
Website: www.linkintime.co.in

xxvii. Designated exclusive email-id for Investor servicing:

cs@asahisongwon.com

7. OTHER DISCLOSURES

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

b. **Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company**

All transaction entered into by the Company with related parties, during the financial year 2018-19, were in ordinary course of business and on arm's length basis. The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of this Annual Report.

Also, the Related Party Transactions undertaken by the Company were in compliance with the provisions set out in the Companies Act, 2013 read with the Rules issued thereunder and relevant provisions of Listing Regulations.

The Company follows a documented framework for identifying, entering into and monitoring the related party transactions. The deviations, if any, to the said process have been brought to the attention of Audit Committee suitably. The Audit Committee, during the financial year 2018-19, has approved Related Party Transactions along with granting omnibus approval in line with the Policy of dealing with and materiality of Related Party Transactions and the applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The related party transactions entered into by the Company pursuant to the omnibus approval granted by the Audit Committee is reviewed at least on a quarterly basis by the said Committee..

c. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years**

The Company has complied with all the requirements of the Stock Exchange(s) and Securities Exchange Board of India on matters relating to Capital Markets. There were no penalties imposed or strictures passed against the Company by Securities Exchange Board of India, Stock Exchange(s) on which the shares of the Company are listed or any statutory authority in this regard, during the last 3 (three) years.

d. **Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee**

The Company has established a Whistle Blower policy and has established necessary mechanism to enable directors and employees to report concerns about ethical behaviour, actual or suspected fraud or violation of the Companies code of conduct. The policy offer appropriate protection to the whistle blowers from victimization, harassment or disciplinary proceedings. The Audit Committee reviews periodically the functioning of whistle blower mechanism. No personnel are denied the opportunity to meet the Audit Committee members of the Company. A copy of the Whistle Blower Policy is also available on the website of the Company.

The committee has not received any complaint during the financial year ended March 31, 2019.

e. **Details of compliance with mandatory requirements and adoption of the non mandatory requirements**

The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

f. **Web link where policy for determining 'material' subsidiaries is disclosed**

The policy for determining 'material' subsidiaries is available on the website of the Company in the 'Corporate Governance' section and can be accessed at www.asahisongwon.com.

g. **Web link where policy on dealing with related party transactions is disclosed**

The policy on dealing with related party transactions is available on the website of the Company in the 'Corporate Governance' section and can be accessed at www.asahisongwon.com.

h. **Total fees paid to the Statutory Auditors**

Total fees for all services paid by your Company to the Statutory Auditors is ₹ 2.81 Lakhs for the financial year 2018-19.

i. **Redressal of Grievances under Sexual Harassment Policy**

The Company has in place, a policy on Prevention, Prohibition

and Redressal of Sexual Harassment of women at workplace in accordance with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013). The details of complaints received and resolved during the year are as follows:

No.	Complaints received	Complaint Status
1	Number of grievances received during the financial year	Nil
2.	Number of grievances disposed during the financial year	Nil
3	Number of complaints pending at end of financial year	Nil

j. Commodity Price Risks and Foreign Exchange Risk and Hedging Activities

The Company is subject to commodity price risks due to fluctuation in prices of crude oil. The Company's payables and receivables are in U.S. Dollars and due to fluctuations in foreign exchange prices, it is subject to foreign exchange risks. The Company has in place a well structured risk management system for identification and monitoring and mitigation of commodity price and foreign exchange risks under the guidance of experienced Board of Directors.

k. Details of the Directors seeking appointment/re-appointment

Details of the Directors seeking appointment/re-appointment are provided in the Notice of the Annual General Meeting, which forms part of this Annual Report.

l. Non-Compliance of any Requirements of Corporate Governance

There are no instances of non-compliance of any requirement of Corporate Governance Report as mentioned in sub paras (2) to (10) of Para (C) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has been regularly submitting the quarterly compliance report to the Stock Exchanges as required under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

m. Certification from Company Secretary in Practice

The Company has obtained a certificate from Mr. Bipin L. Makwana, Company Secretaries in Practice, Ahmedabad, in compliance with the provisions of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 confirming that none of the Director of the Company is debarred or disqualified from being appointed or continuing as a Director of any company, by Securities Exchange Board of India, Reserve Bank of India or Ministry of Corporate Affairs or any other Statutory Authority as on March 31, 2019. Certificate obtained from the Practising Company Secretary, forms part of this Report.

n. Management Discussion and Analysis Report

A report on Management Discussion and Analysis report is annexed to the Directors Report and forms part of this Annual Report.

o. Disclosure of Accounting Treatment

The Company follows the Accounting Standards in preparation of its financial statements.

p. Subsidiary Companies

The Company does not have any subsidiary companies.

8. DETAILS OF ADOPTION OF DISCRETIONARY REQUIREMENTS SPECIFIED IN PART E OF SCHEDULE II TO THE LISTING REGULATIONS

The status of adoption of discretionary requirements of Regulation 27(1) as specified under Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided below:

i. The Board

The Board - A non executive Chairman may be entitle to maintain a Chairman's office at the Company's expenses and also allowed reimbursement of expenses incurred in performance of his duties: The Company has an Executive Chairperson.

ii. Shareholders' Rights

A half-yearly declaration of financial performance including summary of the significant events in last six months may be sent to each household of shareholders: The quarterly financial results are announced within 45 days from the close of the respective quarter. However, in case of the last quarter, the quarterly results and the annual results are announced within the 60 days from the close of the quarter. The financial results are published in leading newspaper. The financial results, press releases and other major events/developments concerning the Company are also posted on the Company's website.

iii. Audit qualifications

The Company's financial statements for the financial year 2018-19 do not contain any audit qualification.

iv. Separate posts of Chairman and CEO

The Company may appoint separate persons to the post of Chairperson and Managing Director/CEO. As per the Companies Act, 2013, no individual shall be appointed or reappointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the company at the same time after the date of commencement of the new Act if the Articles of such a company provides otherwise. In order to comply with the new Act, the Articles of Association of the company has been amended to provide for appointment as Chairperson & Managing Director.

v. Report of Internal Auditor

Reporting of Internal Auditor: The internal auditors reports to the Audit Committee.

9. DECLARATION SIGNED BY THE CHIEF EXECUTIVE OFFICER STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Company has obtained affirmation from Chairperson and Managing Director that all the Members of the Board and Senior Management personnel that they have complied with the Code of Conduct for Board Members and Senior Management Personnel for the year ended March 31, 2019.

10. RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

Reconciliation of Share Capital Audit Report in terms of SEBI Circular No. CIR/MRD/DP/30/2010 dated 06.09.2010 and SEBI Directive no. D&CC/. FITTC/CIR-16/2002 dated 31.12.2002, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with National Securities Depository Limited and Central Depository Services (India) Limited, is placed before the Board on a quarterly basis and also submitted to the Stock Exchanges where the shares of the Company are listed.

11. MANAGEMENT

No material transaction has been entered into by the Company with the Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have a potential conflict with the interests of the Company.

12. CEO/CFO CERTIFICATION

A certificate from Joint Managing Director & CEO and General Manager (Accounts) & CFO of the Company on the financial reporting and internal controls was placed before the Board in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

13. PREVENTION OF INSIDER TRADING

The Company has in place a Code of Conduct – Insider Trading to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading (Regulations), 2015. The Code of Conduct for Prevention of Insider Trading lays down guidelines advising the Management, staff and other connected persons, on procedures to be followed and disclosures to be made by them while dealing with the shares of the Company and cautioning them of the consequences of violations. The Company has placed the revised Code as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 in website of the Company.

14. COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The Certificate from Mr. Bipin L. Makwana, Company Secretary in Practice, Ahmedabad regarding compliance of conditions of corporate governance is annexed with the Directors' Report and forms an integral part of the Annual Report.

15. DECLARATION AFFIRMING COMPLIANCE OF CODE OF CONDUCT

As provided under Regulation 26(3) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Level Employees have confirmed compliance with the Code of Conduct for the year ended March 31, 2019.

For and on behalf of the Board of Directors

Paru M. Jaykrishna
Chairperson & Mg. Director
DIN 00671721

Place :Ahmedabad
Date: August 12, 2019

Certificate by CEO and CFO

PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGUALATIONS, 2015

To
The Board of Directors
Asahi Songwon Colors Limited

We, the undersigned, in our respective capacities as Joint Managing Director & CEO and General Manager (Accounts) & CFO of Asahi Songwon Colors Limited ("the Company"), to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements and the cash flow statement of Asahi Songwon Colors Limited for the year ended March 31, 2019 and that to the best of our knowledge and belief:
   a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2019 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
   a. that there have been no significant changes in internal control over financial reporting during the year ended March 31, 2019;
   b. that there have been no significant changes in accounting policies during the year ended March 31, 2019 and that the same have been disclosed in the notes to the financial statements; and
   c. that there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For and behalf of Board
Asahi Songwon Colors Limited

Place : Ahmedabad
Date : May 14, 2019

Chandravadan R. Raval
General Manager (Accounts) & CFO

Gokul M. Jaykrishna
Jt. Managing Director & CEO
DIN 00671652

Certificate of Compliance with the Code of Conduct Policy

In terms of requirements under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2019.

For and behalf of Board
Asahi Songwon Colors Limited

Paru M. Jaykrishna
Chairperson and Mg. Director
DIN 00671721

Place : Ahmedabad
Date : August 12, 2019

Corporate Governance Compliance Certificate

To,
The Members,
Asahi Songwon Colors Limited

I have examined the compliance of conditions of Corporate Governance by Asahi Songwon Colors Limited ("the Company"), for the year ended on March 31, 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C and D of Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended (the "SEBI Listing Regulations") (applicable criteria).

The compliance of conditions of corporate governance is the responsibility of the management. My examination 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 my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2019.

