



Annual Report

2016 - 2017



Responsible Care®
OUR COMMITMENT TO SUSTAINABILITY

Alkyl Amines Chemicals Limited





FINANCIAL HIGHLIGHTS

₹ in Lakhs

Year Ending	31.03.2012	31.03.2013	31.03.2014	31.03.2015	31.03.2016	31.03.2017
Gross Revenue	31,836.94	40,667.01	49,443.03	53,011.13	53,797.46	55,700.10
Revenue Growth %	22.18%	27.74%	21.58%	7.22%	1.48%	3.54%
Net Sales	28,149.55	35,896.58	44,028.65	46,798.01	47,260.79	48,862.45
EBIDTA	4,473.11	5,890.03	8,660.55	8,848.96	9,340.63	9,269.76
% of EBIDTA to Gross Revenue	14.05%	14.48%	17.52%	16.69%	17.36%	16.64%
Profit before Tax	2,368.25	3,592.82	6,462.41	6,690.81	7,248.06	7279.37
Profit after Tax	1,716.38	2,393.20	4,288.06	4,542.13	4,985.48	4960.78
Gross Fixed Assets	21,913.58	23,576.45	26,764.49	30,410.00	33,744.73	40,187.36
Net Fixed Assets	12,798.36	13,503.01	15,738.84	18,161.09	20,327.66	25,484.58
Net Current Assets	8,941.49	12,039.60	13,887.63	12,879.92	11,962.62	12,144.57
Equity Share Capital	1,020.61	1,020.61	1,020.61	1,020.61	1,020.61	1020.61
Reserve & Surplus (Incl. Deferred Taxation (Net))	9,535.58	11,492.20	15,098.19	18,538.53	21,790.31	26,762.00
Book Value per share of ₹ 5/- (₹)	51.76	61.35	79.03	95.90	111.84	136.21
Earning per Share of ₹ 5/- (₹)	8.42	11.73	21.02	22.27	24.44	24.32
Equity Dividend (%)	40.00	50.00	80.00	80.00	200.00	100.00
Net Sales to Gross Fixed Assets (%)	128.46	152.26	164.50	153.89	140.05	121.59
Return on Capital Employed (%)	25.43	29.29	37.49	33.42	32.98	25.19
Return on Net worth (%)	16.26	19.13	26.60	23.22	21.86	17.86
PAT to Net Sales (%)	6.10	6.67	9.74	9.71	10.55	10.15

MANAGEMENT TEAM

Chairman & Managing Director
Yogesh M. Kothari

Executive Director
Kirat Patel

Executive Director
Suneet Y. Kothari

Vice President (Technical)
Sameer S. Katdare

Vice President (Manufacturing)
R. N. Iyer

Vice President (Operations)
Milind Deshmukh

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

*General Manager
(Technology Development)*
S. Saimani

General Manager (Marketing)
Girish Naik

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

*General Manager
(Finance & Accounts)*
Pravin Tawle

General Manager (Works)
R.K. Kanauje

General Manager (Commercial)
Sameer Deshpande

General Manager (Projects)
R. K. Shah

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

Non-Executive Directors :

Hemendra M. Kothari

Dilip G. Piramal

Shyam B. Ghia

Shobhan M. Thakore

Premal N. Kapadia

Tarjani Vakil

Registered Office :

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

Manufacturing Sites :

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

Kurkumbh Plant :

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

Dahej Plant :

Plot No. D-2/CH/149/2, GIDC Dahej-2 Industrial Area,
Tal. Vagra, Dist. Bharuch - 392110, Gujarat

Auditors

Messrs Bansi S. Mehta & Co.

Bankers

State Bank of India
Axis Bank Ltd.
Standard Chartered Bank

Registrar & Transfer Agents

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

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 37th Annual General Meeting of **ALKYL AMINES CHEMICALS LIMITED** will be held at Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703 on Tuesday, July 25, 2017 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt:
 - (a) the audited financial statements of the Company for the financial year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon; and
 - (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2017.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Kirat Patel (holding DIN 00019239), who retires by rotation at this Annual General Meeting and being eligible, offers himself for reappointment
4. To appoint Statutory Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following as an **Ordinary Resolution**:

“RESOLVED THAT M/s. N.M. Raiji & Co., Chartered Accountants (Firm Registration No. 108296W), be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, at such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Hemant Shah & Associates, Cost Accountants, (Firm Registration No. 394), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2018 be paid remuneration, as set out in the Statement annexed to the Notice convening the Meeting.

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

6. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution** :

“RESOLVED THAT pursuant to the provisions of Sections 149(9), 197 and other applicable provisions, if any, of the Companies Act, 2013 the Articles of Association of the Company, the Directors of the Company (other than the Managing Director and the Executive Directors) together be paid a commission of such an aggregate amount as may from time to time be determined by the Board of Directors but not exceeding 1% of the net profits of the relevant accounting year of the Company as computed in the manner prescribed under section 198 of the said Act and the said aggregate amount shall be divided amongst such Directors in such proportion and in such manner as may be decided by the Board of Directors in that behalf”.

“RESOLVED FURTHER THAT the commission as aforesaid shall be payable to the directors (other than the Managing Director and the Executive Directors) of the Company, commencing from the accounting year beginning on 1st April, 2017 for a period of 5 years”.

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take such steps as may be necessary and desirable to give effect to this Resolution”.

NOTES :

1. An Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, setting out all material facts relating to the Business at Item Nos. 3, 5 and 6 is annexed herewith.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
3. Register of members and Share Transfer Books will remain closed from July 18, 2017 to July 25, 2017 (both days inclusive) for the purpose of Annual General Meeting.
4. All documents referred to in the Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 am to 4.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
5. (a) Please note that pursuant to Section 124, 125 of the Companies Act, 2013 and all other applicable provisions, all unclaimed/unpaid dividends up to 2006-07 have been transferred to the Account of Central Government. The Company has also uploaded the details of unpaid and unclaimed amounts lying with the Company as on July 29, 2016 (date of last Annual



General Meeting) on the website of the Company (www.alkylamines.com), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in).

- (b) 24190 equity shares are lying in the unclaimed suspense account. Concerned shareholders have been again reminded to claim their shares.
6. We have been offering the facility of electronic credit of dividend directly to the respective bank accounts of our shareholders, through National Electronic Clearing Service (NECS) and National Automated Clearing House (NACH). This is in addition to the Bank mandate facility that already exists whereby bank account details are printed on the dividend warrants. Shareholders who would like to avail of the ECS facility or the Bank mandate facility (if not done earlier) are requested to complete and submit the ECS/Bank Mandate Form that is also sent with this Annual Report to the Company's Registrar and Transfer Agents. Kindly note that shareholders holding shares in dematerialised form would receive their dividend directly to the bank account nominated by them to their Depository Participant, as per SEBI directives.
7. The members are requested to notify change of address, if any, to the Company's Registrar and Transfer Agent.
8. The shareholders holding shares in physical form are once again advised to seek their shareholding changed to dematerialised form since in terms of SEBI and Stock Exchange guidelines, no physical shares can be traded on the Stock Exchanges.
9. The members may note that the Company's Equity Shares are listed on the Bombay Stock Exchange and National Stock Exchange and the listing fees to the Stock Exchanges have been paid.
10. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report for 2016-17 is being sent in the permitted mode.
11. Members may also note that this Notice and the Annual Report for 2016-17 will also be available on the Company's website www.alkylamines.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: legal@alkylamines.com
12. Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the Company is providing the e-voting facility to its Members holding shares in physical or dematerialized form, as on the cut-off date, being July 17, 2017, to exercise their right to vote at the 37th Annual General Meeting (AGM) by electronic means on any or all of the businesses specified in the Notice (the "Remote e-voting"), and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). The Remote e-voting commences on July 20, 2017 (9:00 A.M.) and ends on July 24, 2017 (5:00 P.M.). Details of the process and manner of Remote e-voting along with the User ID and Password are given in the attached sheet.
 - II. The Company is also offering the facility for voting by way of physical ballot at the AGM. The Members attending the meeting should note that those members who are entitled to vote but have not exercised their right to vote by Remote e-voting, may vote at the AGM through ballot for all businesses specified in the accompanying Notice. The Members who have exercised their right to vote by Remote e-voting may attend the AGM but shall not vote at the AGM. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Monday, July 17, 2017.
 - III. The Company has appointed Mr. Prashant Mehta, Practising Company Secretary (Membership No. 5814), as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - IV. The Scrutinizer shall, immediately after the conclusion of voting at general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and will make, within a period not exceeding three (3) working days from the conclusion of the meeting, a Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman of the Company.
 - V. The results shall be declared within 48 hours of the conclusion of the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.alkylamines.com and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and NSE Limited.
13. Members are requested to bring attendance slip alongwith the copy of the Annual Report at the meeting.

By order of the Board

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

Registered Office :

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

CIN: L99999MH1979PLC021796

Dated: May 18, 2017



ANNEXURE TO THE NOTICE

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

ITEM 3

At the Annual General Meeting held on July 7, 2015 the shareholders had approved appointment of Mr. Kirat Patel as Executive Director upto December 31, 2019 upon the terms and conditions including remuneration. He retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Mr. Kirat Patel, aged 64, is B.Tech., Mechanical Engineering from Indian Institute of Technology, Mumbai, and M.M.S. (Finance) from Jamnalal Bajaj Institute of Management, Mumbai, and has been working with the Company since its inception. He is Director and a member of Audit Committee & Nomination and Remuneration Committee of Diamines & Chemicals Limited (a company in which our company holds around 30% of the shareholding) and Director of Alkyl Speciality Chemicals Limited (subsidiary of this company). He is also a Director of Kaira Can Company Limited and is the Chairman of their Audit Committee and member of the Nomination & Remuneration Committee. He is also director of the following Companies:

- 1) Anjyko Investments Private Limited.
- 2) Purjeeko Trading & Investment Private Limited.
- 3) Foundation for CfHE.

Mr. Kirat Patel alongwith his relatives holds 1,17,306 equity shares (constituting 0.57% of the equity capital) of the company.

Mr. Kirat Patel is interested in the Resolution, since it relates to his own re-appointment.

ITEM 5

At the last Annual General Meeting, the shareholders had approved appointment and payment of remuneration to Messrs. Hemant Shah & Associates for the year ended March 31, 2017. The Board of Directors has reappointed them to conduct cost audit for the year ending March 31, 2018. The remuneration as recommended by the Audit Committee and approved by the Board of Directors is ₹ 1,25,000/- (exclusive of Service Tax) plus out-of-pocket expenses not exceeding ₹ 10,000/-. The members are requested to pass the resolution for appointment and remuneration payable to M/s. Hemant Shah & Associates, as set out at item No. 5 of the Notice.

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

ITEM NO. 6

At the Annual General Meeting held on August 7, 2012 the shareholders had approved payment of a commission not exceeding 1% of the net profits of the company to the Directors (other than Managing Director and the Executive Directors) for the period commencing from the accounting year beginning from 1st April, 2012. As the provision for payment of commission was upto the Accounting Year ended on March 31, 2017, a fresh resolution is proposed approving payment of commission not exceeding 1% of the net profits to the Directors (other than Managing Director and the Executive Directors) for a further period of 5 years commencing from the accounting year beginning 1st April 2017.

The increasing business activities of the company require the Board of Directors to devote more time and attention. Hence, it is considered fair and proper to compensate the Directors for the services rendered by them to the company, by paying of the appropriate amount by way of commission on the net profits of the company.

All the Directors of the company (except Mr. Yogesh Kothari, Mr. Kirat Patel and Mr. Suneet Kothari) may be regarded as concerned or interested in the Resolution.

By order of the Board

K. P. RAJAGOPALAN

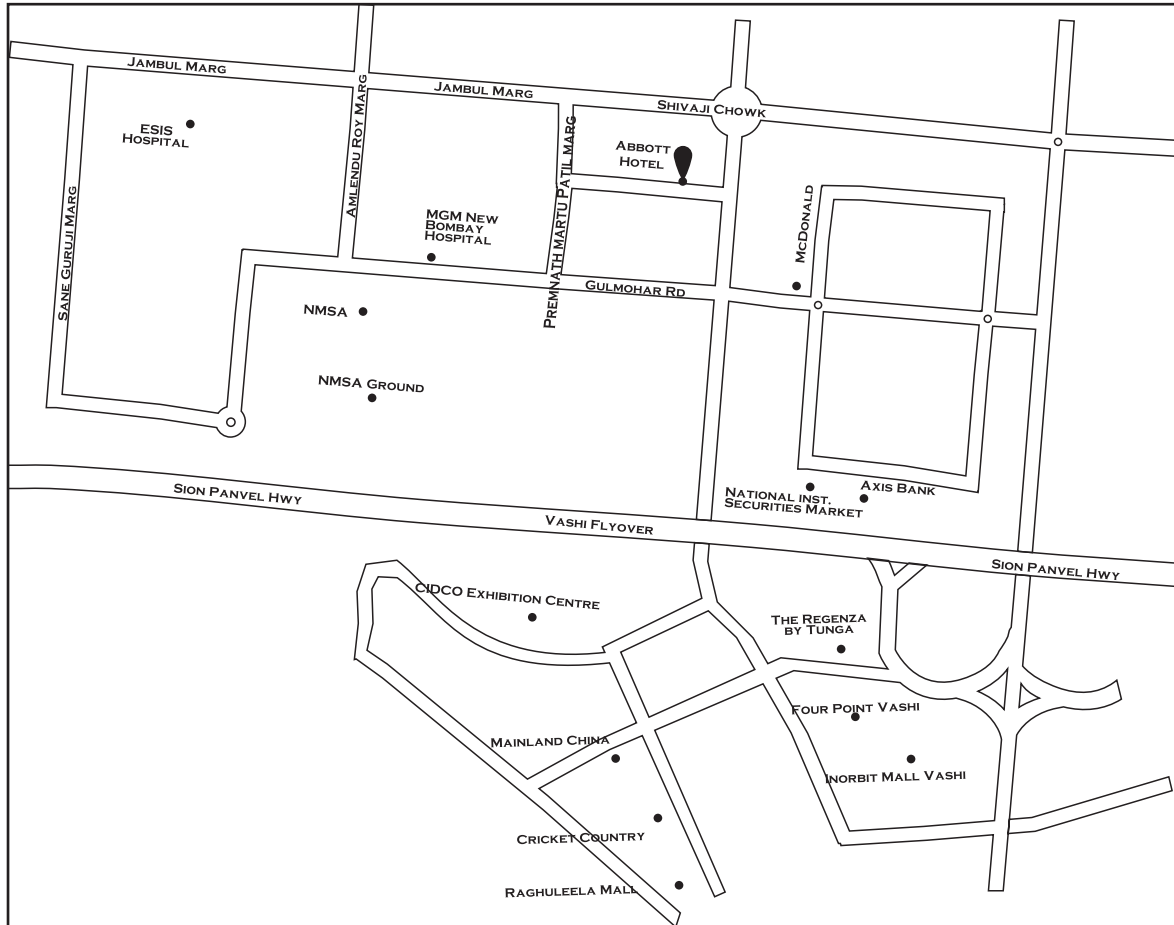
General Manager (Secretarial & Legal)
& Company Secretary

Registered Office :

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

Dated: May 18, 2017

ROUTE MAP OF Annual General Meeting venue





DIRECTORS' REPORT TO THE MEMBERS

Dear Shareholders,

Your Directors take pleasure in presenting the 37th Annual Report on the business and operations of your Company together with Audited Statement of Accounts for the financial year ended March 31, 2017.