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

Bipin L. Makwana
Company Secretary in Practice
Membership No. 15650
C. P. No. 5265

Place : Ahmedabad
Date : August 12, 2019

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Asahi Songwon Colors Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Asahi Songwon Colors Limited having CIN: L24222GJ1990PLC014789 and having registered office at "Asahi House", 13, Aaryans Corporate Park, Nr. Shilaj Railway Crossing, Thaltej – Shilaj Road, Thaltej, Ahmedabad – 380 059, Gujarat (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as state below for the financial year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mrs. Paru Mrugesh Jaykrishna	00671721	19/12/1990
2.	Mr. Gokul Mrugesh Jaykrishna	00671652	08/03/1996
3.	Mr. Munjal Mrugesh Jaykrishna	00671693	08/03/1996
4.	Mr. Rajkumar Sukhdevsinhji	00372612	28/05/1996
5.	Mr. Arvind Goenka	00135653	16/04/1996
6.	*Mr. Hamidullah Kabir Khan	00029713	28/11/2006
7.	Mr. Gaurang Navinchandra Shah	00024424	01/09/2007
8.	Dr. Pradeepbhai Jasubhai Jha	01539732	26/08/1997

*Note: Mr. Hamidullah Kabir Khan ceased to be director w.e.f 20/04/2019 on account of demise.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Bipin L. Makwana
Company Secretary in Practice
Membership No. 15650
C. P. No. 5265

Place : Ahmedabad
Date : August 12, 2019

Independent Auditor's Report

To the Members of
Asahi Songwon Colors Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of Asahi Songwon Colors Limited (the 'Company') which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income) Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ('Ind AS'), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit, total comprehensive income, changes in equity and its cash flows for the year then ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER	RESPONSE TO KEY AUDIT MATTER
Property, Plant & Equipment The value of property, plant & equipment and capital work-in-progress amounted to ₹15,152.66 Lakhs (i.e. 49.03% of total assets) at the Balance Sheet Date March 31, 2019. There are a number of areas where management judgement impacts the carrying value of property, plant and equipment and capital work-in-progress and their respective depreciation profiles. These include : – the decision to capitalize or expense costs; – review of estimated useful lives of assets; – the timeliness of transfers to property, plant & equipment from capital work-in-progress.	We tested controls in place over the property, plant & equipment cycle, evaluated the appropriateness of capitalization policies, performed tests of details on costs capitalized and assessed the timeliness of capitalization from capital work-in-progress. We also reviewed the appropriateness of estimated useful lives applied in the calculation of depreciation.
Investment The company carries its investments in its listed and unlisted company at fair value. As at March 31, 2019, total investments amounted to ₹1,417.48 Lakhs and represent 4.59% of total assets. Further disclosures on the investments are given in Note No. 5. The fair value exercise involves the use of estimates and judgements specifically in respect of unquoted Equity Shares, which are carried at amortized cost for startup company as well as at fair value through Other Comprehensive Income (FVOCI). Other investments in equity shares of company carried at fair value through Other Comprehensive Income (FVOCI) were listed on stock exchanges and hence quoted market prices were readily available for fair valuation.	Our audit procedures included updating our understanding of the processes employed by the company for accounting for and valuing their investment portfolio. We reviewed the valuation methods used and discussed with the management regarding the reasonableness of the basis and assumptions used in respect of valuation of unquoted investments. We cross-checked valuation of quoted investments with market rates at the year end.

INFORMATION OTHER THAN FINANCIAL STATEMENTS & AUDITORS REPORT THEREON

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexure to Board's Report and Management Discussion & Analysis (but does not include the standalone financial statements and our auditor's report thereon). The Other Information is expected to be made available to us after the date of this auditors report.

Our opinion on the standalone financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements:-

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting polices used and the reasonableness of accounting estimates and related disclosures made by the management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable .

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 are necessary for the purpose of our audit.

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

(c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income Statement of changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2019 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to or separate report in **"Annexure B"** to this Report .

(g) With respect to the other matters to be included in the Auditors Report in accordance with requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its Directors during the year is in accordance with the provisions of Section 197.

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

i. The Company has disclosed the impact of pending litigations on the financial position of its financial statements – Refer Note 38 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. there has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

For, **Mahendra N. Shah & Co.**,
Chartered Accountants
ICAI Firm Registration Number: 105775W

Chirag M. Shah
Partner
Membership Number : 045706

Date: May 14, 2019
Place: Ahmedabad

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of the Company for the year ended March 31, 2019:

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

   (b) The Company has regular programme of physical verification of by which all Fixed Assets are verified in phased manner over period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. According to information and explanation given to us, no material discrepancies were noticed on such verification

   (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in property, plant and equipment are held in the name of company.

2. According to information and explanation given to us, the physical verification of inventory has been conducted at reasonable intervals during the year. No material discrepancies were noticed on such physical verification.

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

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act,2013 in respect of Investment.The Company has not granted loan given guarantee or provided security as provided in the section 185 and 186 of the Companies Act, 2013.

5. According to information and explanation given to us, the Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company and hence not commented upon.

6. The Central Government has prescribed maintenance of Cost Records under section 148(1) of the Companies Act, 2013 in respect of manufacturing activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

7. According to information and explanations given to us in respect of statutory dues and on the basis of our examination of the books of account, and records :

   (a) the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Goods & Service Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.

   (b) According to the information and explanations given to us, there are no material dues of Income Tax, Sales Tax, Service Tax, Goods & Service Tax and Customs Duty which have not been deposited with the appropriate authorities on account of any dispute.

8. According to the information and explanations given by the management,, the Company has not defaulted in repayment of loan or borrowing to financial institution, bank, government or dues to debenture holders.

9. According to the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments during the year and the term loans were applied for the purpose for which they are raised.

10. According to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by its officers or employees of the Company has been noticed or reported during the year.

11. According to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act.

12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements as required by the applicable Indian accounting standards.

14. According to the information and explanations given by the management, 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 and hence not commented upon.

15. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For, **Mahendra N. Shah & Co.**,
Chartered Accountants
ICAI Firm Registration Number: 105775W

Chirag M. Shah
Partner
Membership Number : 045706

Date: May 14, 2019
Place: Ahmedabad

Annexure 'B'

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (1) OF SUB-SECTION 3 OF SEC.143 OF THE COMPANIES ACT, 2013("THE ACT")

We have audited the internal financial controls over financial reporting of Asahi Songwon Colors Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as on March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports issued by the Institute of Chartered Accountants of India.

For, **Mahendra N. Shah & Co.**,
Chartered Accountants
ICAI Firm Registration Number: 105775W

Chirag M. Shah
Partner
Membership Number : 045706

Date: May 14, 2019
Place: Ahmedabad

Balance sheet as at March 31, 2019

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
I ASSETS			
1) Non-current Assets			
(a) Property, Plant and Equipment	3	15,004.66	14,098.70
(b) Capital work-in-progress	4	148.00	1,508.59
(c) Financial Assets			
(i) Investments	5	1,417.48	1,894.44
(ii) Loans	6	123.64	126.47
(iii) Others	7	4.58	5.32
(d) Other Non Current assets	8	10.15	16.56
Total Non-current Assets		**16,708.51**	**17,650.08**
2) Current Assets			
(a) Inventories	9	6,224.50	3,636.24
(b) Financial Assets			
(i) Trade receivables	10	5,485.07	7,949.11
(ii) Cash and Cash equivalents	11	60.53	60.76
(iii) Bank balances other than cash and cash equivalents	12	235.00	182.00
(iv) Others	13	6.27	4.29
(v) Current Tax Assets (Net)	14	504.37	490.29
(c) Other Current Assets	15	1,681.92	1,976.08
Total Current Assets		**14,197.66**	**14,298.77**
TOTAL ASSETS		**30,906.17**	**31,948.85**
II EQUITY AND LIABILITIES			
1) Equity			
(a) Equity Share capital	16	1,227.23	1,227.23
(b) Other Equity	17	18,132.26	16,936.93
Total Equity		**19,359.49**	**18,164.16**
2) Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	1,772.84	1,927.73
(b) Provisions	19	204.80	102.24
(c) Deferred tax liabilities (Net)	20	1,871.02	1,871.54
(d) Other Non-Current liabilities	21	0.20	0.20
Total Non Current Liabilities		**3,848.86**	**3,901.71**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	3,901.14	5,106.80
(ii) Trade payables	23		
Total outstanding dues of Micro Enterprises and Small Enterprises		339.29	388.14
Total outstanding dues of other than Micro Enterprises and Small Enterprises		2,779.03	3,231.26
(iii) Other Current Financial Liabilities	24	523.87	621.63
(b) Other Current Liabilities	25	136.59	430.49
(c) Provisions	26	17.90	104.66
Total Current Liabilities		**7,697.82**	**9,882.98**
TOTAL EQUITY AND LIABILITIES		**30,906.17**	**31,948.85**
Significant Accounting Policies	2		
The accompanying notes form an integral part of financial statements			

As per our report of even date attached

For, Mahendra N. Shah & Co.
Chartered Accountants
Firm Registration No. 105775W

Chirag M. Shah
Partner
Membership No. 045706

Place : Ahmedabad
Date: May 14, 2019

For and on behalf of the Board of Directors
Asahi Songwon Colors Limited

Chandravadan R. Raval
General Manager (Accounts) & CFO

Saji V. Joseph
Company Secretary

Paru M. Jaykrishna
Chairperson & Mg. Director
DIN: 00671721

Gokul M. Jaykrishna
Jt. Managing Director & CEO
DIN: 00671652

Statement of Profit & Loss for the year ended March 31, 2019

(₹ in Lakhs)

Sl. No.	Particulars	Notes	Year ended March 31, 2019	Year ended March 31, 2018
i.	Revenue from operations	27	29,362.04	29,383.17
ii.	Other income	28	4.24	447.21
iii.	**Total Income (i + ii)**		**29,366.28**	**29,830.38**
iv.	**Expenses:**			
	Cost of Materials consumed	29	19,883.18	16,833.86
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(2,363.10)	860.70
	Excise Duty on Sale of Goods		-	132.49
	Employee benefits expense	31	941.12	1,024.17
	Finance cost	32	517.27	353.28
	Depreciation and amortization expense	33	816.12	721.93
	Power and Fuel		3,677.87	3,611.00
	Other Expenses	34	3,269.52	3,096.39
	Total expenses (iv)		**26,741.98**	**26,633.82**
v.	**Profit before Exceptional items and tax expenses (iii - iv)**		2,624.30	3,196.56
vi.	Exceptional items		-	-
vii.	**Profit before tax expenses (v - vi)**		**2,624.30**	**3,196.56**
viii.	**Tax expense:**	35		
	Current tax		693.00	835.00
	Deferred tax		101.80	54.00
ix.	**Profit for the year (vii - viii)**		**1,829.50**	2,307.56
x.	**Other Comprehensive Income (Net of Taxes)**	36		
	(i) Items that will not be reclassified to profit or loss net of tax		(190.33)	-
	(ii) Items that will be reclassified to profit or loss		-	4.76
	Other Comprehensive Income for the year (net of tax)		**(190.33)**	4.76
xi.	**Total Comprehensive Income for the year**		**1,639.17**	2,312.32
xii.	**Earnings per equity share: (face value of ₹10/- each)**	39		
	Basic		14.91	18.80
	Diluted		14.91	18.80
	Significant Accounting Policies	2		
	The accompanying notes form an integral part of financial statements			

As per our report of even date attached

For, Mahendra N. Shah & Co.
Chartered Accountants
Firm Registration No. 105775W

Chirag M. Shah
Partner
Membership No. 045706

Place : Ahmedabad
Date: May 14, 2019

For and on behalf of the Board of Directors
Asahi Songwon Colors Limited

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Chairperson & Mg. Director
DIN: 00671721

Gokul M. Jaykrishna
Jt. Managing Director & CEO
DIN: 00671652

Statement of Changes in Equity

A. Equity Share Capital

(₹ in Lakhs)

Note	Amount
As at April 01, 2017	1,227.23
Issued during the year	-
As at March 31, 2018	**1,227.23**
Issued during the year	-
As at March 31, 2019	**1,227.23**

B. Other Equity

(₹ in Lakhs)

Note	Reserves and Surplus			Other Components of Equity		Total Amount
	Securities Premium	General Reserve	Retained Earning	Equity Instruments through Other Comprehensive Income	Effective portion of gain or loss on cash flow hedges	
Balance as at April 01, 2017	1,507.17	2,637.00	10,480.45	-	-	14,624.62
Profit for the year	-	-	2,307.56	-	-	2,307.56
Other Comprehensive Income	-	-	11.81	-	(7.05)	4.76
Total comprehensive income for the year	**-**	**-**	**2,319.37**	**-**	**(7.05)**	**2,312.32**
Transfer from Retained Earning to General reserve	-	150.00	(150.00)	-	-	-
Balance as at March 31, 2018	**1,507.17**	**2,787.00**	**12,649.82**	**-**	**(7.05)**	**16,936.94**
Balance as at April 01, 2018	**1,507.17**	**2,787.00**	**12,649.82**	**-**	**(7.05)**	**16,936.94**
Profit for the year	-	-	1,829.50	-	-	1,829.50
Other Comprehensive Income	-	-	8.39	(198.72)	-	(190.33)
Total comprehensive income for the year	-	-	1,837.89	(198.72)	-	1,639.17
Dividend paid (Including Tax thereon)	-	-	(443.84)	-	-	(443.84)
Balance as at March 31, 2019	**1,507.17**	**2,787.00**	**14,043.87**	**(198.72)**	**(7.05)**	**18,132.27**

As per our report of even date attached

For, Mahendra N. Shah & Co.
Chartered Accountants
Firm Registration No. 105775W

Chirag M. Shah
Partner
Membership No. 045706

Place : Ahmedabad
Date: May 14, 2019

For and on behalf of the Board of Directors

Asahi Songwon Colors Limited

Chandravadan R. Raval
General Manager (Accounts) & CFO

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Paru M. Jaykrishna
Chairperson & Mg. Director
DIN: 00671721

Gokul M. Jaykrishna
Jt. Managing Director & CEO
DIN: 00671652

Cash Flow Statement for the year ended March 31, 2019

(₹ in Lakhs)

		Year ended March 31, 2019		Year ended March 31, 2018	
A.	**Cash Flow from Operating Activities**				
	Profit Before Tax		2,624.30		3,196.56
	Adjustments for :				
	Depreciation and Amortisation Expense	816.12		721.93	
	Finance Cost	517.27		353.28	
	Loss on sale of Property, Plant and Equipment	77.21		3.56	
	Interest Received	(25.61)		(36.04)	
	Profit / (Loss) from sale of Current Investment	-		(59.47)	
	Net Gain arising on financial assets measured at fair value through Profit or Loss (FVTPL)	-		(316.33)	
	Dividend Income	(3.32)	**1,381.67**	(43.71)	**623.22**
	Operating Profit Before Working Capital Changes		**4,005.97**		**3,819.78**
	Working Capital Changes				
	Adjustments for				
	(Increase)/Decrease Trade receivables	2,464.04		(3,270.99)	
	Changes in MTM Gain / Loss	-		(7.05)	
	(Increase)/Decrease Inventories	(2,588.26)		669.04	
	Increase/ (Decrease) Trade payables	(778.77)		788.04	
	Changes in Gratuity provision in Other Comprehensive Income	8.39		11.81	
	Changes in Loans and Other Current Financial Assets	302.16	**(592.44)**	(457.48)	**(2,266.63)**
	Net Cash Flow Generated from Operating Activities		**3,413.53**		**1,553.15**
	Direct taxes paid (Net)	(707.08)		(962.23)	
			(707.08)		(962.23)
	Net Cash Flow from Operating Activities		**2,706.45**		**590.92**
B.	**Cash Flow from Investing Activities**				
	Purchase of Property, Plant & Equipment	(475.64)		(5,929.25)	
	Proceeds from sale of Property, Plant & Equipment	36.94		1.30	
	Purchase of Current Investments	(517.75)		(3,254.10)	
	Sale of Current Investments	693.68		4,717.94	
	Margin money deposit (placed) / matured	(53.00)		1.84	
	Interest and Other Income	28.93		79.75	
	Net Cash Flow from (used in) Investing Activities		**(286.84)**		**(4,382.52)**

Cash Flow Statement for the year ended March 31, 2019

(₹ in Lakhs)

	Year ended March 31, 2019		Year ended March 31, 2018	
C. Cash Flow from Financing Activities				
Availment of Non Current borrowings	364.41		2,194.03	
Repayment of Non Current borrowings	(616.32)		(127.05)	
Availment/(Repayment) Current borrowings	(1,205.66)		2,065.53	
Payment of Dividend (including Dividend Distribution Tax)	(443.84)		-	
Unclaimed dividend paid	(1.16)		(1.25)	
Interest Paid	(517.27)		(353.28)	
Net Cash Flow from (used in) Financing Activities		**(2,419.84)**		**3,777.98**
Net increase / (decrease) in cash and cash equivalents		**(0.23)**		**(13.62)**
Cash and cash equivalent at the beginning of the year		**60.76**		**74.38**
Cash and cash equivalent at the end of the year		**60.53**		**60.76**
Notes to Cash Flow Statement:				
1. Reconciliation of cash and cash equivalent with the Balance Sheet				
Cash and cash equivalent as per balance Sheet: (refer Note - 11)		60.53		60.76
		60.53		**60.76**
2. Components of cash and cash equivalents:				
Cash on hand		8.59		8.53
In current accounts		8.94		9.23
In deposits with banks		43.00		43.00
		60.53		**60.76**
3. Previous year figures have been regrouped wherever necessary, to confirm to this year's classification.				
4. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 prescribed under the Companies (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.				

As per our report of even date attached

For, Mahendra N. Shah & Co.
Chartered Accountants
Firm Registration No. 105775W

Chirag M. Shah
Partner
Membership No. 045706

Place : Ahmedabad
Date: May 14, 2019

For and on behalf of the Board of Directors
Asahi Songwon Colors Limited

Chandravadan R. Raval
General Manager (Accounts) & CFO

Saji V. Joseph
Company Secretary

Paru M. Jaykrishna
Chairperson & Mg. Director
DIN: 00671721

Gokul M. Jaykrishna
Jt. Managing Director & CEO
DIN: 00671652

Accounting Policies

1. Company Information

Asahi Songwon Colors Limited ('the Company') is a public limited Company domiciled in India having CIN: L24222GJ1990PLC014789 with its registered office at "Asahi House", 13, Aarayans Corporate Park, Thaltej – Shilaj Road, Nr. Shilaj Railway Crossing, Thaltej, Ahmedabad – 380 059. The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.

The Company is principally engaged in the business of manufacturing & export of color pigments and its derivatives. The Company's manufacturing facility is located at Padra, Vadodara, Gujarat.

The financial statements as at March 31, 2019 present the financial position of the Company.

The financial statements for the year ended March 31, 2019 were approved by the Board of Directors and authorized for issue on May 14, 2019.

2. Significant Accounting Policies.

2.1 Basis of Preparation of Financial Statements

The principal accounting polices applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

(i) Compliance with Ind-AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

(ii) Basis of Preparation and presentation

The financial statements have been prepared and presented on the going concern basis and at historical cost basis considering the applicable provisions of Companies Act 2013, except for the following items that have been measured at fair value as required by relevant IND AS.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

a) Certain financial assets/liabilities measured at fair value (refer accounting policy regarding financial instruments) and

b) Any other item as specifically stated in the accounting policy.

(iii) Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(iv) Classification of Assets and Liabilities as Current and Non-Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months period has been considered by the Company as its normal operating cycle.

(iv) Rounding of amounts

The financial statements are presented in INR and all values are rounded to the nearest Lakh (INR 1,00,000) as per the requirement of Schedule III, unless otherwise stated.

2.2 Use of Estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

2.2.1 Critical accounting estimates

a. Useful lives and residual values of Property, plant and equipment represent a material portion of the Company's asset base. The periodic charge of depreciation is derived after estimating useful life of an asset and expected residual value at the end of its useful life. The useful lives and residual values of assets are estimated by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on various external and internal factors including historical experience, relative efficiency and operating costs and change in technology.

Accounting Policies (Contd.)

b. Income taxes

The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes including amounts to be recovered or paid for uncertain tax positions. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

c. Defined benefit obligations

Defined benefit obligations are measured at fair value for financial reporting purposes. Fair value determined by actuary is based on actuarial assumptions. Management judgement is required to determine such actuarial assumptions. Such assumptions are reviewed annually using the best information available with the Management.

d. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

2.3 Property, Plant and Equipment (PPE) (IND AS 16)

These tangible assets are held for use in production, supply of goods or services or for administrative purposes. Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price after deducting trade discount/rebate, import duties, non-refundable taxes, Net of Cenvat and VAT credit/GST input credit wherever applicable, cost of replacing the component parts, borrowing costs and other directly attributable cost of bringing the asset to its working condition in the manner intended by the management.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Items such as spare parts, standby equipment and servicing equipment are recognised as PPE when it is held for use in the production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise such items are classified as inventory.

Expenditure on acquisition of PPE for Research and Development (R&D) is included in PPE and depreciation thereon is provided as applicable.

The Company adjusts exchange differences arsing on translation difference/settlement of long term foreign currency monetary items outstanding and pertaining to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset. The depreciation on such foreign exchange difference is recognised from first day of its financial year.

De-recognised upon disposal

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use or disposal. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when asset is derecognised.