1. FINANCIAL RESULTS:

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

	2016-17 ₹ In Lakhs	2015-16 ₹ In Lakhs
Total Revenue (including Excise & Sales tax)	55700	53797
Total Revenue (net of taxes)	50164	48601
Profit before interest, depreciation & taxation	9270	9341
Interest & financial expenses	562	803
Depreciation	1429	1289
Profit before tax	7279	7248
Provision for tax	2319	2263
Net Profit after tax	4961	4985
Add: balance profit brought forward	14041	11511
Profit available for appropriation	19002	16496
Transfer to General Reserve	0	0
Provision for dividend/(dividend paid last year)	1020	2040
Tax on dividends	207	415
Balance profit carried to balance sheet	17775	14041

2. PERFORMANCE HIGHLIGHTS:

During the year under review, total Income (gross) marginally increased from ₹ 53797 lakhs to ₹ 55700 Lakhs.

Profit before tax for the year was ₹ 7279 Lakhs compared to ₹ 7248 lakhs of the previous year and Profit after tax was ₹ 4961 Lakhs as against ₹ 4985 lakhs of the previous year.

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

3. DIVIDENDS:

Your Directors are pleased to recommend for your approval dividend of ₹ 5/- on Equity Share of ₹ 5/- each for the year ended March 31, 2017 (Previous Year: Dividend of ₹ 10/- per share of ₹ 5/- each). The total amount of dividend including Income tax thereon amounted to ₹ 1227 Lakhs (Previous Year ₹ 2455 Lakhs). You are requested to approve the same.

4. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included in this Annual Report. (Annexure 1)

5. NEW PROJECTS:

Implementation of our Methylamines Plant at Dahej is in full swing. Barring unforeseen circumstances, we expect to commission the Plant by the third quarter of 2017-18. We are also planning for a new plant to produce Acetonitrile at Dahej. Our new projects also include:

- enhancing aggregate capacity of aliphatic amine hydrochloride at various locations, and
- enhancing DEHA capacity at Kurkumbh.

6. ASSOCIATE/SUBSIDIARY COMPANIES**a. Diamines & Chemicals Limited, Vadodara:**

Diamines and Chemicals Ltd., Vadodara, our associate company, has achieved a total income (net) of ₹ 3481.30 Lakhs as against ₹ 3557.64 Lakhs of the previous year. They made a profit after tax of ₹ 427.70 Lakhs as against ₹ 25.34 Lakhs of the previous year. They have declared a dividend of ₹ 1.50 per equity share of ₹ 10/- each for the year ended March 31, 2017.

b. Alkyl Speciality Chemicals Limited:

Application for merger of this subsidiary company with our Company is pending with National Company Law Tribunal. During the year 2016-17 Alkyl Speciality Chemicals Ltd. earned a profit before tax of ₹ 13.23 lakhs compared to ₹ 14.10 lakhs of the previous year and profit after tax of ₹ 9.26 lakhs compared to ₹ 10.73 lakhs of the previous year.

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

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

7. RESPONSIBLE CARE:

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

7.1. ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION:

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

7.2. SAFETY, HEALTH AND ENVIRONMENT:

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

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

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

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

The Company conducts scheduled Mock drill for emergency scenarios with the active involvement of its staff and occasionally in the presence of external stakeholders. The gaps, if any, are immediately addressed for closure. To strengthen the Emergency Response, the company conducts Truncated drills and Table top exercises to assess the performance of emergency responders. Daily tool box talks and safety talks to officers and contractors are done by the company staff.

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

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

The Safe employee and Safe contractor awards initiated in 2015-16 were distributed accordingly in 2016-17.

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

An unfortunate incident of fire occurred in our Kurkumbh factory on November 12, 2016, due to which two workers were injured and one of them while undergoing treatment, succumbed to his injuries. The other worker was discharged after due treatment. After discussion with the deceased workman's family, appropriate compensation was agreed and paid and his relative was given employment in the factory.

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

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

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

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

- i) **Air Emissions** – We monitor regularly emissions from various sources and are very particular about compliance with statutory requirement. Projects are undertaken for reduction of emissions.
- ii) **Liquid Waste Treatment** – We have integrated Effluent Treatment Plants and we maintain outlet standards within the prescribed limits. Continuous efforts are made by improving the internal processes to minimize the quantity of effluent generated and feasibility of recycling of treated effluent is being studied. Capital expenditure for expanding as well as further upgradation of the effluent treatment facility to meet long term requirements have been cleared and are under design stage. Our Company is also a member of the CETP located at Patalganga and Kurkumbh. The ETP's at both sites are performing satisfactorily.
- iii) **Solid Waste Management** – Solid wastes are either incinerated or disposed of to secured landfill. The manufacturing sites at Patalganga and Kurkumbh are members of the Authorized Common Hazardous Waste Transport, Storage & Disposal Facility namely; Mumbai Waste Management Limited, Taloja, and Maharashtra Enviro Power Limited, Ranjangaon respectively. We have a program in place for waste management using reduction/ recycle/ reuse/ recovery techniques. These programs are continuously reviewed for monitoring their progress and effectiveness.
- iv) **Green belt** – Tree plantation inside and outside the factory premises is given utmost importance and is done on a regular basis
- v) **Non conventional Renewable Energy and Natural Resource conservation** –
Additional Solar Water heaters have been installed at the staff colony. Use of water from the Sewage Treatment Plant for gardening, Rain water harvesting, and number of GO GREEN activities were undertaken at the plant and staff colony.
- vi) Our 2 MW Solar Power Project at Bhoom is working satisfactorily.
- vii) Possibility of contaminating the storm water due to heavy rains, has been eliminated by improving the effluent collection system, This arrangement of transferring of effluent through pipelines continues to work satisfactorily.
- viii) A new and efficient coal fired boiler was installed and commissioned in 2016-17. This arrangement will ensure better thermal efficiency, serve as an installed standby to the existing boilers and increase number of days available for production.

8. CORPORATE SOCIAL RESPONSIBILITY:

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

9. DIRECTORS:

Mr. Kirat Patel retires by rotation at the Annual General Meeting and, being eligible, has offered himself for re-appointment. Your Directors recommend his reappointment.

9.1 Board Evaluation

Pursuant to the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the annual evaluation has been carried out by the Board of its own performance and that of its Committees and individual Directors by way of individual and collective feedback from Directors. The Directors expressed their satisfaction with the evaluation process.

9.2 Remuneration Policy

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

9.3 Meetings

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

9.4. Directors' Responsibility Statement

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

- a. that in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Note 1 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

10. RELATED PARTY TRANSACTIONS

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

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

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

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

11. CODE OF CONDUCT:

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

12. INSIDER TRADING POLICY:

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

13. FIXED DEPOSITS:

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

14. INSURANCE:

The Properties and Assets of the Company are adequately insured.

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

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

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

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

17. AUDITORS:**17.1 Statutory Auditors**

As per the provisions of Section 139 of the Companies Act 2013, the term of office of M/s Bansi S. Mehta & Co. as Statutory Auditors of the Company, will conclude from the close of the forthcoming Annual General Meeting of the Company. They have been our Auditors from inception of the Company. The Board of Directors places on record its appreciation for the services rendered by M/s. Bansi S. Mehta & Co. as the Statutory Auditors of the Company. Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of Messrs. N. M. Raiji & Co., Chartered Accountants (ICAI Firm Registration Number 108296W) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013. Members' attention is drawn to a Resolution proposing the appointment of Messrs. N. M. Raiji & Company, as Statutory Auditors of the Company which is included at Item No. 4 of the Notice convening the Annual General Meeting

17.2 Cost Auditors

The Board of Directors has re-appointed Messrs. Hemant Shah & Associates, as Cost Auditor for the year 2017-18. Their re-appointment as Cost Auditors for the year 2017-18 is sought under Item No. 5 of the Notice convening the Annual General Meeting.

17.3 Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. V. Sundaram, Practising Company Secretary, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is annexed herewith as "Annexure 4".

18. CORPORATE GOVERNANCE

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

19. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

20. EXTRACT OF ANNUAL RETURN

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

21. PARTICULARS OF EMPLOYEES

Disclosure pertaining to the remuneration and other details as required under Section 197(12) of the Act, and the Rules framed thereunder is enclosed as “Annexure 7” to the Board’s Report. The information in respect of employees of the Company required pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 will be provided upon request. In terms of Section 136 of the Companies Act 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid Annexure which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

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

In line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has set up Complaints Committees at its workplaces. No complaints have been received during the year 2016-17.

23. CAUTIONARY STATEMENT

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

24. ACKNOWLEDGEMENTS

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

For and on behalf of the Board

Place: Mumbai
Dated: May 18, 2017

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



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ANNEXURE 1

INDUSTRY STRUCTURE AND DEVELOPMENT

We are manufacturers and suppliers of amines, amine derivatives and other speciality chemicals. We have two manufacturing sites, one at Patalganga and the other at Kurkumbh. We have an R&D Centre located at Pune equipped with advanced equipments and analytical instruments. We have recently set up a Solar Plant at Bhoom, Dist. Osmanabad, Maharashtra State. A new Methylamine Plant is under construction at Dahej, Gujarat, which is expected to be commissioned in the third quarter of 2017-18.

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

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

For more details please refer to our website www.alkylamines.com.

PERFORMANCE

Total Income (net of taxes) amounted to ₹ 50164 Lakhs compared to ₹ 48601 Lakhs of the previous year.

OPPORTUNITIES AND THREATS

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

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

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

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

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

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The profit before tax amounted to ₹ 7279 Lakhs compared to ₹ 7248 Lakhs reported last year.

During the year, our gross domestic sales amounted to ₹ 44310 Lakhs compared to ₹ 43030 Lakhs of the previous year. Due to pressure on sales prices, increase in volume of some of the products did not result in increase in sales value. Despite the pressure in external environment, Exports increased from ₹ 9347 Lakhs (FOB) of the previous year to ₹ 10010 Lakhs (FOB) for the year 2016-17.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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



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

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

WHISTLE BLOWER POLICY

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

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

RISKS AND CONCERNS

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

HUMAN RESOURCES

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

Recently we conducted a survey among senior management staff to ascertain “What’s working well in the Company ” and “ areas of improvement”. We have benchmarked our Company with some other organisations and outlined the challenges which the Company is facing along with proposed road maps. The Senior Management people had deliberations and drawn an execution plan based on priority suggested by the Group to work towards a Future Ready Organisation.

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

OUTLOOK

For the year 2017-18, our focus will continue on sustainable growth by taking measures for increasing our market share of existing products and creating new business in untapped growth market segments in Export market.

Both sluggish market in certain sectors, coupled with increased competition from global and domestic players, are putting pressure on sales prices. Increase in prices of certain raw materials also put pressure on contribution. However, with the global growth of chemicals focused more on Asia, it is expected that there will be further growth in chemical industry.

During the year 2017-18, we expect our investments in various projects to add to both our topline and bottomline.

We will continue with our efforts for improving our market share while re-looking at business strategies and models, wherever necessary. With our continuous efforts for improving efficiencies and margins, barring, unforeseen circumstances, we expect to achieve better results for the year 2017-18.

CAUTIONARY STATEMENT

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

For and on behalf of the Board of Directors

YOGESH M. KOTHARI

Chairman & Managing Director
(DIN: 00010015)

Place : Mumbai

Dated : May 18, 2017

ANNEXURE 2

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

(A) ENERGY CONSERVATION:

Energy conservation continues to be an active focus area for your Company since it is not only a major cost in the manufacturing process but, more importantly, a significant part of your Company's corporate social responsibilities. Your Company has taken several initiatives at each plant level in order to conserve energy which is in line with our policy of conservation of natural resources. The Company has been certified for the ISO 50001 Energy Management System in 2016/17.

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

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

(B) TECHNOLOGY ABSORPTION:

1. Specific areas in which R & D carried out by the company
 - a) Development of batch processes for several new mixed amine derivatives.
 - b) To develop value addition products from the waste streams.
 - c) Improvement in existing processes for commercialized product based on latest technology
2. Benefits derived as a result of the above R & D
 - a) Developed a continuous process for one product and planned to commercialize in second quarter of 2017-18.
 - b) Developed process for four new products. A commercially viable recipe has been developed in R & D using a waste stream and production trials will be undertaken soon.
 - c) The existing process for two important products was reviewed and extensive work was done in R & D. The product quality and yield has been improved and substantial cost reduction is achieved.
3. Future plans of action
 - a) Scale up trials for the products developed in previous year
 - b) Development of new processes for new products
 - c) To develop Value addition products from the existing waste streams
4. Expenditure incurred on Research & Development

a) Revenue Exps	Rs. 516.02 Lakhs
b) Capital Exps	Rs. 29.27 Lakhs
Total	Rs. 545.29 lakhs
Total R&D expenditure	
As a percentage of Total turnover	1.09%

(C) FOREIGN EXCHANGE EARNINGS & OUTGO

	2016-17	2015-16
Foreign Exchange earned	₹ 9010.92 Lakhs	₹ 8907.23 Lakhs
Foreign Exchange used	₹ 11951.83 Lakhs	₹ 1314.41 Lakhs

ANNEXURE 3

ANNUAL REPORT ON CSR ACTIVITIES FORMING PART OF DIRECTORS' REPORT FOR THE YEAR 2016-17

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

CSR Policy is stated on the company's website : www.alkylamines.com

2. Composition of the CSR Committee:

Ms. Tarjani Vakil, Chairperson (Independent Director)
Mr. Yogesh M. Kothari (Chairman & Managing Director)
Mr. Kirat Patel (Executive Director)

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

Average profit: ₹ 7517 Lakhs

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

The Company is required to spend ₹ 150.34 lakhs towards CSR.

5. Details of CSR spent during the financial year 2016-2017:

(a) Total amount spent for the financial year: ₹ 125.88 lakhs (Previous year:Rs. 88.20 Lakhs)

(b) Amount unspent, if any: ₹ 24.46 Lakhs

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

Sr. No.	Project Area/ Sector	Locations	Amount Outlay (Budget) Project or Programs wise	Amount spent on the project or programs	Cumulative expenditure (1.4.2014 to 31.3.2017)	Amount spent: Direct or through implementing agency
1	Environment Sustainability & Rural Development	a) Amount spent In the State of Maharashtra. ₹ 124.88 lakhs	34.34	24.00	55.23	Direct
2	Health/ Woman Empowerment	b) Amount spent in the State of Gujarat in the area of education. ₹ 1 lakh	30.00	24.51	49.06	Both directly and through implementing agency
3	Education/Sports		83.00	74.77	134.55	
4	Others		3.00	2.60	11.58	
	Total		150.34	125.88	250.42	

REASON FOR SHORTFALL OF CSR SPEND

As against the sum of ₹ 150.34 lakhs required to be spent, we have actually spent a sum of ₹ 125.88 Lakhs (as against ₹ 88.20 lakhs of the previous year). Though funds have been allocated, in order to make payment, agencies still have to complete the milestones as planned and spend the money, including approval of Government authorities. Based upon the baseline study, further projects in the areas of health and Sanitation are being finalised.

RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE:

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

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

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

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

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

Tarjani Vakil
Chairperson- CSR Committee

Yogesh M. Kothari
Chairman and Managing Director

Kirat Patel
Executive Director

Mumbai
May 18, 2017



ANNEXURE 4

SECRETARIAL AUDIT REPORT

Form No. MR-3

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

For the financial year ended 31st March, 2017

The Members,
 Alkyl Amines Chemicals Limited
 Vashi, Navi Mumbai
 CIN: L99999MH1979PLC021796.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by Alkyl Amines Chemicals Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Alkyl Amines Chemicals Limited ("the Company") for the financial year ended on 31st March, 2017 according to the provisions of:

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

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

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

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

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

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

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

Place : Mumbai

Date : May 18, 2017

V. Sundaram

FCS No.: 2023

C.P. No.: 3373

ANNEXURE 5

CORPORATE GOVERNANCE REPORT

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

2. BOARD OF DIRECTORS

i) Composition of Board:

The Board of Directors of the Company consists of 9 members. Three of the Directors, i.e. the Chairman & Managing Director and two Executive Directors, are Executive Directors and rest of the 6 Directors are non-executive Directors, who bring a wide range of skills and experience to the Board. The Board of Directors of the Company as on 31st March, 2017 is as under:

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

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

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

Weblink where details of familiarization programmes imparted to independent directors is disclosed: www.alkylamines.com

ii) Attendance record of each Director:

Four Board Meetings were held during the year 2016-17. These meetings were held on 20.05.2016, 29.07.2016, 28.10.2016 and 01.02.2017. The attendance record of all the Directors at the Board Meetings and the last Annual General Meeting between 01.04.2016 to 31.03.2017 is as under:-

Name	No. BoD Meetings held	No. of BoD Meetings attended	Attended last AGM
Mr. Yogesh M. Kothari	Four	Four	Yes
Mr. Hemendra M. Kothari	Four	Three	No
Mr. Shyam B. Ghia	Four	Four	Yes
Mr. Shobhan M. Thakore	Four	Three	No
Mr. Dilip G. Piramal	Four	Two	No

Name	No. BoD Meetings held	No. of BoD Meetings attended	Attended last AGM
Mr. Premal N. Kapadia	Four	Three	No
Ms. Tarjani Vakil	Four	Two	No
Mr. Kirat Patel	Four	Four	Yes
Mr. Suneet Kothari	Four	Four	Yes

3. COMMITTEES OF THE BOARD OF DIRECTORS

i) Audit Committee

The Company has an Audit Committee of the Board of Directors since April 2000. The Audit Committee comprises of four Directors, i.e., Mr. Shyam B. Ghia (Chairman), Mr. Premal N. Kapadia and Mr. Shobhan M. Thakore (all being Non-Executive and independent) and also Mr. Kirat Patel. The Committee met 4 times during the year 2016-2017 on 20.05.2016, 29.07.2016, 28.10.2016 and 01.02.2017. The attendance of the Audit Committee Members is as under:-

Name	No. of Audit Committee Meetings held	No. of Audit committee Meetings attended
Mr. Shyam B. Ghia	Four	Four
Mr. Premal N. Kapadia	Four	Three
Mr. Shobhan N. Thakore	Four	Three
Mr. Kirat Patel	Four	Four

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

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

ii) Nomination and Remuneration Committee of the Board

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

b) Performance evaluation criteria for directors:

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

c) **Remuneration of Directors:**

Remuneration paid/payable to the Directors for the year from 1.4.2016 to 31.3.2017 is given below:

(₹ in Lakhs)

Name	Remuneration	Sitting Fee (Gross)	Commission*	Total
Mr. Yogesh M. Kothari	173.13	Nil	231.90	405.03
Mr. Hemendra M. Kothari	Nil	0.60	13.50	14.10
Mr. Shyam B. Ghia	Nil	1.88	13.50	15.38
Mr. Shobhan M. Thakore	Nil	2.08	13.50	15.58
Mr. Dilip G. Piramal	Nil	0.60	13.50	14.10
Mr. Premal N. Kapadia	Nil	1.20	13.50	14.70
Ms. Tarjani Vakil	Nil	1.00	13.50	14.50
Mr. Kirat Patel	88.53	Nil	81.00	169.53
Mr. Suneet Y. Kothari	81.01	Nil	81.00	162.01

*Commission will be paid during the year 2017-2018.

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

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

iii) **Stakeholders' Relationship Committee:**

- a) The Stakeholders' Relationship Committee consists of Mr. Shobhan M. Thakore, Mr. Shyam B. Ghia and Mr. Yogesh M. Kothari, whose terms of reference include approval of share transfers and overview of investor grievance handling system. Mr. Shobhan M. Thakore is the Chairman of this Committee.

- b) Total 4 meetings of Stakeholders' Relationship Committee were held during the year 2016-2017 on the following dates:

24.06.2016	30.09.2016	30.12.2016	24.03.2017
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- c) The attendance of the Stakeholders' Relationship Committee Members is as under:-

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

- d) Mr. K.P. Rajagopalan, General Manager (Secretarial & Legal) is the Compliance Officer.

- e) No. of shareholder complaints received during 2016-17

Relating to non-receipt of annual report	: 4
Relating to loss of share certificates	: 0
Relating to transmission of shares	: 0
Others	: 9

- f) No. of shareholder complaints not solved to the satisfaction of the shareholders:

Relating to non-receipt of annual report	: None
Relating to loss of share certificates	: None
Relating to transmission of shares	: None
Others	: None

- g) No. of pending share transfers as on 31.3.2017 : None

iv) Finance Committee:

The Company also has a Finance Committee of Directors to consider finance related decisions consisting of Mr. Y. M. Kothari, Chairman, Mr. Kirat Patel and Mr. Shobhan M. Thakore. During the year 2016-2017 the Finance Committee Meetings were held on 07.07.2016, 29.7.2016, 06.09.2016 and 21.11.2016

Name	No. of Finance Committee Meetings held	No. of Finance Committee Meetings attended
Mr. Yogesh M. Kothari	4	4
Mr. Shobhan N. Thakore	4	3
Mr. Kirat Patel	4	4

v) Corporate Social Responsibility Committee:

The Company has a Corporate Social Responsibility Committee, consisting of Ms. Tarjani Vakil (Chairperson), Mr. Yogesh M. Kothari and Mr. Kirat Patel. During the year 2016-17 the Committee Meetings were held on 22.07.2016, 30.11.2016 and 29.03.2017. The attendance record of Directors is as under:

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

vi) Independent Directors' Meeting:

A meeting of the Independent Directors of the Company was held on February 01, 2017, in conformity with the provisions of the Schedule IV of the Companies Act, 2013 & the SEBI (Listing Obligations and Disclosure Regulations) 2015.

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

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

5. GENERAL BODY MEETINGS

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

No. of AGM	Venue	Date	Time
36th AGM	Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703, Maharashtra No Special Resolutions were passed.	July 29, 2016	2.30 PM
35th AGM	Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703, Maharashtra Special resolutions were passed for : a) Approval for re-appointment and payment of remuneration of Mr. Yogesh M. Kothari as Chairman & Managing Director b) Approval for re-appointment and payment of remuneration of Mr. Kirat Patel as Executive Director c) Approval for re-appointment and payment of remuneration of Mr. Suneet Kothari as Executive Director	July 7, 2015	12.00 noon
34th AGM	Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703, Maharashtra Special resolutions were passed for : a) Approval for borrowing monies in excess of the aggregate of the paid up share capital and reserves of the Company, not exceeding ₹ 350 Crores. b) Consent to the Board of Directors to create mortgages, charges, hypothecations and floating charges, to secure borrowings not exceeding ₹ 350 Crores. Special resolutions were also passed through postal ballot for: a) Sub-division of equity shares of the Company. b) Alteration to Memorandum of Association of the Company. c) Alteration of main object of the Company in the Memorandum of Association. d) Alteration to Articles of Association of the Company.	August 7, 2014	2.30 P.M.

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

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

6. DISCLOSURES

- i) There are no materially significant related party transactions that may have potential conflict with the interests of the Company at large.
- ii) A list of transactions with related parties as per Accounting Standard AS-18 is mentioned in Note 34 to the Audited Accounts.
- iii) No penalty/stricture was imposed on the Company by Stock Exchange(s), SEBI or any other authority, or any matter related to capital markets, during the last three years.
- iv) The Company has a whistleblower policy, which is available on the Company's website.
- v) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements: The Company has complied with all mandatory requirements of Corporate Governance.

7. MEANS OF COMMUNICATION:

- i) Company is publishing the results in National & Regional Newspapers like Economic Times and Maharashtra Times. Quarterly Results are also put on the Company's web-site, www.alkylamines.com
- ii) Management Discussion & Analysis is part of Annual Report 2016-2017.

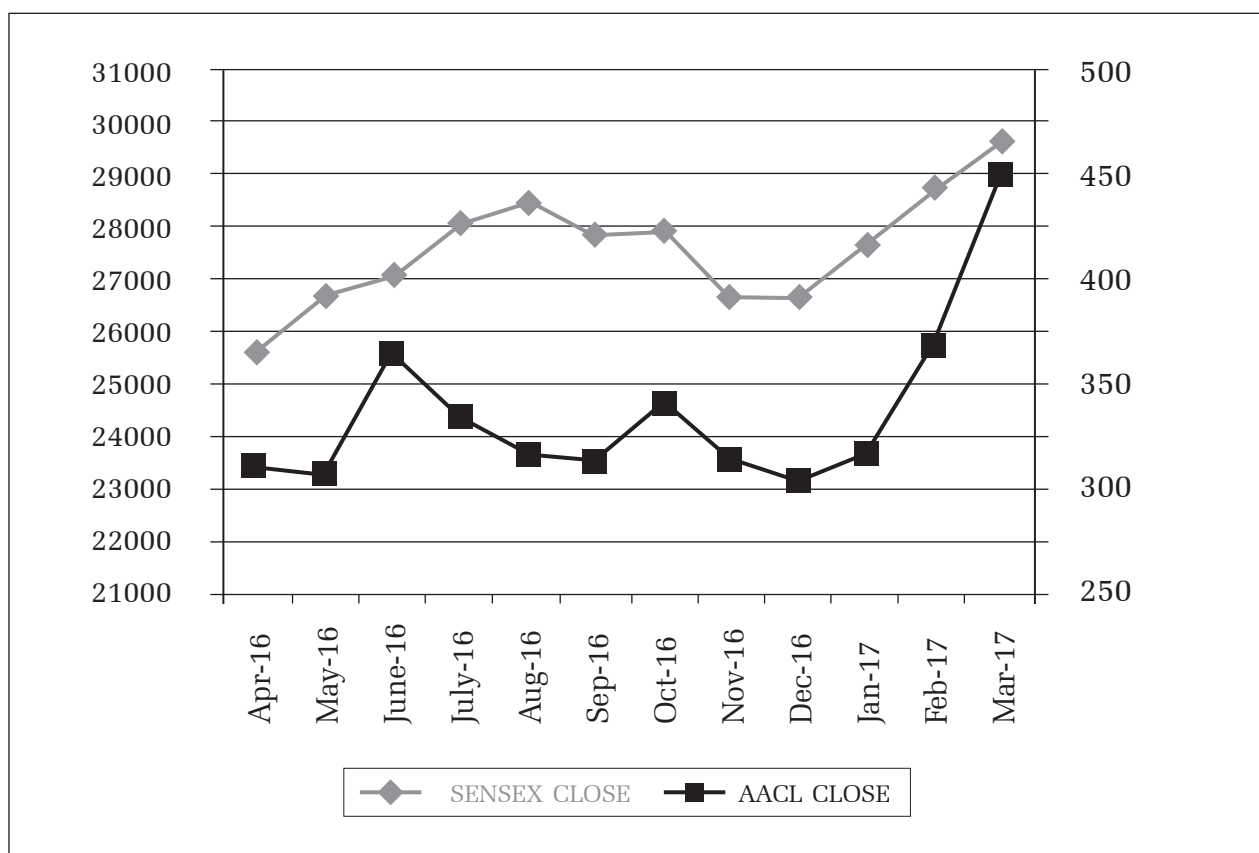
8. GENERAL SHAREHOLDER INFORMATION

- i) Annual General Meeting
 - Date : Tuesday, July 25, 2017
 - Time : 11:00 A.M.
 - Venue : Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703.
- ii) Financial Year : April to March
- iii) Dates of Book Closure : July 18, 2017 to July 25, 2017 (Both days inclusive)
- iv) The equity shares of the Company are listed on The Bombay Stock Exchange Limited and National Stock Exchange of India Ltd.
- v) Stock code. (BSE) : 506767
(NSE) : ALKYLAMINE
- vi) Market Price Data - High & Low at BSE and NSE of the equity shares of the Company during each month for the year 2016-2017 as compared to BSE Sensex/Nifty are as under:

	BSE (₹)		NSE (₹)	
	High	Low	High	Low
Apr-16	322.20	307.00	324.05	310.00
May-16	319.90	307.85	318.00	307.85
Jun -16	369.85	308.50	370.00	309.05
July -16	374.35	335.45	374.80	337.40
Aug -16	328.00	312.25	327.95	311.05
Sept-16	334.90	312.00	335.40	311.50
Oct -16	387.60	312.30	387.10	311.60
Nov -16	344.50	283.25	345.50	286.20
Dec -16	320.00	291.05	319.55	293.50
Jan -17	321.35	308.15	321.45	306.60
Feb -17	370.00	340.25	369.55	340.70
Mar -17	451.75	367.55	452.40	365.50

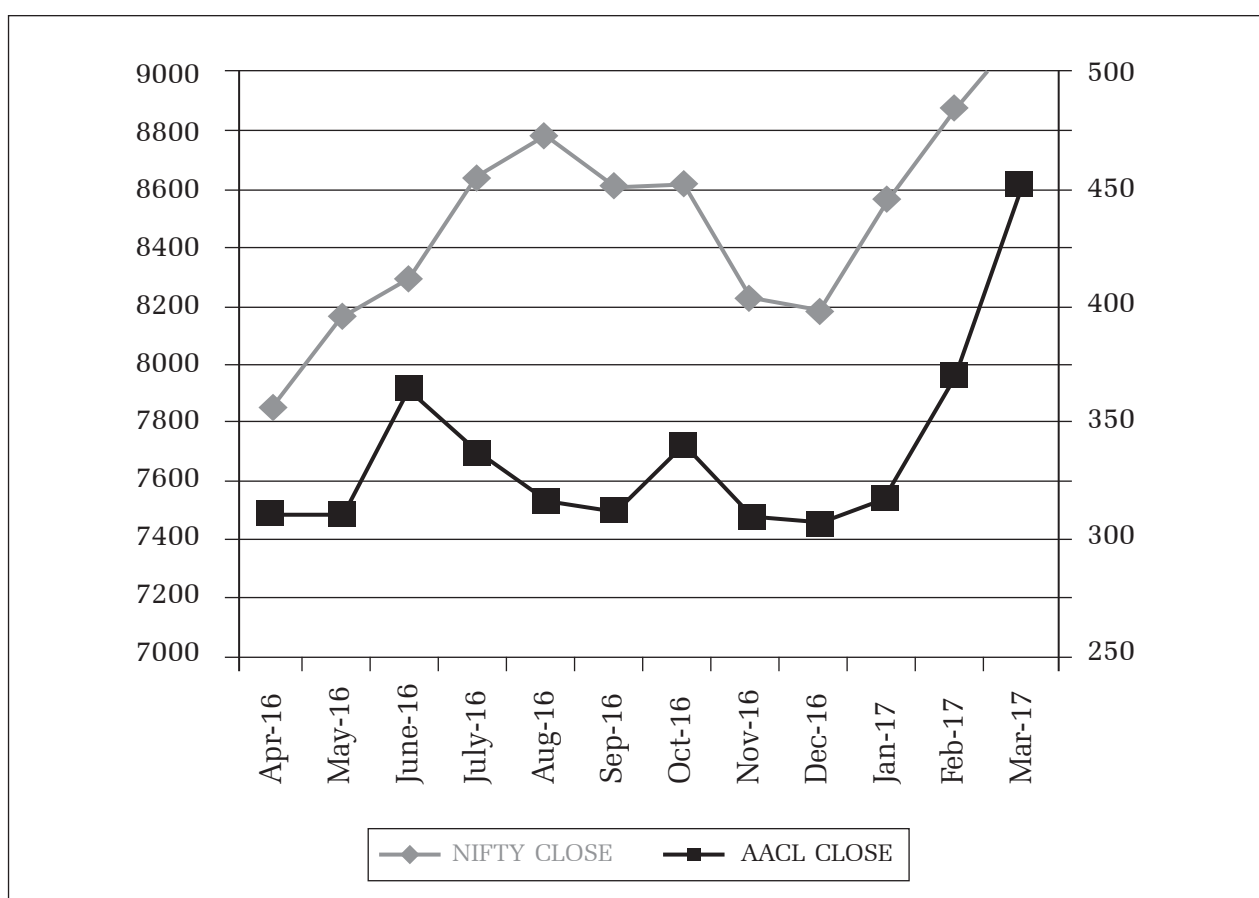
AACL Share Price on BSE vis-à-vis Sensex April 2016 – March 2017