Treatment of Expenditure during Construction Period

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress, and the same is allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

Depreciation

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognized till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

The Company depreciates its property, plant and equipment (PPE) over the useful life in the manner prescribed in Schedule II to the Act. Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for plant and equipment wherein based on technical

evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act. Useful life considered for calculation of depreciation for various assets class are as follows:-

Asset Class	Useful Life
Factory Building	30 years
Non-Factory Building	60 years
Road, Fencing, Borewell, etc.	5/10 years
Plant & Equipment	15/20 years
Lab Equipment	10 years
Electric Installation	10 years
Furniture & Fixtures	10 years
Office Equipment	5 years
Vehicles	8 years
Computers	3 years

The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets.

Depreciation on fixed assets added/disposed off during the period is provided on pro-rata basis with reference to the date of addition/disposal.

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

Leasehold Land is amortised over the primary period of the lease.

2.4 Intangible assets (IND AS 38)

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Computer Software

Computer software are amortized over period of 3 years.

Internally Generated Intangible Assets - Research and Development Expenditure:

Expenditure incurred on development is capitalised if such expenditure leads to creation of any intangible asset, otherwise, such expenditure is charged to the Statement of Profit and Loss. PPE procured for research and development activities are capitalised.

2.5 Leases (IND AS 17)

At the inception of a lease, the lease arrangements is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

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 minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowing or other financial liabilities as appropriate.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or 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 lessor) are charged to profit or loss on 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 other income on 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.

Deposits provided to Lessor:

The Company is generally required to pay refundable security deposits in order to obtain property leases from various lessors.

Accounting Policies (Contd.)

Such security deposits are financial assets and are recorded at fair value on initial recognition. The difference between the initial fair value and the refundable amount of deposit is recognised as lease prepayments. The initial fair value is estimated as the present value of the refundable amount of security deposit, discounted using the market interest rates for similar instruments.

Subsequent to initial recognition, the security deposit is measured at amortised cost using the effective interest method with carrying amount increased over the lease period up to the refundable amount. The amount of increase in the carrying amount of deposit is recognised as interest income. The lease repayment is amortised on straight-line basis over the lease term as lease rentals expense.

2.6 Inventories (IND AS 2)

Inventories consisting of stores and spares, raw materials, work in progress, stock in trade, goods in transit and finished goods are valued at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

The cost is computed on FIFO basis and is net of credits under GST.

Goods and materials in transit include materials, duties and taxes (other than those subsequently recoverable from tax authorities) labour cost and other related overheads incurred in bringing the inventories to their present location and condition.

Traded goods includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

2.7 Borrowing Cost (IND AS 23)

Borrowing cost includes interest expense, amortisation of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings, to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to the acquisition or construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

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. All other borrowing cost are recognised in the Statement of Profit and Loss in the period in which they are incurred.

2.8 Impairment of Assets (IND AS 36)

At the end of each reporting period, the Company reviews the carrying amounts of its PPE and other intangible assets to determine whether there is any indication that these 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 the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss Recoverable amount is the higher of fair value less costs to sell 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.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU 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 CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit and Loss.

2.9 Government Grants (IND AS 20)

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received. When the grant relates to an expense item, it is recognised in the Statement of Profit and Loss by way of a deduction to the related expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income on a systematic basis over the expected useful life of the related asset.

2.10 Taxes (IND AS 12)

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

a) Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act.

Tax on Income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

c) Minimum Alternate Tax (MAT):

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented as Deferred Tax Asset.

2.11 Employees Benefits (IND AS 19)

a) Employee Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

b) Post-employment obligations

The Company operates the following post-employment schemes:

(i) Defined benefit plans such as gratuity and;

(ii) Defined contribution plans such as provident fund.

(i) Defined benefit plans-Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations 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 denominated in INR 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 benefits which are denominated in currency other than INR, the cash flows 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 is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized 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 recognized immediately in profit or loss as past service cost.

(ii) Defined contribution plans

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

2.12 Provisions, Contingent Liability and Contingent Assets (IND AS 37)

Disputed liabilities and claims against the Company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, Excise, GST etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts. However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability. No contingent asset is recognized but disclosed by way of notes to accounts.

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

2.14 Revenue Recognition (IND AS 18)

Effective April 1, 2018, the Company has applied Ind AS 115 "Revenue from Contracts with Customers", which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 "Revenue". The impact of the adoption of the standard on the financial statements of the Company is insignificant.

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

Sale of Goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customers and there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue from sales excludes GST. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of Services

Revenue from rendering of services is recognized as per the terms of the contract with customers when related services are performed and when the outcome of the transactions involving rendering of services can be estimated reliably.

Dividend Income

Dividend Income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Interest Income

Interest Income on financial assets measured at amortised cost is recognised on a time-proportion basis using the effective interest method.

Other Income

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

2.15 Cash Flows and Cash and Cash Equivalents (IND AS 7)

Statement of cash flows is prepared in accordance with the indirect method prescribed in the IND AS 7. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, 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, and book overdrafts. However, Book overdrafts are shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

Accounting Policies (Contd.)

2.16 Earnings per share (IND AS 33)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after 'income-tax' effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Segment Reporting (IND AS 108)

Based on "Management Approach" as defined in IND AS 108 – Operating Segments, the Management evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments.

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

2.18 Foreign Currency Transactions (IND AS 21)

In preparing the financial statements of the Company, transactions in foreign currencies, other than the Company's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency, are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which these arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.19 Fair Value Measurement (IND AS 113)

The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries, Joint Ventures and Associates) and derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or In the absence of a principal market,in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Accounting Policies (Contd.)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.20 Recognition of dividend income, interest income or expense

Dividend income is recognized in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognized using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.21 Events occurring after the balance sheet date (IND AS 10)

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

Dividends declared by the Company after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the financial statements.

2.22 Financial Instruments (IND AS 109)

i. Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses,

including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss

De-recognition

Financial assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

2.23 Cash Dividend to Equity Holders of the Company:

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

2.24 Research and Development

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired intangible assets utilized for research and development are capitalized and depreciated / amortized in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

2.25 Goods and Service Tax / Service Tax input Credit:

Goods and Service tax / Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

Notes forming part of the financial statements

3. PROPERTY, PLANT AND EQUIPMENTS

(₹ in Lakhs)

Particular	Land	Leasehold Land	Building	Plant and Machinery	Furniture and fixtures	Vehicles	Office equipment	Total
Gross Amount as on April 1, 2017	406.56	3.70	1,259.47	11,822.10	82.90	191.94	50.50	13,817.17
Additions	-	3,464.25	36.60	1,788.41	8.05	127.36	12.81	5,437.48
Deduction & Adjustment	-	-	-	-	-	7.50	-	7.50
Balance as at March 31, 2018	**406.56**	**3,467.95**	**1,296.07**	**13,610.51**	**90.95**	**311.80**	**63.31**	**19,247.15**
Additions	2.67	-	55.71	1,730.60	2.17	20.09	10.95	1,822.19
Deduction & Adjustment	-	-	-	249.47	-	9.89	-	259.36
Balance as at March 31, 2019	**409.23**	**3,467.95**	**1,351.78**	**15,091.64**	**93.12**	**322.00**	**74.26**	**20,809.98**
Accumulated Depreciation			-					
Balance as at April 1, 2017	-	-	359.73	3,954.23	31.37	51.79	33.34	4,430.46
Deduction & Adjustment	-	-	15.59	(15.41)	1.26	2.03	(4.77)	(1.30)
Depreciation for the period	-	-	49.15	632.36	7.01	23.95	9.47	721.94
Deduction on Disposal	-	-	-	-	-	(2.65)	-	(2.65)
Balance as at March 31, 2018	**-**	**-**	**424.47**	**4,571.18**	**39.64**	**75.12**	**38.04**	**5,148.45**
Deduction & Adjustment	-	-	-	-	-	-	-	
Depreciation for the period	-	-	51.14	711.58	7.44	37.64	8.32	816.12
Deduction on Disposal	-	-	-	(153.97)	-	(5.28)	-	(159.25)
Balance as at March 31, 2019	**-**	**-**	**475.61**	**5,128.79**	**47.08**	**107.48**	**46.36**	**5,805.32**
Net carrying amount								
Balance as at March 31, 2018	406.56	3,467.95	871.60	9,039.33	51.31	236.68	25.27	14,098.70
Balance as at March 31, 2019	409.23	3,467.95	876.17	9,962.85	46.04	214.52	27.90	15,004.66

- The additions to the Plant and Machinery includes Research & Development Equipment worth ₹7.51 Lakhs installed and put to use during the year, for our in house R & D Laboratory.

4. CAPITAL WORK IN PROGESSS

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
Tangible Assets	148.00	1,508.59
Total	**148.00**	**1,508.59**

5. NON CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Investment in Equity Instruments at Fair Value through Other Comprehensive income / Profit & Loss *				
Quoted, Fully Paid up				
Equity Shares of ₹10/- each of Sun Pharma Advance Research Company Limited	140,000	268.80	140,000	533.45
Equity Shares of ₹10/- each of Eclerx Services Limited	12,890	148.42	14,000	168.45
Equity Shares of ₹1/- each of Sun Pharmaceuticals Limited	-	-	40,000	198.16
Equity Shares of ₹2/- each of Federal Bank Limited	-	-	181,000	161.72
Equity Shares of ₹5/- each of Godrej Properties Limited	70,000	570.04	70,000	508.13
Equity Shares of ₹5/- each of Gokaldas Exports Limited	100,000	93.30	80,000	69.68