Month	Sensex	High	Low	AACL Close
Apr-16	25606.62	329.90	305.00	310.90
May-16	26667.96	326.50	305.60	307.85
Jun -16	26999.72	377.85	306.00	365.05
July -16	28051.86	384.00	328.50	335.45
Aug -16	28452.17	338.00	310.00	316.40
Sept-16	27865.96	340.85	308.30	312.20
Oct -16	27930.21	409.75	310.00	340.50
Nov -16	26652.81	348.00	279.60	314.65
Dec -16	26626.46	346.00	287.00	305.05
Jan -17	27655.96	325.00	303.50	316.15
Feb -17	28743.32	378.50	319.80	368.00
Mar -17	29620.50	479.90	361.10	450.60



AACL Share Price on NSE vis-à-vis S&P CNX Nifty 50 April 2016 – March 2017

Month	Nifty	High	Low	AACL Close
Apr-16	7849.80	339.95	306.10	310.55
May-16	8160.10	345.60	305.15	310.05
Jun-16	8287.75	381.90	306.00	363.35
Jul-16	8638.50	385.50	328.15	337.40
Aug-16	8786.20	340.05	309.40	316.10
Sept-16	8611.15	348.80	308.00	311.50
Oct-16	8625.70	408.00	310.00	340.15
Nov-16	8224.50	352.75	280.00	309.75
Dec-16	8185.80	334.00	288.00	306.25
Jan-17	8561.30	328.00	300.70	316.15
Feb-17	8879.60	379.00	316.20	369.25
Mar-17	9173.75	481.00	360.00	452.40



9. Share Transfer System/ Dividend and other related matters :

a) Share Transfers

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

b) Nomination facility for shareholding

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

c) Permanent Account Number (PAN)

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

d) Dividend

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

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

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

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. During the year under the review, the Company has credited ₹ 2,42,362/- to the Investor Education and Protection Fund (IEPF) pursuant to section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001. The Company will, in August 2017 transfer to the said fund, the dividends for the year ended March 31, 2010 which has remained unclaimed / unpaid.

In conformity with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company may also transfer on or before 30.6.2017 equity shares of those shareholders, who have not, for a continuous period of seven years, claimed their dividend. Necessary notices have already been sent to these shareholders.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with companies Rules, 2012), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 29/07/ 2016 (date of last Annual General Meeting) on the Company's website (www.alkylamines.com).

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

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

iii) Pending Investor Grievances

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

iv) Reconciliation of Share Capital Audit

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

10. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2017 :

Shareholding of Nominal Value (₹)	No. of Holders	% of Holders	Total Amount (₹)	% of Amt.
UPTO 5000	8268	92.58	8050580	7.89
5001 TO 10000	333	3.73	2411945	2.37
10001 TO 20000	149	1.67	2080905	2.04
20001 TO 30000	46	0.52	1133855	1.11
30001 TO 40000	28	0.31	992500	0.97
40001 TO 50000	8	0.09	374860	0.37
50001 TO 100000	53	0.59	3777300	3.70
100001 AND ABOVE	46	0.52	83160015	81.54
TOTAL	8931	100.00	101981960	100.00

a) Shareholding pattern as on 31st March, 2017 :

No.	Category of shareholders	No. of Shares held	% of share holding
01	I) Indian Promoters & Persons acting in concert	15108036	74.072
	II) Non-Resident Persons acting in concert	24752	0.121
	Sub-Total (A)	15132788	74.193
02	Mutual Funds and UTI	3612	0.018
03	Banks/Financial Institutions/ Insurance Cos., Central Govt./ State Govt. Institutions/Venture Capital Funds	4249	0.021
04	Foreign Portfolio Investors	220282	1.080
	Sub-Total (B)	228143	1.119
05	Private Corporate Bodies	374664	1.837
06	NRIs/OCBs	159079	0.78
07	Clearing members	132517	0.65
08	Indian Public	4369201	21.42
	Sub-Total (C)	5035461	24.68
	Total Share Capital (A+B+C)	20396392	100.00

b. Statement Showing Shareholding of More Than 1% of The Capital as on March 31, 2017:

Sr. No.	Name of the Shareholder	Number of Shares	Percentage of Capital
1.	Mr. Yogesh M. Kothari (Promoter)	12206622	59.85
2.	Mrs. Nini Yogesh Kothari (Promoter Group)	507148	2.49
3.	Mr. Hemendra M. Kothari (Promoter Group)	213400	1.05
4.	Niyoko Trading & Consultancy LLP (Promoter Group)	780200	3.83
5.	YMK Trading & Consultancy LLP (Promoter Group)	764932	3.75
6.	SYK Trading & Consultancy LLP (Promoter Group)	313308	1.54

c. Shareholding of Directors as on March 31, 2017

Sr. No.	Name	No. of Equity Shares held
1.	Mr. Yogesh M. Kothari	12206622
2.	Mr. Hemendra M. Kothari	213400
3.	Mr. Shyam B. Ghia	-----
4.	Mr. Shobhan M. Thakore	11080
5.	Mr. Dilip G. Piramal	----
6.	Mr. Premal N. Kapadia	-----
7.	Ms. Tarjani Vakil	-----
8.	Mr. Kirat Patel	55000
9.	Mr. Suneet Y. Kothari	153324

11. DEMATERIALISATION OF SHARES AND LIQUIDITY

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

Other details are as under:

Demat ISIN Number for Equity Shares of the

Company in NSDL & CDSL - INE150B01021

Total No. of Shares as on 31.3.2017 - 20396392 Shares

Total No. of shares dematerialised upto 31.03.2017 - 19731532 Shares

Percentage to total paid up capital - 96.74%

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

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

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

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

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

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

15. EQUITY SHARES IN THE SUSPENSE ACCOUNT

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

Particulars	Number of Shareholders	Number of Equity Shares
Number of shareholders and the outstanding shares in the suspense account lying as on 31.03.2016	365	24190
Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account upto 31.03.2017	Nil	Nil
Number of Shareholders and the outstanding shares in the suspense account lying as on 31.03.2017	365	24190

16. OTHER DISCLOSURES:

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

17. PLANT LOCATIONS

Patalganga Plant : A-7/A-25 MIDC, Patalganga Industrial Area, Village Kaire, Taluka Khalapur, Dist. Raigad.

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

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

Dahej Plant: Plot No. D-2/CH/149/2, Dahej – 2 Industrial Estate, Taluka Vagra, Dist. Bharuch, Gujarat.

18. ADDRESS FOR CORRESPONDENCE

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

19. COMPANY'S REGISTRAR & SHARE TRANSFER AGENTS

SHAREX DYNAMIC (INDIA) PVT. LTD.

Unit No.1, Luthra Industrial Premises,
1st Floor, 44-E, M. Vasanji Marg, Andheri Kurla Road,

Safed Pool, Andheri (East), Mumbai 400 072.

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

Email Address :- sharexindia@vsnl.com Website :- www.sharexindia.com

20. CODE OF CONDUCT

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

For **ALKYL AMINES CHEMICALS LTD.**,

YOGESH M. KOTHARI

Chairman & Managing Director



INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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

1. We have examined the compliance of conditions of Corporate Governance by Alkyl Amines Chemicals Limited ("the Company") for the year ended on March 31, 2017, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

Managements' Responsibility

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

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We conducted our examination of the relevant records of the Company in accordance with the Guidance Note on 'Certification of Corporate Governance' issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. Further, we conducted our examination in accordance with the Guidance Note on 'Reports or Certificates for Special Purposes (Revised 2016)' issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations given to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the SEBI LODR Regulations during the year ended March 31, 2017.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restrictions on use

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

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

PARESH H. CLERK
Partner
Membership No.36148

Place : Mumbai
Dated: May 18, 2017

**ANNEXURE 6****FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017**

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

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

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

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

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	1300	52	1352	0.007	3560	52	3612	0.017	0.010
b) Banks / FI	150	0	150	0.001	4249	0	4249	0.020	0.019
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs / FPIs	83741	0	83741	0.411	220282	0	220282	1.080	0.669
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1):	85191	52	85243	0.417	228091	52	228143	1.117	0.700
(2) Non-Institutions									
a) Bodies Corporates	477076	7846	484922	2.377	373664	0	373664	1.832	-0.545
b) Individual Holding									
i. upto ₹ 1-Lac	2456543	683850	3140393	15.397	2671653	659354	3331007	16.331	0.934
ii. above ₹ 1-Lac	1318921	0	1318921	6.466	1039194	0	1039194	5.095	-1.371
c) Any Other									
- Clearing Members	4851	0	4851	0.024	132517	0	132517	0.649	0.625
- OCB	0	0	0	0			0		
- NRI	145696	1868	147564	0.723	159079	0	159079	0.779	0.056
Sub-Total B(2)	4403087	693564	5096651	24.987	4376107	659354	5035461	24.688	-0.299
Total(B)=B(1)+B(2)	4569988	693616	5263604	25.806	4604198	659406	5263604	25.806	0
Total (A+B)	19702776	693616	20396392	100.00	19736986	659406	20396392	100.00	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	19702776	693616	20396392	100.00	19736986	659406	20396392	100.00	0

(ii) Shareholding of Promoters / Promoter Group

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

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

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

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of shares)		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
Rekha Harshadray Kapadia	203400	0.997	0	0	203400	0.997
SLG International Opportunities	104100	0.510	0	0	104100	0.510
Bhaves Shah	95225	0.467	0	0	95225	0.467
Suresh Bhatia	80000	0.392	0	0	80000	0.392
Priti Vimal Chandaria	53000	0.260	12000	0	65000	0.318
Gouri Bipin Mistry	47800	0.234	7600	0	55400	0.272
Hirzel Capital Master Fund	0	0	54531	0.267	54531	0.267
Govindlal M. Parikh	52787	0.258	0	0	52787	0.258
Jollyben Bhartkumar Jain	51990	0.255	0	0	51990	0.255
Amit Mahendra Mehta	51166	0.251	0	1900	49266	0.242

Note: Top ten shareholders as on March 31, 2017 have been considered for the above disclosure.

(v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Mr.Yogesh M. Kothari	12206622	59.847	12206622	59.847
Mr. Suneet Y. Kothari	153324	0.752	153324	0.752
Mr. Hemendra M. Kothari	213400	1.046	213400	1.046
Mr. Kirat M. Patel	53570	0.263	55000	0.269
Mr. Dilip G. Piramal	0	0	0	0
Mr. Shobhan M. Thakore	11080	0.054	11080	0.054
Mr. Shyam B. Ghia	0	0	0	0
Mr. Premal N. Kapadia	0	0	0	0
Ms. Tarjani Vakil	0	0	0	0
Mr. K. P. Rajagopalan	13986	0.069	13986	0.069
Mr. Pravin Tawle	2	0.000	2	0.000

V. INDEBTEDNESS (₹ In Lakhs)
Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	8,295.55	2,161.50	0	10,457.00
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	19.11	0	0	19.11
Total (i+ii+iii)	8,314.66	2,161.50	0	10,476.16
Change in Indebtedness during the financial year				
Addition	7,756.76	1,128.00	0	8,884.76
Reduction	4,331.17	3,237.00	0	7,568.17
Net Change	11,740.26	52.50	0	11,792.76
Indebtedness at the end of the financial year				
i) Principal Amount	11,740.26	52.50	0	11,792.76
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	78.85	0	0	78.85
Total (i+ii+iii)	11,819.11	52.50	0	11,871.61

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

Sr. No.	Particulars of Remuneration	Mr. Yogesh M. Kothari	Mr. Kirat Patel	Mr. Suneet Kothari	Total
1	Gross Salary				
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	153.60	81.60	74.88	310.08
(b)	Value of perquisites under Section 17(2) of Income Tax Act, 1961	7.16	0.32	0.39	7.87
(c)	Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Options	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	231.90	81.00	81.00	393.90
	- as % of profit	3.1%	1%	1%	5.1%
	- others, specify	Nil	Nil	Nil	Nil
5	Others (Company contribution towards PF, Medical Reimbursement)	15.01	6.92	6.12	28.05
	Total (A)	407.67	169.84	162.39	739.90

B. Remuneration to other Directors:
1. Independent Directors

Sr. No.	Particulars of Remuneration	Name of Director					Total Amount (₹ In Lakhs)
		Mr. S. B. Ghia	Mr. S. M. Thakore	Mr. P. N. Kapadia	Mr. D. G. Piramal	Ms. Tarjani Vakil	
1	- Fee for attending Board / Committee Meetings	1.88	2.08	1.20	0.60	1.00	6.76
2	- Commission	13.50	13.50	13.50	13.50	13.50	67.50
3	- Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	15.38	15.58	14.70	14.10	14.50	74.26

2. Other Non-Executive Directors

Sr. No.	Particulars of Remuneration	Name of Director Mr. Hemendra Kothari	Total Amount (₹ In Lakhs)
1	-Fee for attending Board/Committee Meetings	0.60	0.60
	- Commission	13.50	13.50
	- Others, please specify	Nil	Nil
	Total (2)	14.10	14.10
	Total (B)=(1+2)		88.36

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

Sr. No.	Particulars of Remuneration	Mr. Pravin Tawle Chief Financial Officer	Mr. K. P. Rajagopalan Company Secretary	Total Amount (₹ In Lakhs)
1	Gross Salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	25.89	27.09	52.98
(b)	Value of perquisites under Section 17(2) of Income Tax Act, 1961	0.32	0.32	0.64
(c)	Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	0	0	0
2	Stock Options	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	0	0
	- others, specify	0	0	0
5	Others, please specify (LTA, PF & Gratuity)	2.11	4.05	6.16
	Total (A)	28.32	31.46	59.78

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



INDEPENDENT AUDITOR'S REPORT

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

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Alkyl Amines Chemicals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

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

- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone financial statements – Refer Note 28.1 to the standalone financial statements;
 - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017;
 - iv. the Company has provided requisite disclosure in the financial statements as to holding as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedure and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note 18.1 of the standalone financial statements.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in Annexure B, a statement on the matters specified in the paragraphs 3 and 4 of the Order.

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

PARESH H. CLERK
Partner
Membership No. 36148

PLACE: Mumbai
DATED: MAY 18, 2017

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date to the members of the Company on the standalone financial statements for the year ended March 31, 2017.

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

We have audited the internal financial controls over financial reporting of Alkyl Amines Chemicals Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

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

PARESH H. CLERK
Partner
Membership No. 36148

PLACE: Mumbai
DATED: May 18, 2017

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date to the members of the Company on the standalone financial statements for the year ended March 31, 2017.

Report on the Companies (Auditor's Report) Order, 2016, issued in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of Alkyl Amines Chemicals Limited ("the Company")

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment ("PPE") (earlier referred to as fixed assets).
- b. The PPE have been physically verified by the management according to a phased programme designed to cover all the PPE over a period of three years, which in our opinion, provides for physical verification of all the items of PPE at reasonable intervals. Pursuant to the programme, a portion of the items of PPE have been physically verified by the management during the year, and no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, as included in PPE, Note 12 to the financial statements, are held in the name of the Company, except that in case of Leasehold Land situated at Kurkumbh taken on lease from Maharashtra Industrial Development Corporation, having Gross Block of ₹ 131.13 lakhs (Net Block of ₹ 103.72 lakhs), for which Lease Deed is yet to be executed.
- ii. Inventories, other than stocks-in-transit and stocks lying with third parties, have been physically verified by the management during the year and at the year end. For stocks-in-transit at the year-end, the necessary documentary evidences have been obtained. In our opinion, the frequency of such verification is reasonable. In case of stocks lying with third parties, certificates confirming such stocks have been received in respect of stocks held as on March 31, 2017. In our opinion the frequency of such verification is reasonable and no material discrepancies were noticed on such physical verification.
- iii. The Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to investments made. The Company has not given any loan or guarantee or provided any security in connection with a loan to any person or other body corporate and accordingly, the question of commenting on compliance with the provisions in respect thereof does not arise.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public. Accordingly, paragraph 3 (v) of the Order to comment on whether the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder, is not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as specified by the Central Government under Section 148 (1) of the Act in respect of the Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the said accounts and records with a view to determine whether they are accurate or complete.
- vii. a. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Income-tax, Sales-tax, Employees' State Insurance, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues as applicable except in case of Electricity Duty (on captive power generated) in Kurkumbh aggregating to ₹ 91.17 lakhs with the appropriate authorities and except the said sum, there are no arrears of outstanding statutory dues as at the last date of the financial year, for a period of more than six months from the date they become payable.
- b. According to the information and explanations given to us and on the basis of the books and records examined by us, given herein below are details of dues of Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess as on March 31, 2017 which have not been deposited on account of disputes and the forum where the dispute is pending:

Name of the Statute	Forum where dispute is pending	Nature of the Dues	Period to which the amount relates	Amount (₹ in Lakhs)
The Income-tax Act, 1961	The Assessing Officer is yet to give effect to the orders of the Income-tax Appellate Tribunal	Disallowance of expenditure/ deductions and interest	Assessment Year 1998-1999 Assessment Year 1999-2000 Assessment Year 2003-2004	84.04*
The Income-tax Act, 1961	The Income-tax Appellate Tribunal	Income-tax and interest	Assessment Year 2004-2005 Assessment Year 2007-2008 Assessment Year 2008-2009 Assessment Year 2009-2010	278.38**
The Income-tax Act, 1961	Commissioner of Income-tax (Appeals)	Income-tax and interest	Assessment Year 2011-2012 Assessment Year 2012-2013 Assessment Year 2013-2014 Assessment Year 2014-2015	164.88***
The Central Excise Act, 1944	The Customs, Excise and Service Tax Appellate Tribunal	Dispute relating to Cenvat Credit (interest and penalty)	Financial Years 2002-2003 to 2010-2011	795.03****

- * Amounts deposited under protest is ₹ 41.97 lakh
 ** Amounts deposited under protest is ₹ 57.17 lakh
 *** Amounts deposited under protest is ₹ 216.83 lakh
 **** Amounts deposited under protest is ₹ 21.07 lakh

- viii. According to the information and explanations given to us, as also on the basis of the books and records examined by us, the Company has not defaulted in the repayment of dues to financial institutions, banks, Government or debenture holders.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (ix) of the Order in respect thereof is not applicable. Moneys raised by way of term loans were applied for the purposes for which those are raised.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year in the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the provision of Sections 177 and 188 of the Act where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



Alkyl Amines Chemicals Limited



- xiv. The Company has not made a preferential allotment or private placement of shares fully paid or fully or partly convertible debentures during the year under review. Accordingly, reporting under paragraph 3 (xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

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

PARESH H. CLERK
Partner
Membership No. 36148

PLACE: Mumbai
DATED: May 18, 2017

**BALANCE SHEET AS AT MARCH 31, 2017**

	Note	₹ In Lakhs	As At March 31, 2017 ₹ In Lakhs	As At March 31, 2016 ₹ In Lakhs
EQUITY AND LIABILITIES				
Shareholders' Funds				
Share Capital	2	1,020.60		1,020.60
Reserves and Surplus	3	23,489.57		18,926.20
			24,510.17	19,946.80
Non-current Liabilities				
Long-term Borrowings	4	6,622.57		4,468.09
Deferred Tax Liabilities (Net)	5	3,272.43		2,864.11
Other Long-term Liabilities	6	382.53		NIL
Long-term Provisions	7	321.48		266.19
			10,599.01	7,598.39
Current Liabilities				
Short-term Borrowings	8	3,637.76		5,326.21
Trade Payables	9			
Total outstanding dues of micro enterprises and small enterprises		27.74		30.76
Total outstanding dues of creditors other than micro enterprises and small enterprises		8,026.08		4,345.02
Other Current Liabilities	10	4,657.03		3,313.64
Short-term Provisions	11	83.63		78.38
			16,432.24	13,094.01
TOTAL			51,541.42	40,639.20
ASSETS				
Non-current Assets				
Property, Plant and Equipment	12A	21,888.25		18,584.36
Intangible Assets	12B	120.39		128.94
Capital Work-in-Progress	12C	3,475.94		1,606.66
Intangible Assets under Development	12D	NIL		7.70
Non-current Investments	13	226.02		226.02
Long-term Loans and Advances	14	2,824.60		1,412.32
Other Non-current Assets	15	40.91		292.78
			28,576.11	22,258.78
Current Assets				
Inventories	16	11,140.99		6,315.65
Trade Receivables	17	9,733.85		9,029.55
Cash and Bank Balances	18	341.68		427.12
Short-term Loans and Advances	19	1,637.78		2,455.35
Other Current Assets	20	111.01		152.75
			22,965.31	18,380.42
TOTAL			51,541.42	40,639.20
Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements				
	1 - 44			

As per our Report of even date attached

For and on behalf of the Board of Directors

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

YOGESH M. KOTHARI
Chairman and Managing Director

PARESH H. CLERK
Partner
Membership No. 36148

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

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

KIRAT PATEL
Executive Director

Place : MUMBAI
Dated : MAY 18, 2017

Place : MUMBAI
Dated : MAY 18, 2017

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

			For the Year ended March 31, 2017	For the Year ended March 31, 2016
	Note	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Revenue from Operations	21		54,178.53	52,328.91
Less : Excise Duty on Sales			4,114.67	3,969.56
Revenue from Operations (Net)			50,063.86	48,359.35
Other Income	22		100.54	241.87
Total Revenue			50,164.40	48,601.22
Expenses				
Cost of Materials Consumed	23		26,228.56	26,042.69
Changes in Inventories of Finished Goods and Work-in-Progress	24		100.68	(850.16)
Employee Benefits Expense	25		3,822.00	3,472.32
Finance Costs	26		561.81	803.44
Depreciation and Amortisation Expense	12		1,428.58	1,289.13
Other Expenses	27		10,743.40	10,595.74
Total Expenses			42,885.03	41,353.16
Profit before Exceptional Items and Tax			7,279.37	7,248.06
Exceptional items			NIL	NIL
Profit before Tax			7,279.37	7,248.06
Tax Expense:				
Current Tax		1,824.30		1,502.00
Deferred Tax		422.16		820.58
Current Tax Adjustments of Earlier Years		72.13		(60.00)
			2,318.59	2,262.58
Profit for the Year			4,960.78	4,985.48
Earnings Per Equity Share:				
Basic and Diluted (₹)			24.32	24.44
Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements	1 - 44			

As per our Report of even date attached

For and on behalf of the Board of Directors

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

YOGESH M. KOTHARI
Chairman and Managing Director

PARESH H. CLERK
Partner
Membership No. 36148
Place : MUMBAI
Dated : MAY 18, 2017

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

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

KIRAT PATEL
Executive Director

Place : MUMBAI
Dated : MAY 18, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	For the Year ended March 31, 2017 ₹ In Lakhs	For the Year ended March 31, 2016 ₹ In Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	7,279.37	7,248.06
Adjustments for :		
Loss/(Profit) on Sale/Scrap of Assets	6.60	(6.76)
Assets Written Off	NIL	88.37
Depreciation and Amortisation Expense	1,428.58	1,289.13
Interest Expense	561.81	803.44
Interest on Deposits and Others	(43.10)	(64.26)
Profit on sale of units of Mutual Fund	(2.61)	NIL
Unrealised Loss/(Gain) on Foreign Exchange	119.92	221.20
Provision for Bad and Doubtful Debts	(0.32)	0.88
Operating Profit Before Working Capital Changes	9,350.25	9,580.06
Adjustments for :		
Long-term Loans and Advances and Other Non-current Assets	(64.26)	217.13
Inventories	(5,106.76)	738.43
Trade Receivables and Short-term Loans and Advances	182.42	337.12
Other Current Assets	(15.67)	115.53
Other Long-term Liabilities and Long-term Provisions	(321.28)	42.00
Interest on Margin Money	43.10	64.26
Margin Money	13.35	154.15
Trade Payables, Other Current Liabilities and Short-term Provisions	4,079.96	371.95
Cash Generated From Operations	8,161.11	11,620.63
Income Tax paid	(1,933.08)	(1,481.88)
Net Cash From Operating Activities	6,228.03	10,138.75
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(7,562.32)	(3,528.80)
Sale of Property, Plant and Equipment	5.55	6.11
Income from Investment	2.61	NIL
Net Cash From Investing Activities	(7,554.16)	(3,522.69)

	For the Year ended March 31, 2017 ₹ In Lakhs	For the Year ended March 31, 2016 ₹ In Lakhs
C. CASH FLOW FROM FINANCING ACTIVITIES		
Deferred Sales Tax Payment	(150.67)	(104.20)
Proceeds from Long-term Borrowings	4,870.42	716.05
Repayment of Long-term Borrowings	(1,872.76)	(2261.10)
Increase/Decrease in Short-term Borrowings	(1,632.10)	(873.25)
Currency Swap for ECB loans	599.09	(55.12)
Interest Paid	(561.81)	(803.44)
Dividend Paid (Including Dividend Distribution Tax)	NIL	(3,436.91)
Net Cash From Financing Activities	1,252.17	(6,817.97)
Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(73.96)	(201.91)
Cash and Cash Equivalents at the Beginning Of the Year	394.80	588.39
Exchange Difference on translation of Foreign Currency Cash and Cash Equivalents	2.82	8.32
Cash and Cash Equivalents at the End of the Year	323.66	394.80
Components of Cash and Cash Equivalents :		
Cash on hand	2.23	3.39
Other Bank Balances		
- On Current Accounts	264.27	300.40
- On Unpaid Dividend Accounts	57.16	91.01
	323.66	394.80

Notes:

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

As per our Report of even date attached

For and on behalf of the Board of Directors

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

YOGESH M. KOTHARI
Chairman and Managing Director

PARESH H. CLERK
Partner
Membership No. 36148

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General Manager
Secretarial and Legal
(Company Secretary)

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

KIRAT PATEL
Executive Director

Place : MUMBAI
Dated : MAY 18, 2017

Place : MUMBAI
Dated : MAY 18, 2017

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION:

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

1.2 USE OF ESTIMATES:

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

1.3 PROPERTY, PLANT AND EQUIPMENT AND OTHERS:

- i. The Company has adopted the cost model as its accounting policy for all its Property, Plant and Equipment and accordingly, the same are reflected as under:
Land (Freehold) is carried at cost;
Land (Leasehold) is carried at cost less amortisation;
Other items of assets are carried at cost less accumulated depreciation/amortisation and impairment losses, if any.
- ii. An item of Property, Plant and Equipment is recognised as an asset, hitherto referred to as fixed asset, if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Items such as spare parts, stand-by equipment and servicing equipment are recognised under property, plant and equipment, if those meet the definition thereof, else, such spare parts, etc. are classified as inventory.
- iii. The cost comprises of - purchase price (net of CENVAT/ value added tax), including import duties and non-refundable taxes, after deducting trade discounts and rebates, any cost incurred which is directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and interest on borrowings attributable to the acquisition of qualifying assets upto the date on which the asset is ready for its intended use, if any. It also includes exchange difference capitalised, if any, in terms of Para 46/46A of Accounting Standard 11 on "Effects of Changes in Foreign Exchange Rates".
- iv. Items of Property, Plant and Equipment which are not yet ready to be capable of operating in the manner intended by management are carried at cost, comprising direct cost, related incidental expenses and attributable interest, and are disclosed as "Capital Work-in-progress".
- v. Items of Property, Plant and Equipment which are retired from active use and held for disposal, and where the sale is highly probable, are classified as "Assets held for disposal" under "Other Current Assets; the same are carried at the lower of their carrying amount and net realisable value.
- vi. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development".

1.4 DEPRECIATION AND AMORTISATION:

- i. Depreciation on Property, Plant and Equipment 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 manner intended by management.
 - a. Where the cost of a part of the asset which is significant to total cost of the asset and useful life of the part is different from the useful life of the remaining asset, the Company has determined the useful life of the significant part separately ("Component Accounting") and accordingly, provided depreciation on such parts.
 - b. Depreciation on Plant and Machinery (including those identified under the Component Accounting) other than those not specifically covered under the classification 'Special Plant and Machinery used in manufacturing of Chemicals' is provided on the straight line method over the useful lives as determined by the internal technical evaluation as follows:
 - i. Spare parts, stand-by equipment and servicing equipment : 10 years.
 - ii. Catalyst : 5 years.

- iii. Other Property, Plant and Equipment : 20 years.

The Management believes that the useful lives as determined best represent the period over which it expects to use these assets which is the same as the useful life of the Special Plant and Machinery. Hence, the useful lives for such Plant and Machinery are different from the useful lives as prescribed under Part C of Schedule II of Companies Act, 2013.

Exchange Differences capitalised in terms of Para 46/46A of Accounting Standard 11 on "Effects of Changes in Foreign Exchange Rates" are depreciated over the balance life of the assets from the year in which such differences have been capitalised.

- c. Leasehold land and Leasehold improvements are being amortised on the straight line method over the period of lease.
- ii. Intangible assets are amortised on the straight line method over their estimated useful life as follows:
 - a. Development of R & D Products/Processes (Internally generated) : 5 years.
 - b. Patents : 10 years.
 - c. REACH Registration : 5 years.
 - d. Computer Software : 10 years.
- iii. Depreciation for assets purchased/sold during the period is proportionately charged.

1.5 INVESTMENTS:

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

1.6 INVENTORIES:

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

1.7 TAXATION:

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

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

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

1.8 REVENUE RECOGNITION:

i. Sales of Manufactured Goods:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. 'Sales' include packing charges, excise duty and are net of returns.

Revenue from sales is recognised when the significant risks and rewards of ownership are transferred to the customers which is based upon the terms of contract and the Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the determination of the amount of consideration or its associated costs, that will be derived from the sale of goods.

ii. Recognition of Export Benefits:

Export Benefit Entitlements are recognised only to the extent there is a reasonable certainty of its ultimate collection in the year in which the Export Sales are accounted for.