Notes forming part of the financial statements

5. NON CURRENT INVESTMENTS (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of ₹1/- each of NOCIL Limited	15,000	22.07	-	-
Equity Shares of ₹10/- each of Ujjivan Financial Services Limited	40,000	139.18	-	-
Equity Shares of ₹10/- each of All Cargo Logistics Limited	-	-	30,000	44.32
Equity Shares of ₹10/- each of Walchandnagar Industries Limited	-	-	20,000	34.29
Equity Shares of ₹10/- each of Wipro Limited	-	-	10,000	28.15
Equity Shares of ₹10/- each of Can Fin Homes Limited	36,000	125.48	10,000	48.50
Equity Shares of ₹1/- each of Va Tech Wabag Limited	-	-	10,000	49.59
Total of Investment in Equity Instruments at Fair Value through Other Comprehensive income / Profit & Loss	**413,890**	**1,367.29**	**605,000**	**1,844.44**
Unquoted Equity instruments (Valued At Cost)				
Shares of ₹10/- each of Swadesh Essfil Private Limited @ premium of ₹573.94 per share	3,425	20.00	3,425	20.00
Total of Unquoted Equity Instruments	**3,425**	**20.00**	**3,425**	**20.00**
Unquoted Debentures and Preference Shares (Valued at Cost)				
Compulsory Convertible Debentures of ₹100/- each of Smart Institute Private Limited	30,000	30.00	30,000	30.00
Equity Shares of Bhadreshwar Vidyut Private Ltd. of ₹10/- each at discounted value of ₹0.19 per Share	98,000	0.19	-	-
Total of Unquoted Instruments	**128,000**	**30.19**	**30,000**	**30.00**
Total Non Current Investments	**545,315**	**1,417.48**	**638,425**	**1,894.44**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Aggregate amount of quoted investments	1,367.29	1,844.44
Aggregate market value of quoted investments	1,367.29	1,844.44
Aggregate amount of unquoted investments	50.19	50.00
Aggregate amount of impairment in value of investments	-	-

*During the year, the Company has revisited Business Model Test and reclassified the Equity instruments with effect from April 01, 2018 as per para 4.4.1 of Ind AS 109 "Financial Statements" from Fair Value through Profit and Loss Account (FVTPL) to Fair Value through Other Comprehensive Income (FVTOCI). As per para B.5.6.1 of the said Standard, the reclassification is to be applied prospectively. The Company has classified Equity Instruments as FVTPL up to previous reporting period i.e. up to the year ended on March 31, 2018. It has therefore reclassified the said Equity instruments prospectively from next reporting period i.e. from the year beginning from 01/04/2018 as FVTOCI. On account of reclassification, the loss of ₹216.82 Lakhs (Net of Deferred Tax of ₹141.78 Lakhs) has been charged to FVTOCI in place of FVTPL.

6. NON CURRENT LOANS

Unsecured, Considered good

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
Security Deposits	123.64	126.47
Total	**123.64**	**126.47**

Notes Forming Part of the Financial Statements

7. OTHER NON CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
Earmarked balance for Unpaid Dividend	4.58	5.32
Total	**4.58**	**5.32**

8. OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
Advances to Capital Goods Suppliers	10.15	16.56
Total	**10.15**	**16.56**

9. INVENTORIES (Valued at lower of cost or net realisable value)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
a. Raw materials	1,510.50	1,284.57
b. Work in progress	181.61	277.18
c. Finished goods	3,146.65	1,270.76
d. Finished Goods in Transit	1,017.96	435.17
e. Stores and spares	344.63	342.88
f. Fuel & Oil	23.15	25.68
Total	**6,224.50**	**3,636.24**

10. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
Unsecured, Considered good	5,485.07	7,949.11
Total	**5,485.07**	**7,949.11**

11. CASH & CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
a. Balance with Banks in Current accounts	8.94	8.53
b. Deposits	43.00	43.00
c. Cash on hand	8.59	9.23
Total	**60.53**	**60.76**

12. BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
Term Deposits with Bank as Margin Money against Letters of Credit, Bank Guarantees and Collateral Security	235.00	182.00
Total	**235.00**	**182.00**

Notes Forming Part of the Financial Statements

13. OTHERS CURRENT FINANCIALS ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
Loans to Employees	6.27	4.29
Total	**6.27**	**4.29**

14. CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
Advance payment of tax (Net)	504.37	490.29
Total	**504.37**	**490.29**

15. OTHERS CURRENT ASSETS (Unsecured, considered good)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
a. Balance with government authorities	1,543.24	1,768.11
b. Inter Corporate Deposits	25.00	-
c. Prepaid expenses	49.49	53.11
d. Advances Other than Capital Advances	40.38	123.72
e. Interest accrued on deposits	23.81	31.14
Total	**1,681.92**	**1,976.08**

16. SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Authorised:				
Equity Shares of ₹10 each	16,500,000	1,650.00	16,500,000	1,650.00
Issued & Subscribed and Fully Paid Up				
Equity Shares of ₹10 each	12,272,262	1,227.23	12,272,262	1,227.23
Total	**12,272,262**	**1,227.23**	**12,272,262**	**1,227.23**

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

(₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
At the beginning of the period	12,272,262	1,227.23	12,272,262	1,227.23
Add : Issued during the period	-	-	-	-
Outstanding at the end of the period	**12,272,262**	**1,227.23**	**12,272,262**	**1,227.23**

16.2 Terms / rights attached to Equity Shares

The Company has issued only one class of equity shares having a par value of ₹10 per share. Each holder of Equity Shares are entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the 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 the realised value of the assets of the Company, remaining after the payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

16.3 Shares held by holding / ultimate holding company / or their subsidiaries / associates: Not Applicable

Notes Forming Part of the Financial Statements

16.4 Details of shares in the Company held by each shareholder holding in the Company more than 5 percent shares

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Equity Shares	% of holding	No. of Equity Shares	% of holding
Mrugesh Jaykrishna Family Trust - 1	5,323,811	43.38	5,297,811	43.17
Gokul M. Jaykrishna Family Trust	2,752,009	22.42	2,729,009	22.24
DIC Corporation	865,200	7.05	865,200	7.05
Total	**8,941,020**	**72.85**	**8,892,020**	**72.46**

16.5 Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash: NIL

16.6 Aggregate number and class of shares allotted as fully paid by way of Bonus Shares : NIL

16.7 Aggregate number and class of shares bought back : NIL

16.8 Securities which are convertible into Equity Shares : NIL

16.9 Aggregate Value of Calls unpaid by directors and officers : NIL

17. OTHER EQUITY

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
Securities Premium		
Balance as per last year	1,507.17	1,507.17
Add: Appropriations from Current year's Profit	-	-
Balance at the end of the Year	1,507.17	1,507.17
General Reserve		
Balance as per last year	2,787.00	2,637.00
Add: Appropriations from Current year's Profit	-	150.00
Balance at the end of the Year	2,787.00	2,787.00
Surplus in Statement of Profit & Loss		
Balance at the beginning of the year	12,642.76	10,480.44
Add: Profit after tax for the Year	1,829.50	2,307.56
Re-measurement of Defined Benefit Plan	8.39	11.81
Mark to Market Forex gain (Loss)	-	(7.05)
Loss on Investments - Fare Value through OCI	(301.03)	-
Income Tax that will not be reclassified to Profit and Loss	102.31	-
Amount available for Appropriation	14,281.93	12,792.76
Less: Appropriations		
Dividend	368.16	-
Dividend Distribution Tax	75.68	-
Transferred to General reserves	-	150.00
Total Appropriation	443.84	150.00
Balance at the end of the Year	13,838.09	12,642.76
Total	**18,132.26**	**16,936.93**

Description of nature and purpose of each reserves :

General Reserve: General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income. General Reserve is a free reserve available to the Company. As per Companies Act 2013, transfer of profits to general reserve is not mandatory.

Notes Forming Part of the Financial Statements

Securities Premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained Earnings is a free reserve available to the Company.

Equity instruments through other comprehensive income: This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

Other Comprehensive Income: Other Comprehensive Income includes re-measurement loss on defined benefit plans, net of taxes that will not be reclassified to profit and loss.

18. NON CURRENT BORROWINGS

(₹ in Lakhs)

Particulars		As at March 31, 2019 Amount	As at March 31, 2018 Amount
	Secured		
a.	**Term Loans from Banks**		
	From State Bank of India	-	-
	(Net of Repayable in one year considered as Current Borrowing Refer Note: 24)		
	From Federal Bank Ltd.	1,750.00	1,885.60
	(Net of Repayable in one year considered as Current Borrowing Refer Note: 24)		
b.	**Other**		
	Vehicle Loan	22.84	42.13
	Net of Repayable in one year considered as Current Borrowing (Refer Note: 24)		
	Total	**1,772.84**	**1,927.73**

I.a Indian Rupee Term loan from Banks(Other than Vehicle Loans) are secured by:

i. Primary Security:

State Bank of India Term Loan: First charge in favour of State Bank of India By way of Equitable Mortgage and Hypothecation on entire Fixed Assets (Land, Building, Plant & Machinery) both present and future of the Company situated at Survey No. 437 to 440 , ECP Channel Road, Padra, Vadodara.

Federal Bank Ltd. Term Loan: Exclusive charge on Fixed Assets purchased out of the term loan of Federal Bank Ltd.

ii. Collateral Security:

State Bank of India Term Loan : Second charge in favour of State Bank of India, on all chargeable current assets of the Company, both present and future.

I.b Vehicle loans are secured by hypothecation of concerned vehicles.

I.c **Term of Repayment:**

i Term loan from State Bank of India amounting to ₹ Nil (Previous Year ₹ Nil)

ii Term Loan from Federal Bank Ltd. ₹250,000,000/- sanctioned and disbursed as at 31-03-2019 ₹250,000,000/- (Previous year ₹213,559,155/-), Repayable in 18 equal Instalments of ₹12,500,000/-.

iii Vehicle loans are repayable in equal monthly installment over the terms of 25 installments (Previous Year 36 installments)

iv There was no default in repayment of loan or interest.

19. NON CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2019 Amount	As at March 31, 2018 Amount
Provisions for employees benefits		
Provision for Gratuity	204.80	102.24
Total	**204.80**	**102.24**

Notes Forming Part of the Financial Statements

20. DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2019 Amount	As at March 31, 2018 Amount
a. Deferred Tax Liabilities		
Opening Balance	1,950.02	1,887.75
Accumulated depreciation	196.86	25.58
Other comprehensive income from investments	(187.86)	36.69
	1,959.02	**1,950.02**
b. Deferred Tax Assets		
Opening Balance	78.48	70.20
Defined benefit plan for employees	9.52	8.28
	88.00	78.48
Liabilities (Net)	**1,871.02**	**1,871.54**

21. OTHER NON CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2019 Amount	As at March 31, 2018 Amount
Deposits from customers	0.20	0.20
Other Non Current Liabilities	**0.20**	**0.20**

22. CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2019 Amount	As at March 31, 2018 Amount
Secured Loans *		
Loans repayable on demand from bank		
a. From State Bank of India		
Working Capital Loans	2,701.14	3,206.80
b. From Federal Bank Ltd		
Working Capital Loans	1,200.00	1,900.00
Total	**3,901.14**	**5,106.80**

The working capital limits from bank are secured by:

i **Primary Security:**
First charge in favour of State Bank of India by way of hypothecation over entire present and future current assets of Company.

ii **Collateral Security:**
First charge in favour of State Bank of India on the entire Fixed Assets of the Company (Excluding Vehicles Purchased) of which includes:

- Equitable mortgage and / or hypothecation charge on entire Fixed Assets (Land, Building, Plant and Machinery) both present and future of the Company situated at Survey No. 437 to 440 ECP Channel Road, Village Dudhwada, Taluka Padra, District Vadodara, Gujarat.