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

1.9 EMPLOYEE BENEFITS:

i. Defined Contribution Plan:

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

ii. Defined Benefit Plan:

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

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

1.10 RESEARCH AND DEVELOPMENT COSTS:

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

1.11 FOREIGN CURRENCY TRANSACTIONS:

- i. Transactions in foreign currencies are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- ii. Monetary items which are denominated in foreign currency are translated at the exchange rates prevailing at the Balance Sheet date and profit/loss on translation thereon is credited/ charged to the Statement of Profit and Loss.
- iii. Exchange differences arising on settlement or restatement of foreign currency denominated liabilities relating to the acquisition of Assets have been recognised in the Statement of Profit and Loss. However, on the basis of the option available to the Company, exchange differences arising on Long-term Foreign Currency Monetary items at rates different from those at which they were initially recorded in so far as they relate to the acquisition of a depreciable capital asset, has been added or deducted from the cost of such assets (Refer Note 29).
- iv. In case of forward contracts with an underlying assets and liabilities, the exchange difference between the forward rate and the exchange rate at the date of transaction is recognised as income or expense over the life of the contract. Exchange differences on such a contract is recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

1.12 DERIVATIVE CONTRACTS:

In order to manage its exposure to foreign currency risks for highly probable forecast transactions for exports and imports, the Company enters into forward contracts. Further, to hedge interest rate and foreign currency risks from External Commercial Borrowings, the Company enters into Cross Currency Interest Rate Swap. The Company does not use derivatives for trading or speculation purposes.

Derivatives contracts which are not covered by Accounting Standard 11 on "The Effects of Changes in Foreign Exchange Rates" are accounted in accordance with the Guidance Note on "Accounting for Derivative Contracts" issued by the Institute of Chartered Accountants of India.

The Company designates a hedge as a cash flow hedge if the hedge relationship between the hedging instrument and hedged item is established and is effective at the inception of the derivative contract.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions.

All derivative contracts are recognised on the balance sheet and measured at fair value. Any gain or loss on contracts designated as effective cash flow hedges are recorded in Cash flow Hedge Reserve under Reserves and Surplus. In such cases, gains or losses are reclassified to Statement of Profit and Loss when the impact from hedged item is recognised in the Statement of Profit and Loss. Changes in the fair value relating to the ineffective portion of the hedges and derivative instruments that do not qualify or have not been designated for hedge accounting are recognised in the Statement of Profit and loss.

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

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

ii. Segment Policies

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

1.14 LEASE RENTALS:

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

1.15 BORROWING COSTS:

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

1.16 IMPAIRMENT OF ASSETS:

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

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

1.17 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

	As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs
2. Share Capital		
Authorised :		
30,000,000 (30,000,000) Equity Shares of ₹ 5 par value	1,500.00	1,500.00
1,500,000 (1,500,000) Cumulative Redeemable Preference Shares of ₹ 100 par value	1,500.00	1,500.00
	3,000.00	3,000.00
Issued, Subscribed And Paid Up :		
20,396,392 (20,396,392) Equity Shares of ₹ 5 par value fully paid	1,019.82	1,019.82
Shares forfeited	0.78	0.78
	1,020.60	1,020.60

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

	As At March 31, 2017		As At March 31, 2016	
Equity Shares of ₹ 5 par value	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs
At the beginning	20,396,392	1,019.82	20,396,392	1,019.82
Changes during the year	NIL	NIL	NIL	NIL
At the end	20,396,392	1,019.82	20,396,392	1,019.82

2.2 Rights, preferences and restrictions

- The Company has only one class of shares referred to as equity shares having par value of ₹ 5. Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees. With effect from April 1, 2016, final dividend, if any, proposed by the Board of Directors is recorded as a liability on the date of the approval of the shareholders in the coming Annual General Meeting; in case of interim dividend, it is recorded as a liability on the date of declaration by the Board of Directors of the Company. Board of Directors, in their meeting held on May 18, 2017 has recommended final dividend of ₹ 5 per equity share of face value of ₹ 5 each for the year ended March 31, 2017.

During the year ended March 31, 2016, the amount of per share interim dividend recognised as distribution to equity shareholders was ₹ 10 for face value of ₹ 5 each. The dividend appropriation for the year ended March 31, 2016 amounted to ₹ 2,454.93 lakhs, including corporate dividend tax of ₹ 415.29 lakhs.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	As At March 31, 2017		As At March 31, 2016	
Name of the Shareholder	No. of shares	% held	No. of shares	% held
Yogesh M. Kothari	12,206,622	59.85	12,206,622	59.85

		As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
3. Reserves and Surplus			
Capital Reserve			
As per last Balance Sheet		9.68	9.68
Capital Redemption Reserve			
As per last Balance Sheet		25.00	25.00
Securities Premium			
As per last Balance Sheet		1,290.97	1,290.97
Cash Flow Hedge Reserve			
As per last Balance Sheet	NIL		NIL
Add: Unrealised Gains/(Loss) form effective Hedges	(466.46)		NIL
Less: Reclassification to Statement of Profit and Loss	(69.05)		NIL
		(397.41)	NIL
General Reserve			
As per last Balance Sheet	3,559.27		3,624.24
Less : Adjustment for Component Accounting (Refer Note 12.9)	NIL		64.97
		3,559.27	3,559.27
Surplus			
As per last Balance Sheet	14,041.28		11,510.73
Add: Net Profit after Tax transferred from Statement of Profit and Loss	4,960.78		4,985.48
Less: Appropriations			
Interim Dividend paid	NIL*		2,039.64
Tax on Interim Dividend	NIL*		415.29
		19,002.06	14,041.28
		23,489.57	18,926.20
* Refer Note 2.2.(ii)			
4. Long-term Borrowings			
Term Loans			
Secured			
From Banks [Refer Note 4.1 (a)]		6,245.30	3,200.15
Deferred Payment Liability			
Unsecured			
Sales Tax Deferral under the Package Scheme of Incentives, 1993 [Refer Note 4.1 (b)(i)]		377.27	527.94
Loans and advances from related parties			
Unsecured [Refer Note 4.1 (b)(ii)]		NIL	740.00
		6,622.57	4,468.09

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

		As At March 31, 2017	As At March 31, 2016
	Rate of Interest	₹ In Lakhs	₹ In Lakhs
a. Term Loan from Banks:			
i. Foreign Currency Term Loans to part finance Company's normal capital expenditure which are secured by creation of pari passu charge on Company's immovable properties situated at Plot No. A-7, A-7 (part) and A-25 at Patalganga and Plot no. D-6/1 at Kurkumbh, Maharashtra and also a second pari passu charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, etc. of :			
USD 3.3 million repayable in 16 quarterly instalments beginning from September 30, 2012,	3.40% p.a.	NIL	138.67
USD 3 million repayable in 16 quarterly instalments beginning from June 14, 2014 (covered by Interest rate and Currency rate Swap)	3.66% p.a.	493.05	1,008.45
USD 3.2 million repayable in 16 quarterly instalments beginning from February 11, 2015 (covered by Interest and Currency rate Swap) and	3 month LIBOR plus 3.05% p.a.	986.10	1,546.29
USD 6.00 million repayable in 16 quarterly instalments beginning from April, 2017 (covered by Interest and Currency rate swap).	3 month LIBOR plus 1.65% p.a.	3,944.40	1,680.75
ii. Foreign Currency Term Loans to part finance Company's Dahej Project are secured by creation of pari passu charge on Company's immovable properties situated at Plot No. A-7, A-7 (part) and A-25 at Patalganga, Maharashtra, Plot no. D-6/1 at Kurkumbh, Maharashtra and Plot No. D-2/CH/149/2 at Dahej, Gujarat and also a second pari passu charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, both present and future of :			
USD 7.5 million repayable in 18 quarterly installments beginning from October 2018 (covered by Interest and Currency rate swap). Availed partial draw down of US\$ 2.00 million on January, 2017. Hypothecation is completed, creation of mortgage is under progress.	3 month LIBOR plus 1.40% p.a.	1,314.80	NIL
USD 7.5 million repayable in 18 quarterly installments beginning from August 2018 (covered by Interest and Currency rate swap). Availed partial draw down of US\$ 2.00 million on February, 2017. Hypothecation is completed, creation of mortgage is under progress.	1 month LIBOR plus 0.80% p.a.	1,314.80	NIL
iii. Vehicle Loans are secured against specified assets repayable in equated monthly instalments ranging from 36 to 60 months	Ranging from 10.30% p.a. to 10.50% p.a.	6.72	16.81
		8,059.87	4,390.97
Less : Current Maturities of Long-term Debt (Refer Note 10)		1,814.57	1,190.82
		6,245.30	3,200.15
b. Unsecured Borrowings:			
i. Deferred payment liability	Terms of Repayment		
	Repayable after 10 years from the respective year in which actual tax was collected commencing from April 26, 2012.	536.44	687.11
Less : Current Maturities of Long-term Debt (Refer Note 10)		159.17	159.17
		377.27	527.94
ii. Loans and advances from Related Parties	Not repayable before March 31, 2017 and carries interest rate ranging from 8.50% p.a. to 10.75% p.a.	NIL	740.00

5. Deferred Tax Liabilities (Net)

	As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs
Items of Timing Difference	Accumulated Deferred Tax (Assets) / Liabilities	Accumulated Deferred Tax (Assets) / Liabilities
Deferred Tax Liabilities		
Related to Plant, Property and Equipment and Others	3,478.42	2,973.97
	3,478.42	2,973.97
Deferred Tax Assets		
Provision for doubtful debts and advances	(36.40)	(0.97)
Provision for Gratuity	(58.76)	(37.28)
Provision for Leave Encashment	(78.49)	(62.24)
Disallowance under section 43B	(33.81)	(4.16)
Others	1.47	(5.21)
	(205.99)	(109.86)
Net Deferred Tax (Assets) / Liabilities	3,272.43	2,864.11

5.1 Note : Deferred Tax Liability for the year is arrived at after Deferred Tax Asset of ₹ 13.85 lakhs (Previous Year Deferred Tax Liability of ₹ 89.20 lakhs) relating to prior period.

	As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs
6. Other Long-term Liabilities	382.53	NIL
Payable on Currency Swap	382.53	NIL
7. Long-term Provisions		
Provision for Employee Benefits (Refer Note 32)		
For Gratuity	166.15	141.35
For Leave Encashment	155.33	124.84
	321.48	266.19
	321.48	266.19

	As At March 31, 2017	As At March 31, 2016
₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
8. Short-term Borrowings		
Loans repayable on demand (Refer Note 8.1)		
Secured		
From Banks		
Cash Credit Facilities	816.87	3,904.71
Unsecured		
Buyer's Credit	2,768.39	NIL
Loans and Advances from Related Parties		
Unsecured	52.50	1,349.50
Deposits - Inter Corporate		
Unsecured		
From Related Parties (Refer Note 34)	NIL	72.00
	3,637.76	5,326.21

8.1 Cash Credits are secured by hypothecation of stocks of raw materials, semi-finished goods, finished goods, consumable stores and book debts of the Company, both present and future, as mentioned in the joint deed of hypothecation dated December 29, 1989 as amended from time to time, as well as by the second mortgage of the specified immovable properties of the Company.

	As At March 31, 2017	As At March 31, 2016
₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
9. Trade Payables		
Micro, Small and Medium Enterprises (Refer Note 9.1)	27.74	30.76
Others	8,026.08	4,345.02
	8,053.82	4,375.78
	8,053.82	4,375.78
9.1 Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006:		
Principal amount remaining unpaid and interest due thereon		
- Principal Amount	27.73	30.76
- Interest	0.01	NIL
Interest paid in term of Section 16	NIL	NIL
Interest due and payable for the period of delay in payment	0.01	NIL
Interest accrued and remaining unpaid	NIL	NIL
Interest due and payable even in succeeding years	NIL	NIL

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

	As At March 31, 2017	As At March 31, 2016
₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
10. Other Current Liabilities		
Current maturities of Long-term Debt		
Term Loans		
Secured		
From Banks [Refer Note 4.1 (a)]	1,814.57	1,190.82
Deferred payment liabilities		
Unsecured		
Sales Tax Deferral under the Package Scheme of Incentives, 1993 [Refer Note 4.1 (b)(i)]	159.17	159.17
Interest accrued but not due on borrowings	79.79	20.98
Unpaid Dividends	57.16	91.01
Other Payables		
- For Capital Expenses	761.70	308.43
- Others*	1,784.64	1,543.23
	4,657.03	3,313.64
* Others include Statutory Dues, Advance from Customers and other year-end provisions.		
11. Short-term Provisions		
Provision for Employee Benefits (Refer Note 32)		
For Gratuity	3.64	NIL
For Leave Encashment	71.48	55.00
	75.12	55.00
Provision for taxes	16.49	1,518.32
Less : Taxes paid	7.98	1,494.94
	8.51	23.38
	83.63	78.38

₹ In Lakhs

12. PROPERTY, PLANT AND EQUIPMENT AND OTHERS

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK	
	As At April 01, 2016	Additions	During the year Other Adjustments	Deduction/Transfer	As At March 31, 2017	Upto March 31, 2016	For the year (Adjustments)	As at March 31, 2017
Current Year								
A. Property, Plant and Equipment								
Land								
Freehold Land	83.50	NIL	NIL	1.15	82.35	NIL	NIL	82.35
Leasehold Land (Note 12.2)	1,445.44	NIL	NIL	NIL	1,445.44	98.49	14.99	1,331.96
Leasehold Improvements	51.00	NIL	NIL	NIL	51.00	0.02	6.92	44.06
Buildings	3,857.97	122.17	NIL	NIL	3,980.14	1,266.60	139.98	2,573.56
Plant and Equipment (Note 12.3)								
Machinery	24,817.36	4,237.70	152.41	144.46	29,063.01	10,901.82	1,097.71	17,197.10
Electrical Equipments	103.04	8.71	NIL	3.56	108.19	47.04	7.39	51.83
Furniture and Fixtures	167.90	39.59	NIL	NIL	207.49	100.35	10.41	110.76
Vehicles	208.25	16.49	NIL	7.00	217.74	96.37	22.88	112.60
Office Equipments	315.32	49.40	NIL	NIL	364.72	225.10	27.55	252.65
Others								
Electrical Installations	826.77	80.91	NIL	NIL	907.68	556.40	62.36	618.76
Sub Total	31,876.55	4,554.97	152.41	156.17	36,427.76	13,292.19	1,390.19	21,888.25
B. Intangible Assets								
Internally Generated								
Development of R&D Products	33.62	NIL	NIL	NIL	33.62	33.62	NIL	NIL
Others								
Patents	39.39	7.70	NIL	NIL	47.09	6.54	4.47	36.08
REACH Registration	172.84	NIL	NIL	17.78	155.06	84.25	32.13	116.38
Others	7.97	39.92	NIL	NIL	47.89	0.47	1.79	45.63
Total	253.82	47.62	NIL	17.78	283.66	124.88	38.39	163.27
C. Capital Work-in-Progress								
	1,606.66	6,427.42	149.24	4,707.38	3,475.94			3,475.94
Total	1,606.66	6,427.42	149.24	4,707.38	3,475.94			3,475.94
D. Intangible Assets Under Development								
Internally Generated								
Development of R&D Products	NIL	NIL	NIL	NIL	NIL			NIL
Others								
Patents	7.70	NIL	NIL	7.70	NIL			NIL
REACH Registration	NIL	NIL	NIL	NIL	NIL			NIL
Others	NIL	39.92	NIL	39.92	NIL			NIL
Total	7.70	39.92	NIL	47.62	NIL			NIL
								7.70