- First Charge by way of Hypothecation of Wind Mill with all it's accessories purchased out of Bank Finance situated at 308 / P, Moti Sindholi, Kutch, Gujarat.

- Lien of TDR worth of ₹25 Lakhs.

Notes Forming Part of the Financial Statements

23. TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
Trade payable		
a. Dues to Micro and Small Enterprises	339.29	388.14
b. Dues to other than Micro and Small Enterprises	2,779.03	3,231.26
Total	**3,118.32**	**3,619.40**

23.1 Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
a. Principal amount remaining unpaid to any supplier as at the end of accounting year	339.29	388.14
b. Interest due and remaining unpaid to any supplier as at the end of accounting year	-	-
c. Amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
d. Amount of interest due and payable for the reporting period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act, 2006	-	-
e. Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
f. Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006	-	-
Total	**339.29**	**388.14**

The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

24. OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
a. Unpaid Dividends #	4.57	5.32
b. Current maturities of long term borrowings (Refer Note: 18)	519.30	616.31
Total	**523.87**	**621.63**

#The Company has transferred ₹1.16 lakhs (Previous year ₹1.24 lakhs) to the Investors Education Protection Fund (IEPF) during the year.

25. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
a. Advances from customers	0.51	1.44
b. Statutory liabilities	34.24	97.51
c. Payable for fixed assets	43.32	227.07
d. Other Current liabilities and payables	58.52	104.47
Total	**136.59**	**430.49**

Notes Forming Part of the Financial Statements

26. CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
Gratuity (Refer Note: 19)	17.90	104.66
Total	**17.90**	**104.66**

27. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
		Amount	Amount
	Sale of Products		
a.	Export Sales	18,872.94	21,241.16
b.	Domestic Sales (Including Excise Duty in previous year)*	9,690.72	7,288.26
	Total Sale of Products	**28,563.66**	**28,529.42**
c.	**Other operating revenues**		
	Export incentives	373.39	370.21
	Exchange Rate difference related to export sales	341.87	395.23
	Interest Income on FDR	25.61	36.04
	Other Operating Income	57.51	52.27
	Total - Other Operating revenues	**798.38**	**853.75**
	Total	**29,362.04**	**29,383.17**

* Effective from July 1, 2017, the Government of India has introduced Goods and Service Tax (GST) whereby sales are recorded net of GST, whereas earlier sales were recorded gross of excise duty which formed part of expenses in previous year.

28. OTHER INCOME

(₹ in Lakhs)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
		Amount	Amount
a.	Dividend Income	3.32	43.71
b.	Gain on Investment in Shares Long Term	-	79.58
c.	Gain on Investments in Shares at FVTPL*	-	316.33
d.	Others	0.92	7.59
	Total	**4.24**	**447.21**

* The gain on investments in shares due to difference in acquisition cost and fair market value is accrued but unrealized profit.

29. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
		Amount	Amount
a.	**Raw Materials**		
	Opening Stock	1,191.04	801.81
	Add : Purchases	19,682.61	16,911.40
		20,873.65	17,713.21
	Less : Closing Stock	1,337.08	1,191.04
	Cost of Raw Material Consumed	**19,536.57**	**16,522.17**

Notes Forming Part of the Financial Statements

29. COST OF MATERIALS CONSUMED (Contd.)

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	Amount	Amount
b. **Packing Material**		
Opening Stock	86.37	71.90
Add : Purchases	360.75	326.16
	447.12	398.06
Less : Closing Stock	100.51	86.37
Cost of Packing Material Consumed	**346.61**	**311.69**
Total Cost of Material consumed	**19,883.18**	**16,833.86**

30. CHANGES IN INVENTORIES OF FINISHED GOODS,STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	Amount	Amount
a. Inventories at the end of the year		
Finished goods	4,164.60	1,705.93
Work-in-progress	181.61	277.18
Total	**4,346.21**	**1,983.11**
b. Inventories at the beginning of the year		
Finished goods	1,705.93	2,716.45
Work-in-progress	277.18	127.36
Total	**1,983.11**	**2,843.81**
Net (Increase) / decrease in Stock	**(2,363.10)**	**860.70**

31. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	Amount	Amount
a. Salaries, Wages & Bonus *	705.06	694.38
b. Contribution to Provident fund and other funds	37.56	38.02
c. Staff welfare expenses	38.81	33.16
d. Managerial Remuneration including perquisites and commission	159.69	258.61
Total	**941.12**	**1,024.17**

* Salaries, Wages and Bonus excluded the salaries paid to the staff related to Research and Development Expenses, is debited to Research and Development expenses.

Notes Forming Part of the Financial Statements

32. FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	Amount	Amount
a. Interest		
Term Loans *	152.82	43.43
Working Capitals	284.59	257.25
b. Other Financial Costs		
Bank and other charges	79.86	52.60
Total	**517.27**	**353.28**

* Interest on long-term borrowings, ₹41.60/- Lakhs (Previous year ₹24.97/- Lakhs) is capitalised being the interest pertaining to the erection and construction period.

33. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	Amount	Amount
Depreciation and amortisation for the year on tangible assets	816.12	721.93
Depreciation and amortization relating to continuing operations	**816.12**	**721.93**

34. OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	Amount	Amount
Consumption of Stores and Spare parts	332.46	241.28
Pollution Treatment Expenses	537.47	397.39
Repairs to Machinery	224.82	294.25
Repairs to Building	42.29	23.18
Repairs to Other Assets	17.35	9.62
Manufacturing & Labour Charges	833.09	776.07
Freight and forwarding Expenses	446.42	518.48
Other Selling and Distribution Expenses	224.98	286.85
Rent	33.34	27.46
Rates & Taxes (excluding taxes on income)	3.30	4.72
Insurance	15.60	14.55
Travelling, Conveyance & Vehicle Expenses	43.64	48.60
Directors Travelling Expenses	116.10	106.01
Auditors Remuneration (Refer Note: 34.1)	2.81	2.78
Directors Sitting Fees	0.33	0.36
Legal & Professional Expenses	77.81	119.96
General Charges	60.58	65.05
Donation	-	1.00
Research and Development Expenses (Refer Note: 40)	110.00	85.61
Expenditure towards Corporate Social Responsibility activities	69.92	49.50
Loss on sales of Investments	-	20.11
Loss on sales of Property, Plant & Equipments	77.21	3.56
Total	**3,269.52**	**3,096.39**

Notes Forming Part of the Financial Statements

34.1 PAYMENT TO AUDITORS

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	Amount	Amount
Audit fees	2.50	2.50
Taxation matters	-	-
Out of pocket expenses	0.01	0.03
Others (Certification work)	0.30	0.25
Total	**2.81**	**2.78**

35. OTHER COMPREHENSIVE INCOME

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	Amount	Amount
Items that will not be reclassified to Profit and Loss		
Other comprehensive Income / (Expense) FVOCI	(301.03)	-
Re-measurement of Defined Benefit Plan	8.39	11.81
Mark to Market Forex gain (Loss)	-	(7.05)
Income Tax that will not be reclassified to Profit and Loss	102.31	-
Total	**(190.33)**	**4.76**

36. EARNING PER SHARE

Basic and diluted earnings per share

Earning per share is calculated by dividing the Profit / (Loss) attributable to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the year. The numbers used in calculating basic and diluted earning per Equity Share as stated below:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	Amount	Amount
Profit/(Loss) for the year	1,829.50	2,307.57
Net Profit / (Loss) attributable to Equity Shareholders	1,829.50	2,307.57
Profit / (Loss) after taxation before Extra Ordinary Items	1,829.50	2,307.57
Number of Equity Shares for Basic EPS	12,272,262	12,272,262
Number of Equity Shares for Diluted EPS	12,272,262	12,272,262
Nominal Value Per Share	10	10
Basic Earning Per Share	14.91	18.80
Diluted Earning Per Share	14.91	18.80

Notes Forming Part of the Financial Statements

37. INCOME TAXES

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	Amount	Amount
A. The major components of income tax expense for the year as under:		
Current tax		
In respect of current year	693.00	835.00
Deferred tax		
In respect of Accumulated Depreciation	196.87	25.58
In respect of Other comprehensive income from investments	(85.55)	36.69
In respect of defined benefit plan for employees	(9.52)	(8.27)
Total deferred tax	**101.80**	**54.00**
Total tax expenses charged to statement of Profit and Loss	**794.80**	**889.00**

B. RECONCILIATION OF EFFECTIVE TAX RATE

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	Amount	Amount
Applicable Tax Rate	34.944%	34.608%
Profit before tax	2,624.30	3,196.56
Income not considered for tax purpose	(1,985.81)	(1,798.37)
Expenses not allowed for tax purpose	1,343.83	1,004.70
Tax payable at lower rate	-	(2.43)
Net Taxable income for the year	1,982.32	2,400.46
Effective Tax for the year	692.70	830.75
Effective tax at lower rate	-	0.41
Total current tax calculated for the year	692.70	831.16
Excess provision	0.30	3.84
Effective current tax rate for the year	**26.40%**	**26.00%**

38. CONTIGENT LIABILITIES AND CAPITAL COMMITMENTS

(₹ in Lakhs)

Particulars	March 31, 2019	March 31, 2018
	Amount	Amount
Contingent Liabilities		
Letter of Credit and Bank Guarantees issued by bankers and outstanding at the end of the year	1,020.89	1,559.95
Capital Commitment		
Estimated amount of Contracts / purchase orders remaining to be executed and not provided for Capital goods / Capital work in progress	8.72	65.05

39. SEGMENT REPORTING

The Company operates in a single segment and in line with Ind AS - 108 - "Operating Segments", the operation of the Company fall under Chemical Business which is considered to be the only reportable business segment.