₹ In Lakhs

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As At April 01, 2015	During the year		As At March 31, 2016	Upto March 31, 2015	For the year	Deduction/ (Adjustments)	As at March 31, 2016	As At March 31, 2016	As At March 31, 2015
		Additions	Other Adjustments							
Previous Year										
A. Property, Plant and Equipment										
Land										
Freehold Land	1.15	82.35	NIL	NIL	83.50	NIL	NIL	NIL	83.50	1.15
Leasehold Land (Note 12.2)	1,438.54	6.90	NIL	NIL	1,445.44	83.52	14.97	NIL	1,346.95	1,355.02
Leasehold Improvements	NIL	49.73	1.27	NIL	51.00	NIL	0.02	NIL	50.98	NIL
Buildings	3,450.92	403.40	NIL	(3.65)	3,857.97	1,128.53	135.35	(2.72)	2,591.37	2,322.39
Plant and Equipment (Note 12.3)										
Machinery	20,576.79	4,314.32	87.70	161.45	24,817.36	9,949.56	934.93	(17.32)	13,915.54	10,627.23
Electrical Equipments	90.59	12.45	NIL	NIL	103.04	40.21	6.83	NIL	47.04	50.38
Furniture and Fixtures	179.55	34.03	NIL	45.68	167.90	136.65	5.94	42.24	100.35	42.90
Vehicles	203.57	68.44	NIL	63.76	208.25	115.59	40.80	60.02	96.37	87.98
Office Equipments	341.53	14.60	NIL	40.81	315.32	241.96	21.90	38.76	225.10	99.57
Others										
Electrical Installations	774.25	48.62	3.90	NIL	826.77	468.72	87.68	NIL	270.37	305.53
Sub Total	27,056.89	5,034.84	92.87	308.05	31,876.55	12,164.74	1,248.42	120.98	18,584.36	14,892.15
B. Intangible Assets										
Internally Generated										
Development of R&D Products/processes	33.62	NIL	NIL	NIL	33.62	31.88	1.74	NIL	33.62	1.74
Others										
Patents	39.39	NIL	NIL	NIL	39.39	2.61	3.93	NIL	32.85	36.78
REACH Registration	172.84	NIL	NIL	NIL	172.84	49.68	34.57	NIL	88.59	123.16
Others	NIL	7.97	NIL	NIL	7.97	NIL	0.47	NIL	7.50	NIL
Total	245.85	7.97	NIL	NIL	253.82	84.17	40.71	NIL	128.94	161.68
C. Capital Work-in-Progress	3,099.56	3,616.33	6.28	5,115.51	1,606.66				1,606.66	3,099.56
Total	3,099.56	3,616.33	6.28	5,115.51	1,606.66				1,606.66	3,099.56
D. Intangible Assets Under Development										
Internally Generated										
Development of R&D Products/processes	NIL	NIL	NIL	NIL	NIL				NIL	NIL
Others										
Patents	7.70	NIL	NIL	NIL	7.70				7.70	7.70
REACH Registration	NIL	NIL	NIL	NIL	NIL				NIL	NIL
Others	NIL	3.38	NIL	3.38	NIL				NIL	NIL
Total	7.70	3.38	NIL	3.38	7.70				7.70	7.70

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

DESCRIPTION	GROSS BLOCK				As At March 31, 2017	DEPRECIATION AND AMORTISATION				NET BLOCK	
	As At April 01, 2016	During the year		Deduction/ Transfer		As at March 31, 2016	For the year	Deduction/ (Adjustments)	As at March 31, 2017	As At March 31, 2017	As At March 31, 2016
		Additions	Other Adjustments								
A. Property, Plant and Equipment	Leasehold Improvements	51.00	NIL	NIL	51.00	0.02	6.92	NIL	44.08	50.98	
	Plant and Equipment										
	Machinery	198.08	17.83	NIL	215.91	124.61	9.57	NIL	81.73	73.47	
	Electrical Equipments	12.59	NIL	3.56	9.03	7.41	0.96	2.60	3.26	5.18	
	Furniture and Fixtures	61.80	0.85	NIL	62.65	50.56	1.03	NIL	11.06	11.24	
	Vehicles	17.10	NIL	NIL	17.10	1.72	2.03	NIL	13.35	15.38	
	Office Equipments	9.87	6.19	NIL	16.06	7.09	2.28	NIL	6.69	2.78	
	Others										
	Electrical Installations	1.26	NIL	NIL	1.26	0.37	0.08	NIL	0.81	0.89	
	Current year	351.70	24.87	NIL	373.01	191.78	22.87	2.60	160.98	159.92	
Previous year	244.99	118.61	1.27	351.70	191.19	13.10	12.51	159.92			
B. Intangible Assets											
	Internally Generated										
	Development of R&D Products/Processes	33.62	NIL	NIL	33.62	33.62	NIL	NIL	NIL	NIL	
	Others										
	Patents	39.39	7.70	NIL	47.09	6.54	4.47	NIL	36.08	32.85	
	Current year	73.01	7.70	NIL	80.71	40.16	4.47	NIL	36.08	32.85	
	Previous year	73.01	NIL	NIL	73.01	34.51	5.67	0.02	32.85		
	C. Capital Work-in-Progress										
	Development of R&D Products/Processes	NIL	29.27	NIL	4.40				4.40	NIL	
	Current year	NIL	29.27	NIL	4.40				4.40	NIL	
Previous year	13.25	112.69	NIL	NIL				NIL			
D. Intangible Assets Under Development											
	Internally Generated										
	Development of R&D Products/Processes	NIL	NIL	NIL	NIL				NIL	NIL	
	Others										
	Patents	7.70	NIL	NIL	NIL				NIL	7.70	
	Current year	7.70	NIL	NIL	NIL				NIL	7.70	
	Previous year	7.70	NIL	NIL	NIL				7.70		

12.2. The Lease Deed from MIDC in respect of Plot Nos. D-6/2, R-1 and R-2 at Kurkumbh of the value of ₹ 131.13 lakh (Previous Year ₹ 131.13 lakh) are yet to be executed.

12.3. Plant, Machinery and Equipment include ₹ 242.66 lakh (Previous Year ₹ 242.66 lakh) being value of machinery installed at third party premises of job Contractor (including that of the Associate Company), duly confirmed by them.

12.4. Transfer from Capital Work-in-Progress and Intangible Assets Under Development represents capitalisation to Property, Plant and Equipment or Intangible Assets, as the case may be. It also includes write off of Capital Work-in-Progress of ₹ NIL lakh (Previous Year ₹ 6.07 lakh).

12.5. Addition to Capital Work-in-Progress, inter alia, includes expenses incurred and pending for the capitalisation of Company's project at Dabej:

	As At March 31, 2017	As At March 31, 2016
₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Pre-operative expenditure as follows:		
Balance at the beginning of the year	593.96	21.51
Add: Expenditure during the year		
a. Employee Benefits Expense		
Labour Charges	771.44	NIL
Other Expenses	39.62	NIL
b. Finance Costs	27.85	NIL
c. Other Expenses		
Stores and Spares Consumed	1,183.02	NIL
Power and Fuel	NIL	300.28
Repairs	118.25	85.07
Professional Fees	183.97	170.90
Legal Charges	118.87	NIL
Other Expenses	69.90	16.20
Balance at the end of the year	3,106.88	593.96

12.6. Other Adjustments under the Gross Block represent Borrowings Costs of ₹ 300.15 lakh (Previous Year ₹ 64.37 lakh) and Exchange Differences of ₹ 1.51 lakh (Previous Year ₹ 34.78 lakh) capitalised in terms of AS - 11. For related disclosures, refer Note 28 to the financial statements.

12.7. In the light of Accounting Standard 10 on "Property, Plant and Equipment" becoming effective from April 1, 2016, the items of Spare Parts etc. which hitherto were being treated as Inventory either under Current or Non-current Assets are now capitalised as Property, Plant and Equipment or Capital Work-in-Progress at their carrying amounts of ₹ 99.88 lakhs and ₹ 286.97 lakhs respectively.

12.8. Freehold land at Kalol has been held for disposal and is shown as current assets held for sale.

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

		As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
13. Non-current Investments			
Long-term investments - valued at cost less provision for other than temporary diminution			
Trade			
In equity instruments of Subsidiary			
Unquoted			
Fully paid Equity shares			
Quantity Investee Company			
1,638,272 Alkyl Speciality Chemicals Limited		81.91	81.91
(1,638,272) of ₹ 10 each			
In equity instruments of Associate			
Quoted			
Fully paid Equity shares			
Quantity Investee Company			
2,977,997 Diamines and Chemicals Limited		144.11	144.11
(2,977,997) of ₹ 10 each			
		226.02	226.02

	Cost ₹ In Lakhs	Market Value ₹ In Lakhs	Cost ₹ In Lakhs	Market Value ₹ In Lakhs
Aggregate amount of Quoted Investments	144.11	1,648.32	144.11	1,002.10
Aggregate amount of Unquoted Investments	81.91	Not Applicable	81.91	Not Applicable
Total	226.02	1,648.32	226.02	1,002.10

		As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
14. Long-term Loans and Advances			
Unsecured			
Capital Advances			
Considered Good		1,634.34	294.25
Security Deposits			
Considered Good		136.07	51.50
Other Loans and Advances			
Advances recoverable in cash or in kind for value to be received			
Considered Good	667.44		687.75
Taxes Paid	5,951.60		2,558.33
Less : Provision for Taxes	5,564.85		2,179.51
	386.75		378.82
		1,054.19	1,066.57
		2,824.60	1,412.32

	As At March 31, 2017	As At March 31, 2016
₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
15. Other Non-current Assets		
Interest Receivable on Bank/Security deposits	0.33	NIL
Inventories (Refer Note 12.7)	NIL	94.00
Trade Receivables		
Considered Doubtful		
-Outstanding for a period exceeding six months from the date they are due for payment	NIL	0.88
Less : Provision for Doubtful Debts	NIL	0.88
	NIL	NIL
Cash and Bank Balances		
Other Bank Balances		
-On Fixed Deposit Accounts		
With maturity beyond 12 months from Balance Sheet date (Held as margin money against Bank Guarantee)	13.77	12.82
Other loans and advances		
Advance to Suppliers		
Considered Doubtful	105.17	1.18
Less : Provision for Doubtful Advances	105.17	1.18
	NIL	NIL
Receivable on Currency Swap	26.81	185.96
	40.91	292.78
16. Inventories		
Raw Materials	5,931.05	871.59
(Includes in transit ₹ 2928.37 Lakhs, Previous Year NIL)		
Packing Materials	116.90	119.05
(Includes in transit ₹ 0.80 Lakhs, Previous Year NIL)		
Work-in-Progress [Refer Note 16.1(a)]	490.60	690.49
Finished Goods [Refer Note 16.1(b)]	3,496.95	3,384.40
(Includes in transit ₹ 315.63 Lakhs, Previous Year ₹ 175.09 Lakhs)		
Stores and Spares (Refer Note 12.7)	526.75	526.64
(Includes in transit ₹ 0.21 Lakhs, Previous Year NIL)		
Other Utilities, Catalyst, etc. (Refer Note 12.7)	578.74	723.48
(Includes in transit ₹ 42.74 Lakhs, Previous Year NIL)		
	11,140.99	6,315.65
16.1 Details of Inventories :		
a. Work-in-Progress		
Amines and Amines Derivatives	359.48	449.89
Other Speciality Chemicals	131.12	240.60
	490.60	690.49
b. Finished Goods		
Amines and Amines Derivatives	3,250.49	3,136.82
Other Speciality Chemicals	245.61	247.23
Industrial Gases	0.85	0.35
	3,496.95	3,384.40

		As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
17. Trade Receivables			
Unsecured, Considered Good			
Outstanding for a period exceeding six months from the date they are due for payment	3.05		26.22
Others	9,730.80		9,003.33
		9,733.85	9,029.55
		9,733.85	9,029.55
18. Cash and Bank Balances			
Cash and cash equivalents			
Cash on hand	2.23		3.39
Balances with Banks			
-On Current Accounts	264.27		300.40
-On Unpaid Dividend Accounts	57.16		91.01
		323.66	394.80
Other Bank Balances			
-On Fixed Deposit Accounts			
With maturity within 12 months from Balance Sheet date (Held as margin money against Bank Guarantee)		18.02	32.32
		341.68	427.12
18.1 In terms of Ministry of Corporate Affairs ("MCA") Notification No G.S.R.308 (E) dated March 30, 2017 details of Specified Bank Notes* (SBNs) transacted during the period from November 8, 2016 to December 30, 2016 is as under :			

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 08, 2016	4.29	1.85	6.14
(+) Permitted receipt	NIL	0.04	0.04
(-) Permitted payment	0.15	7.79	7.94
(+) Amounts withdrawn from Banks	NIL	9.48	9.48
(-) Amounts deposited in Banks	4.14	0.01	4.15
Closing cash in hand as on December 30, 2016	NIL	3.57	3.57
* For the purpose of this Note, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of economic Affairs number S.O. 3407(E) dated November 8, 2016.			

		As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
19. Short-term Loans and Advances			
Unsecured, Considered Good			
Security Deposits		0.25	18.77
Other Loans and advances			
Other Loans and advances			
Advances recoverable in cash or in kind for value to be received	657.47		395.11
Advances to Suppliers	47.85		1,635.92
Balances with Excise and Service Tax Authorities	932.21		405.55
		1,637.53	2,436.58
		1,637.78	2,455.35
20. Other Current Assets			
Interest Receivable on Bank/Security deposits		21.77	7.15
Deferred Premium on Forward Contracts		NIL	0.10
Receivable on Currency Swap		88.09	145.50
Freehold Land held for disposal		1.15	NIL
		111.01	152.75
		For the year ended March 31, 2017	For the year ended March 31, 2016
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
21. Revenue From Operations			
Sale of Products - Manufactured Goods		52,977.12	51,230.35
Other Operating Revenues			
Scrap and Raw Material Sales	89.53		72.17
Toll and Other Processing Income	567.25		831.65
Export Incentives	530.45		163.91
Miscellaneous Income	14.18		30.83
		1,201.41	1,098.56
		54,178.53	52,328.91
Less : Excise Duty on Sales		4,114.67	3,969.56
		50,063.86	48,359.35
21.1 Details of Sales of Products:			
Amines and Amines Derivatives		43,975.08	42,277.73
Other Speciality Chemicals		8,614.93	8,411.51
Industrial Gases		387.11	541.11
		52,977.12	51,230.35

		For the year ended March 31, 2017	For the year ended March 31, 2016
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
22. Other Income			
Interest on Deposits and Others		53.42	64.26
Insurance Claims		5.83	5.44
Amounts/Excess Provision written back		33.64	14.47
Provision for Doubtful Debts/Advances no longer required		1.02	146.28
Profit on Sale of Asset		NIL	6.76
Profit on Sale of Units of Mutual Fund		2.61	NIL
Miscellaneous Income		4.02	4.66
		100.54	241.87
23. Cost of Materials Consumed			
Raw Materials (Refer Note 23.1 and 27.3)			
Opening Stock	871.59		2,558.44
Add: Purchases	29,658.41		22,743.84
	30,530.00		25,302.28
Less: Closing Stock	5,931.05		871.59
		24,598.95	24,430.69
Packing Materials			
Opening Stock	119.05		95.17
Add: Purchases	1,627.46		1,635.88
	1,746.51		1,731.05
Less: Closing Stock	116.90		119.05
		1,629.61	1,612.00
		26,228.56	26,042.69
23.1 Details of Raw Materials Consumed			
Denatured Ethyl Alcohol, Methanol and other Alcohols		14,343.16	13,856.42
Industrial Gases		3,522.90	3,906.78
Others		6,732.89	6,667.49
		24,598.95	24,430.69