Notes Forming Part of the Financial Statements

40. RESEARCH AND DEVELOPMENT EXPENSES

(₹ in Lakhs)

Particulars	March 31, 2019	March 31, 2018
	Amount	Amount
Capital Expenditure		
Machinery and Equipments for Research Laboratory	7.51	89.70
Total Capital Expenditure	7.51	89.70
Revenue Expenditure		
Salaries & Wages	97.71	74.53
Laboratory Chemicals and other goods	9.27	4.05
Stationery	0.05	0.02
Consumable stores	0.90	4.20
Travelling Expenses	0.34	2.44
Conveyance Expenses	0.45	0.04
Testing Expenses	-	0.19
Seminar for R & D	-	0.14
Sampling Expenses	0.81	-
Electricity Expenses	0.47	-
Total Revenue Expenditure	**110.00**	**85.61**
Total Expenditure towards Research and Development	**117.51**	**175.31**

41. EMPOLYEE BENEFITS

In compliance with the Accounting Standard on "Employee Benefits" (AS 19) notified by Companies (Accounting Standards) Rules, 2006, the following disclosures have been made:

1. Defined Contribution Plan:
The Company has recognized the following amount as an expense:

(₹ in Lakhs)

Particulars	March 31, 2019	March 31, 2018
	Amount	Amount
Contribution to Provident and other Funds	37.55	38.02

2. Defined Benefit Plan:
Table Showing Change in the Present Value of Projected Benefit Obligation

(₹ in Lakhs)

Particulars	March 31, 2019	March 31, 2018
	Amount	Amount
Present Value of Benefit Obligation at the Beginning of the Period	206.90	202.78
Interest Cost	16.24	14.89
Current Service Cost	8.83	9.02
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	(0.88)	(7.98)
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-

Notes Forming Part of the Financial Statements

41. EMPOLYEE BENEFITS (Contd.)

(₹ in Lakhs)

Particulars	March 31, 2019	March 31, 2018
	Amount	Amount
Actuarial (Gains)/Losses on Obligations - Due to Changin Financial Assumptions	0.85	(5.68)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(9.24)	(6.13)
Present Value of Benefit Obligation at the End of the Period	222.70	206.90
Present Value of Benefit Obligation at the End of the Period		
Amount Recognized in the Balance Sheet		
(Present Value of Benefit Obligation at the end of the Period)	(222.70)	(206.90)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(222.70)	(206.90)
Net (Liability)/Asset Recognized in the Balance Sheet	(222.70)	(206.90)
Net Interest Cost for Current Period		
Present Value of Benefit Obligation at the Beginning of the Period	206.90	202.78
(Fair Value of Plan Assets at the Beginning of the Period)	-	-
Net Liability/(Asset) at the Beginning	206.90	202.78
Interest Cost	16.24	14.89
(Interest Income)	-	-
Net Interest Cost for Current Period	16.24	14.89
Expenses Recognized in the Statement of Profit or Loss for Current Period		
Current Service Cost	8.83	9.02
Net Interest Cost	16.24	14.89
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	25.07	23.91
Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period		
Actuarial (Gains)/Losses on Obligation For the Period	(8.39)	(11.81)
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	(8.39)	(11.81)
Balance Sheet Reconciliation		
Opening Net Liability	206.90	202.78
Expenses Recognized in Statement of Profit or Loss	25.07	23.91
Expenses Recognized in OCI	(8.39)	(11.81)
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	(0.88)	(7.98)
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	222.70	206.90
Other Details		
No of Active Members	146	142
Per Month Salary For Active Members	29.49	26.76
Weighted Average Duration of the Projected Benefit Obligation	8	7

Notes Forming Part of the Financial Statements

41. EMPOLYEE BENEFITS (Contd.)

(₹ in Lakhs)

Particulars	March 31, 2019	March 31, 2018
	Amount	Amount
Average Expected Future Service	16	17
Projected Benefit Obligation	222.70	206.90
Prescribed Contribution For Next Year (12 Months)	-	-
Other Details		
No of Active Members	146	142
Per Month Salary For Active Members	29.49	26.76
Weighted Average Duration of the Projected Benefit Obligation	8	7
Average Expected Future Service	16	17
Projected Benefit Obligation	222.70	206.90
Prescribed Contribution For Next Year (12 Months)	-	-
Net Interest Cost for Next Year		
Present Value of Benefit Obligation at the End of the Period	222.70	206.90
(Fair Value of Plan Assets at the End of the Period)	-	-
Net Liability/(Asset) at the End of the Period	222.70	206.90
Interest Cost	17.35	16.24
(Interest Income)	-	-
Net Interest Cost for Next Year	17.35	16.24
Expenses Recognized in the Statement of Profit or Loss for Next Year		
Current Service Cost	13.13	8.83
Net Interest Cost	17.35	16.24
(Expected Contributions by the Employees)	-	-
Expenses Recognized	30.48	25.07
Maturity Analysis of the Benefit Payments: From the Employer		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	17.90	104.66
2nd Following Year	10.16	7.62
3rd Following Year	18.00	3.20
4th Following Year	102.79	10.06
5th Following Year	5.83	3.79
Sum of Years 6 To 10	24.67	22.72
Sum of Years 11 and above	255.48	231.15
Sensitivity Analysis		
Projected Benefit Obligation on Current Assumptions	222.70	206.90
Delta Effect of +1% Change in Rate of Discounting	(13.37)	(9.93)
Delta Effect of -1% Change in Rate of Discounting	15.25	11.57
Delta Effect of +1% Change in Rate of Salary Increase	15.37	11.67
Delta Effect of -1% Change in Rate of Salary Increase	(13.71)	(10.18)
Delta Effect of +1% Change in Rate of Employee Turnover	1.88	1.70
Delta Effect of -1% Change in Rate of Employee Turnover	(2.11)	(1.92)

Notes Forming Part of the Financial Statements

42. RELATED PARTY DISCLOSURES AND THEIR RELATIVES

Related Party Disclosures as required by Accounting Standard Ind AS 24 issued by Institute of Chartered Accountants of India are given below:

1 Related Parties and Nature of Relationship

a) Enterprises in which Key Managerial Personnel (KMP) and their relatives have significant influence:

AksharChem (India) Ltd

Skyjet Aviation Pvt Ltd

Skyways

Gokul M. Jaykrishna HUF

Hunter Wealth Management LLP

b) Key Managerial Personnel:

Mrs. Paru M. Jaykrishna - Chairperson and Managing Director

Mr. Gokul M. Jaykrishna - Joint Managing Director and CEO

Mr. Chandravadan R. Raval - General Manager (Accounts) & CFO

Mr. Saji V Joseph - Company Secretary

c) Relative of Key Managerial Personnel

Mr. Mrugesh Jaykrishna

Mr. Arjun G. Jaykrishna

2. Details of Transactions during the year (₹ in Lakhs)

		March 31, 2019	March 31, 2018
		Amount	Amount
A	**Enterprises own or significantly influenced by key managerial personnel or their relatives**		
1	**Aksharchem (India) Ltd**		
	Purchase of Goods	3.15	-
	Sales of Goods / Services	340.50	201.33
2	**Skyways**		
	Rent Paid	1.86	2.02
3	**Hunter Wealth Management LLP**		
	Rent / Maintenance Income	1.20	1.22
4	**Gokul M. Jaykrishna HUF**		
	Rent Paid	6.00	1.50
5	**Skyjet Aviation Pvt Ltd.**		
	Air Tickets booking services	39.30	37.90
B	**Key Managerial Personnel and their relatives**		
1	**Mrs. Paru M. Jaykrishna**		
	Remuneration	81.10	98.80
	Perquisites	-	-
	Provident Fund Contribution	7.92	8.64
	Commission	-	-
2	**Mr. Gokul M. Jaykrishna**		
	Remuneration	76.80	76.80
	Perquisites	1.79	7.01
	Provident Fund Contribution	5.76	5.76
	Commission	-	76.00

Notes Forming Part of the Financial Statements

42. RELATED PARTY DISCLOSURES AND THEIR RELATIVES (Contd.)

2.	Details of Transactions during the year	(₹ in Lakhs)	
		March 31, 2019	March 31, 2018
		Amount	Amount
3	**Mr. Mrugesh Jaykrishna**		
	Consultancy	24.84	3.60
4	**Mr. Arjun G. Jaykrishna**		
	Salary and allowances	2.22	-
5	**Mr. Chandravadan R. Raval**		
	Salary and allowances	13.20	11.85
6	**Mr. Saji V Joseph**		
	Salary and allowances	12.23	10.79
C	**Outstaning payables / (receivables) to / from Related parties and key Managerial persons**		
1	Aksharchem (India) Ltd,	(44.96)	(54.94)
2	Skyways	0.14	0.14
3	Skyjet Aviation Pvt Ltd.	1.85	0.30
4	Hunter Wealth Management LLP	-	(0.30)
5	Gokul M. Jaykrishna HUF	0.45	0.50
6	Mrs. Paru M. Jaykrishna	-	2.00
7	Mr. Gokul M. Jaykrishna	3.04	54.50
8	Mr. Mrugesh Jaykrishna	1.86	0.36
9	Mr. Arjun G. Jaykrishna	2.22	-
10	Mr. Chandravadan R. Raval	1.45	0.89
11	Mr. Saji V Joseph	1.06	0.80

43. Disclosure on Corporate Social Responsibility (CSR) activities u/s 135 of the Companies Act, 2013 is as under

a. Gross amount required to be spent by the Company during the year: ₹69.35 Lakhs (Previous year ₹81.16 Lakhs)

b. Amount spent and utilized during the year on: (₹ in Lakhs)

Sr. No	Particulars	Current Year			Previous Year		
		In Cash (Charged to P & L)	Yet to be paid in Cash	Total	In Cash (Appropriated to P & L)	Yet to be paid in Cash	Total
		Amount			Amount		
(i)	Construction / acquisition of any asset	0.00	0.00	0.00	31.80	0.00	31.80
(ii)	On purpose other than (i) above						
	a) Contribution to various Trust, NGOs, Societies and Agencies	69.92	0.00	69.92	49.50	0.00	49.50
	b) Expenditure on Administrative Overheads for CSR	0.00	0.00	0.00	0.00	0.00	0.00
		69.92	0.00	69.92	81.30	0.00	81.30

Notes Forming Part of the Financial Statements

44. CAPITAL MANAGEMENT

For the purpose of the Company capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(₹ in Lakhs)

Particulars	March 31, 2019	March 31, 2018
	Amount	Amount
Borrowings (Note No: 18 & 22)	6,193.28	7,650.84
Less : cash and cash equivalents (Note No: 11)	(60.53)	(60.76)
Net Debt	6,132.75	7,590.08
Other Equity	19,359.49	18,164.16
Total Other Equity and Net Debt	25,492.24	25,754.24
Gearing Ratio	0.24	0.29

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest bearing loans and borrowing in the current period.

As at March 31, 2019, the Company has only one class of equity shares. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

45. DIVIDEND

Proposed Dividend

The Board of Directors at its meeting held on May 14, 2019 have recommended a payment of final dividend of ₹3.00 per equity shares of face value of ₹10/- each for the financial year ended March 31, 2019. The same amounts to ₹443.84 Lakhs including dividend distribution tax of ₹75.68 Lakhs

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

46. FINANCIAL RISK MANAGEMENT - OBJECTIVES AND POLICIES

The Company's financial liabilities comprise other than derivatives mainly of borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets, other than derivatives, include trade and other receivables, other balances with banks, loans, investments and cash and cash equivalents that arise directly from its operations.

The Company's activities are exposed to Credit risk, Market risk and Liquidity risk.

The Board of directors of the Company are overall responsible for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze 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's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

46.1 Credit Risk

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

Trade receivables and loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base. The Company has established a credit policy under which each new customer is analyzed

individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the management of the Company.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 120 days for customers. More than 85% of the Company's customers have been transacting with the Company for over four years, and none of these customers' balances are credit-impaired at the reporting date.

Confirmation of balances from Debtors & Loans and Advances have been received and the same is being reconciled.

Cash and cash equivalents

The Company holds cash and cash equivalents of ₹60.53/- Lakhs at March 31, 2019 (March 31, 2018: ₹60.76/- Lakhs). The cash and cash equivalents are held with bank and cash on hand.

46.2 Liquidity Risk

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

46.3 Market Risk

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

46.4 Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in it total portfolio.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken.

(₹ in Lakhs)

Nature of Borrowing	Change in basis points	Impact on PAT	
		March 31, 2019	March 31, 2018
Working Capital Facilities from Bank	0.5%	12.69	16.70
	-0.5%	(12.69)	(16.70)

46.5 Foreign Currency Risk

The Company is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and functional currency. The functional currency of the Company is INR. The currencies in which these transactions are primarily denominated are US dollars.

The Company Forex risk management policy is to hedge currency exchange fluctuation and mitigate currency volatility and risks and to avoid uncertainties in cash flows. All foreign currency exposures – financial assets and liabilities and firm commitments (imports) & probable forecast transactions (exports) which are off-balance sheet exposures are covered under Forex risk management policy.

Hedging of trade exposures viz., imports and exports are generally hedged on net exposures basis. The Company mostly uses forward exchange contracts to hedge its currency risks mostly with the maturity of less than one year from the reporting date. The Company does not use derivative financial instruments for trading or speculative purposes.

Outstanding foreign exchange exposure

(₹ in Lakhs)

Particulars	March 31, 2019	March 31, 2018
Trade Receivables	1,115.50	1,581.80
Trade Payables	300.35	565.52
Net Exposure in Rupees	815.15	1,016.28

46.5 Foreign Currency Risk (Contd.)

Forward Exchange Contracts:

Forward Contracts outstanding (In US $ Million)

Particulars	Currency	As at March 31, 2019	As at March 31, 2018	Cross Currency
Net Exposure	US $	11.75	16.14	Rupees

Risk over uncovered foreign currency: (In US $ Million)

Particulars	Currency	As at March 31, 2019	As at March 31, 2018	Cross Currency
Exposure covered	US $	-	16.14	Rupees
Un hedged Exposure	US $	11.75	-	Rupees
Un hedged Exposure	INR	813	-	-
Risk over uncovered exposure @ 5% +/- Forex Rate fluctuation	INR	26.43	Nil	Nil

46.6 Price Risk

Investment Price Risk

The Company's exposure to price risk arises from investments in equity and mutual fund held by the Company and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investments, the Company diversifies its portfolio.

Sensitivity Analysis

The table below summarises the impact of increase/decrease of the index on the Company's equity and profit for the period. The analysis is based on the assumption that the price of the instrument has increased by 3% or decreased by 3% with all other variables held constant.

(₹ in Lakhs)

Particulars	Movement in Rate	Impact on PAT	
		March 31, 2019	March 31, 2018
Equity Shares (Quoted)	3%	27.66	36.18
Equity Shares (Quoted)	-3%	(27.66)	(36.18)

46.7 Commodity Price Risk

Principal Raw Materials for company's products are Phthalic Anhydride and Cuprous Chloride. Company sources its raw material requirements from domestic markets as well as from International Markets. Company effectively manages availability of material as well as price volatility through well planned procurement and inventory strategy and also through appropriate contracts and commitments.

Sensitivity Analysis

The table below summarises the impact of increase/decrease in prices of Phthalic Anhydride and Cuprous Chloride ₹1 per kg on profit for the period.

(₹ in Lakhs)

Particulars	Impact on PAT	
	March 31, 2019	March 31, 2018
₹1 Decrease in Price of Phthalic Anhydried	73.15	70.23
₹1 Increase in Price of Phthalic Anhydried	(73.15)	(70.23)
₹1 Decrease in Price of Cuprous Chloride	12.34	11.76
₹1 Increase in Price of Cuprous Chloride	(12.34)	(11.76)

Notes Forming Part of the Financial Statements

47. FINANCIAL INSTRUMENTS - FAIR VALUES & RISK MANAGEMENT

47.1 Accounting Classifications & Fair Value Measurements

The fair values of the financial assets and liabilities are measured at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

All financial instruments are initially recognized and subsequently re-measured at fair value as described below :

1. The fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.
2. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
3. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterpart. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.
4. The fair value of forward foreign exchange contracts and currency swaps is determined using forward exchange rates and yield curves at the balance sheet date.

The Company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

47.2 I. Figures as at March 31, 2018

(₹ in Lakhs)

Particulars	Carrying Amount	Fair value	
		Level 1	Level 2
Financial assets at amortised cost:			
Investments (Non-Current)	50.00	-	50.00
Non Current Loans	126.47	-	126.47
Bank Deposits (Non-Current)	-	-	-
Trade Receivables	7,949.11	-	7,949.11
Cash and Cash Equivalents	60.76	-	60.76
Bank Balances Other than Cash and Cash Equivalents	182.00	-	182.00
Other Current Financial Assets	1,980.37	-	1,980.37
TOTAL	**10,348.71**	**-**	**10,348.71**
Financial assets at fair value through profit or loss:			
Investments (Current)	-	-	-
Investments (Non-Current)	1,844.44	1,844.44	-
TOTAL	**1,844.44**	**1,844.44**	**-**
Financial liabilities at amortised cost:			
Borrowings (Non-Current)	1,927.73	-	1,927.73
Borrowings (Current)	5,106.80	-	5,106.80
Trade Payables	-	-	-
Other financial liabilities	621.63	-	621.63
TOTAL	**7,656.16**	**-**	**7,656.16**

Notes Forming Part of the Financial Statements

47.2 (Contd.)

II. Figures as at March 31, 2019 (₹ in Lakhs)

Particulars	Carrying Amount	Fair value	
		Level 1	Level 2
Financial assets at amortised cost:			
Investments (Non-Current)	50.19	-	50.19
Non Current Loans	123.64	-	123.64
Bank Deposits (Non-Current)	-	-	-
Trade Receivables	5,485 .07	-	5,485.07
Cash and Cash Equivalents	60.53	-	60.53
Bank Balances Other than Cash and Cash Equivalents	235.00	-	235.00
Other Current Financial Assets	1,688.19	-	1,688.19
TOTAL	**7,642.62**	**-**	**7,642.62**
Financial assets at fair value through profit or loss:			
Investments (Current)	-	-	-
Investments (Non-Current)	1,417.48	1,417.48	-
TOTAL	**1,417.48**	**1,417.48**	**-**
Financial liabilities at amortised cost:			
Borrowings (Non-Current)	1,772.84	-	1,772.84
Borrowings (Current)	3,901.14	-	3,901.14
Trade Payables	-	-	-
Other financial liabilities	523.87	-	523.87
TOTAL	**6,197.85**	**-**	**6,197.85**

48. In terms of Ind As 36 – Impairment of Assets issued by ICAI, the management has reviewed its fixed assets and arrived at the conclusion that impairment loss which is difference between the carrying amount and recoverable value of assets, was not material and hence no provision is required to be made.

49. The figures of the previous period have been regrouped / reclassified, wherever necessary, so as to be in conformity with the figures of the current period's classification / disclosure.

As per our report of even date attached

For, Mahendra N. Shah & Co.
Chartered Accountants
Firm Registration No. 105775W

Chirag M. Shah
Partner
Membership No. 045706

Place : Ahmedabad
Date: May 14, 2019

For and on behalf of the Board of Directors

Asahi Songwon Colors Limited

Chandravadan R. Raval
General Manager (Accounts) & CFO

Saji V. Joseph
Company Secretary

Paru M. Jaykrishna
Chairperson & Mg. Director
DIN: 00671721

Gokul M. Jaykrishna
Jt. Managing Director & CEO
DIN: 00671652

corporate information

Board of Directors

Mrs. Paru M. Jaykrishna *Chairperson & Mg. Director*
Mr. R. K. Sukhdevsinhji
Mr. Arvind Goenka
Mr. Jaypraksah M. Patel
Dr. Pradeep Jha
Mr. Gokul M. Jaykrishna *Jt. Managing Director & CEO*
Mr. Munjal M. Jaykrishna

Chief Financial Officer

Mr. Chandravadan R. Raval

Company Secretary

Mr. Saji V. Joseph

Auditors

Mahendra N. Shah & Co.

Bankers

State Bank of India
Federal Bank Limited

Registered Office

"Asahi House", 13, Aaryans Corporate Park
Nr. Shilaj Railway Crossing, Thaltej-Shilaj Road
Thaltej, Ahmedabad – 380 059.
Gujarat (India)
CIN : L24222GJ1990PLC014789

Registrar and Share Transfer Agents

Link Intime India Private Limited
C-101, 247 Park, L.B. S Marg,
Vikhroli (West)
Mumbai – 400 083.
Tel : 022- 49186270

Works: Pigment Blue Division

429-432 Village Dudhwada
ECP Channel Road,
Taluka – Padra, District – Vadodara
Gujarat - 391 450 (India)



ASAHI SONGWON COLORS LIMITED
"Asahi House"
13, Aaryans Corporate Park
Nr. Shilaj Railway Crossing, Thaltej – Shilaj Road
Thaltej, Ahmedabad – 380 059 (India)
(CIN: L24222GJ1990PLC014789)