		For the year ended March 31, 2017	For the year ended March 31, 2016
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
24. Changes in Inventories of Finished Goods and Work-In-Progress			
Finished Goods			
Closing Stock	3,496.95		3,384.40
Less : Opening Stock	3,384.40		2,621.63
		(112.55)	(762.77)
Excise Duty Provision on Finished Goods			
Closing Stock	389.25		375.92
Less : Opening Stock	375.92		291.28
		13.33	84.64
Work-in-Progress			
Closing Stock	490.59		690.49
Less : Opening Stock	690.49		518.46
		199.90	(172.03)
		100.68	(850.16)
25. Employee Benefits Expense			
Salaries and wages			
Directors' Remuneration		738.10	711.84
Salaries, Wages and Benefits (Refer Note 12.5)		2,389.64	2,151.25
Contribution to Provident Fund and Other Funds		340.05	288.03
Staff Welfare Expenses		354.21	321.20
		3,822.00	3,472.32
26. Finance Costs			
Interest Expense			
On Cash Credit Facilities/Buyers' Credit	73.50		240.71
On Term Loans	166.66		215.44
On Others	189.00		266.88
		429.16	723.03
Other Borrowing Costs			
Bank Charges		88.10	29.73
Other Finance Charges		44.55	50.68
		561.81	803.44

		For the year ended March 31, 2017	For the year ended March 31, 2016
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
27. Other Expenses			
Stores and Spares Consumed		959.02	853.70
Power and Fuel		5,126.88	5,163.51
Rent		19.82	40.83
Repairs and Maintenance			
Building	72.36		91.63
Plant and Machinery	480.71		423.76
Others	168.93		194.07
		722.00	709.46
Insurance		46.81	49.25
Rates and Taxes		34.16	29.49
Auditors' Remuneration			
Audit Fees	8.50		10.00
Tax Audit Fees	3.00		3.00
Taxation Matters	3.22		0.20
Certification Work	3.68		7.16
Reimbursement of Expenses	0.90		0.48
		19.30	20.84
Foreign Exchange Loss (Net)		126.46	203.98
Processing Charges		734.30	691.20
Export Expenses		686.83	699.37
Freight Outward		845.36	770.58
Assets written off		NIL	88.37
Bad Debts written off		0.55	74.87
Provision for Doubtful Debts		NIL	0.88
Advances/Deposits written off		0.06	70.10
Provision for Doubtful Advances/Deposits		103.39	1.93
Corporate Social Responsibility (CSR) Expenditure (Refer Note 27.1)		125.88	88.20
Miscellaneous Expenses (Refer Note 27.3)		1,192.58	1,039.18
		10,743.40	10,595.74

	For the year ended March 31, 2017	For the year ended March 31, 2016
	₹ In Lakhs	₹ In Lakhs
27.1 Expenditure towards Corporate Social Responsibility (CSR) activities:		
a. Gross amount required to be spent by the Company during the year :	150.42	123.46
b. Amount spent and paid on CSR activities included in the Statement of Profit and Loss for the year :		
Nature of Expenses		
Other Expenses (Other than for Construction/Acquisition of any asset) (In Note 27)		
Environment sustainability and Rural development	22.99	24.12
Education/Sports	75.78	44.29
Health/Woman Empowerment	24.51	17.59
Others	2.60	2.20
Total	125.88	88.20

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

	For the year ended March 31, 2017	For the year ended March 31, 2016
	₹ In Lakhs	₹ In Lakhs
Nature of expenses		
Cost of Material Consumed (In Note 23)		
Raw Material	2.66	2.45
Packing Material	0.49	0.17
Employee Benefits Expense (In Note 25)		
Salaries and Wages	312.99	271.66
Contribution to Provident and Other Funds	27.73	25.04
Staff Welfare Expenses	13.76	13.75
	354.48	310.45
Depreciation	27.33	18.77
Other Expenses (In Note 27)		
Stores and Spares Consumed	18.98	17.16
Power and Fuel	0.17	0.01
Rent	13.50	13.20
Repairs and Maintenance:		
Plant and Machinery	3.08	2.60
Others	5.45	22.28
Insurance	0.69	0.02
Rates and Taxes	2.43	0.06
Miscellaneous Expenses	86.76	55.84
	131.06	111.17
Total	516.02	443.01

	For the year ended March 31, 2017	For the year ended March 31, 2016
₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
27.3 Details of Expenses for prior period:		
Expenses		
Cost of Materials Consumed		
Raw Materials (Reflected in Note 23)	NIL	0.30
Other Expenses (Reflected in Note 27)		
Miscellaneous Expenses	1.39	0.75
Total Expenses for prior period	1.39	1.05

28. Contingent Liabilities and Commitments

Particulars	As at March 31, 2017	As at March 31, 2016
	₹ In Lakhs	₹ In Lakhs
28.1 Contingent Liabilities : (to the extent not provided for)		
i. Claims against the Company by Ex-employees in Labour Court not acknowledged as debts	60.72	89.06
ii. Income Tax (Amount deposited ₹ 330.97 lakhs) (Previous Year ₹ 352.71 lakhs)	353.52	317.03
iii. Sales Tax (Amount deposited ₹ NIL) (Previous year ₹ 1.00 lakh)	NIL	24.71
iv. Central Excise/Service Tax (Amount deposited ₹ 21.07 lakhs) (Previous Year ₹ 21.07 lakhs)	795.03	748.37
v. Amount paid to GIDC (Amount deposited under protest ₹ 42.63 lakhs) (Previous Year NIL lakhs)	42.63	NIL
vi. By its order of February 18, 2002, the Bombay High Court, has directed that no transport fee on denatured ethyl alcohol, one of the raw materials of the Company, shall be recovered from the Company by the State Excise Authorities until the final disposal of the petition. The petition is pending disposal by the High Court and the amount estimated on this account is ₹ 1031.50 lakh (Previous Year ₹ 956.33 lakh).		
28.2 Commitments :		
i. Estimated amount of contracts remaining to be executed on capital account	6,068.96	1,410.93
Less : Advances	1,634.34	294.25
Net Estimated Amount	4,434.62	1,116.68
ii. Other Commitments	NIL	NIL

29. Property, Plant and Equipment:

In terms of Accounting Standard 11 on "The Effects of Changes in Foreign Exchange Rates" (AS – 11), on the basis of option available to the Company, the Company has capitalised exchange difference aggregating to ₹ 1.51 lakh (Previous Year ₹ 34.88 lakh) which arose on the settlement or restatement of foreign currency denominated long-term liabilities relating to the acquisition of Property, Plant and Equipment (to its Machinery and Machinery under installation - Capital Work-in-Progress). In terms of the clarification issued by the Ministry of Corporate Affairs by Circular No. 25/2012 of August 9, 2012, the Company has considered the entire amount of exchange differences for the purpose of capitalisation without bifurcating the same between borrowing costs in terms of Accounting Standard 16 on "Borrowing Costs" and exchange differences in terms of AS – 11.

Disclosures required for the above capitalisation of AS - 11:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	₹ In Lakhs	₹ In Lakhs
i. Amounts capitalised:		
During the year	1.51	34.88
Cumulative upto the year end	386.75	385.24
ii. Amounts amortised:		
During the year	19.43	20.82
Cumulative upto the year end	88.36	68.93
iii. Amount remaining to be amortised as at year end	298.39	316.31

30. The Board of Directors has approved the proposed Scheme of Arrangement ("The Scheme") under sections 391 to 394 of the Companies Act, 1956 for amalgamation of Alkyl Speciality Chemicals Limited, its wholly owned subsidiary, into the Company with effect from April 1, 2016, the appointed date. Pending the approval of the National Company Law Tribunal, effect of such amalgamation has not been given in the results of the quarter and year ended March 31, 2017.

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

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

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016
Reconciliation of opening and closing balances of the present value of the defined benefit obligation	Gratuity ₹ In Lakhs		Compensated Absences ₹ In Lakhs	
Obligation at period beginning	776.24	621.97	179.84	165.01
Current service cost	38.66	34.64	16.33	25.94
Interest cost	62.72	49.51	14.53	13.20
Actuarial (gain)/loss	93.78	76.24	24.04	(18.23)
Benefits paid	(29.53)	(6.12)	(7.94)	(6.08)
Obligations at the year end	941.87	776.24	226.80	179.84
-Funded	775.72	634.89	NIL	NIL
-Unfunded	166.15	141.35	226.80	179.84
Change in plan assets				
Plan assets at period beginning, at fair value	668.53	431.49	N.A.	N.A.
Expected return on plan assets	54.02	34.35	N.A.	N.A.
Actuarial gain/(loss)	(3.76)	6.28	N.A.	N.A.
Contributions	82.81	202.53	N.A.	N.A.
Benefits paid	(29.53)	(6.12)	N.A.	N.A.
Plan assets at the year end, at fair value	772.07	668.53	N.A.	N.A.
Reconciliations of present value of the obligation and the fair value of plan assets				
Fair value of plan assets at the end of the year	772.07	668.53	NIL	NIL
Present value of the defined benefit obligations at the end of the year	941.87	776.24	226.80	179.84
Liability/(Asset) recognised in the Balance Sheet	169.80	107.71	226.80	179.84
-Funded	3.65	(33.64)	NIL	NIL
-Unfunded	166.15	141.35	226.80	179.84

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016
Reconciliation of opening and closing balances of the present value of the defined benefit obligation	Gratuity		Compensated Absences	
	₹ In Lakhs		₹ In Lakhs	
Cost for the year				
Current Service cost	38.66	34.64	16.33	25.94
Interest cost	62.72	49.51	14.53	13.20
Expected return on plan assets	(54.02)	(34.35)	NIL	NIL
Actuarial (gain)/loss	97.54	69.96	24.04	(18.23)
Net Cost recognised in the Statement of Profit and Loss	144.90	119.76	54.90	20.91

Net Cost as above :

For the year ended March 31, 2017 is after considering Gratuity Expense of ₹ 24.81 lakh included in Directors' Remuneration and ₹ 120.09 lakh included in Contribution to Provident Fund and Other Funds shown in Note 25 on 'Employee Benefits Expense'.

For the year ended March 31, 2016 is after considering Gratuity Expense of ₹ 29.54 lakh included in Directors' Remuneration and ₹ 90.22 lakh included in Contribution to Provident Fund and Other Funds shown in Note 25 on 'Employee Benefits Expense'.

Category of assets

Insurer Managed Funds	772.07	668.53	N.A.	N.A.
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Assumptions used to determine the benefit obligations:

Interest rate	7.20%	8.08%	7.20%	8.00%
Estimated rate of return on plan assets	7.20%	8.08%	N.A.	N.A.
Expected rate of increase in salary	5.00%	5.00%	5.00%	5.00%
Actual return on plan assets (₹ In Lakhs)	50.26	40.63	N.A.	N.A.

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

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

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Experience adjustment					
On plan liability (gain)/ loss	45.32	59.53	99.32	1.00	39.07
On plan assets gain/ (loss)	(3.76)	6.28	1.04	3.10	3.97
Present value of benefit obligation	941.87	776.24	621.97	435.23	433.43
Fair value of plan assets	772.07	668.53	431.49	305.45	222.60
Excess of obligation over plan assets (net)	169.80	107.71	190.48	129.78	210.83

The expected contribution is based on the same assumptions used to measure the Company's Gratuity obligations as at March 31, 2017. The Company is expected to contribute ₹ 80 lakh for the year ended March 31, 2018.

33. Disclosure as per Accounting Standard 17 on "Segment Reporting":
33.1 Primary Segment:

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

33.2 Secondary Segment (by Geographical Segment) :

Particulars	Within India		Outside India		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Segment Revenue	39,176.93	38,487.11	10,886.93	9,872.24	50,063.86	48,359.35
Carrying amount of Segment Assets	48,805.96	38,267.20	2,348.72	1,993.18	51,154.68	40,260.38
Capital Expenditure	25,412.81	20,209.65	71.77	118.01	25,484.58	20,327.66

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

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

34. Disclosure as per Accounting Standard 18 on “Related Party Disclosures”:

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

Particulars	Subsidiary Company	Associate Company	Key Management Personnel and their relative	Entities on which Key Management Personnel has control	₹ In Lakhs	
					Entities on which relative of Key Management Personnel has Control	
	[with 34.2 (I) below]	[with 34.2 (II) below]	[with 34.2 (III) and (IV) below]	[with 34.2 (V) below]	[with 34.2 (VI) below]	
Miscellaneous Income (Rent)						
Miscellaneous Expenses (Commission)						
Purchases		12.09 (NIL)				
Transactions on our behalf :						
Miscellaneous Expenses recovered from						
Transactions on their behalf :						
Taxes paid						
Loans and Advances - Unsecured:						
Loan from Directors – Received						
Yogesh Kothari			1,000.00 (650.00)			
Others			128.00 (55.00)			
Loan from Directors – Repaid						
Yogesh Kothari			3,070.00 (50.00)			
Others			95.00 (35.50)			
Deposit - Inter Corporate – Repaid				10.00 (85.00)	62.00 (250.00)	

Particulars	Subsidiary Company	Associate Company	Key Management Personnel and their relative	Entities on which Key Management Personnel has control	Entities on which relative of Key Management Personnel has Control
	[with 34.2 (I) below]	[with 34.2 (II) below]	[with 34.2 (III) and (IV) below]	[with 34.2 (V) below]	[with 34.2 (VI) below]
Interest Expenses:					
On Loans from Directors					
Yogesh Kothari			141.20 (199.65)		
Others			7.02 (2.50)		
On Deposit - Inter Corporate					
Anjyko Investments Private Limited				0.35 (10.21)	
Kamiko Investment & Trading Private Limited					1.53 (6.41)
DSP HMK Holdings Private Limited					NIL (5.44)
DSP ADIKO Holdings Private Limited					NIL (5.44)
Directors' Remuneration:					
Yogesh Kothari			405.03 (402.06)		
Kirat Patel			169.53 (153.42)		
Suneet Kothari			162.01 (146.47)		
Hemendra Kothari					
Sitting Fees			0.60 (0.60)		
Commission			13.50 (11.78)		
Outstanding Balance As At March 31, 2017					
Loans From Directors					
Yogesh Kothari			NIL (2,070.00)		
Others			52.50 (19.50)		
Deposit - Inter Corporate					
Others				NIL (10.00)	
Kamiko Investment & Trading Private Limited					NIL (62.00)
Non-Current Investments	81.91 (81.91)	144.11 (144.11)			

34.2 Relationships (in relation to transactions with Company):

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

35. Disclosure as per Accounting Standard 19 on “Leases”:
35.1 Where the Company is a Lessee:

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

Particulars	As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs
Within 1 year	13.80	13.20
After 1 year but before 5 years	4.60	17.60

- iv. Land taken on lease has been amortised over the respective lease period and ₹ 14.99 Lakhs (Previous Year ₹ 14.97 Lakhs) has been amortised during the year.

36. “Earnings per Share” as per Accounting Standard 20:

Particulars	As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs
Numerator for Basic and diluted earnings per Share		
Net Profit/ (Loss) after tax for the year before Preference Dividend	4,960.78	4,985.48
Less : Preference Dividend and Tax thereon	NIL	NIL
Net Profit/ (Loss) after tax for the year (a)	4,960.78	4,985.48
Denominator for Basic and Diluted Earnings per Share		
Weighted average number of Shares (b)*	20,396,392	20,396,392
Basic and Diluted Earnings per Share [(a) / (b)] (In ₹)	24.32	24.44
Face value per Share (In ₹)*	5.00	5.00

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

Particulars	As At April 1, 2016	Additions during the year	Paid/reversed during the year	As At March 31, 2017
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Leave Encashment	179.84 (165.01)	54.90 (20.91)	7.94 (6.08)	226.80 (179.84)
Gratuity	107.71 (190.48)	144.90 (119.76)	82.81 (202.53)	169.80 (107.71)
Proposed Dividend	NIL (815.86)	NIL NIL	NIL (815.86)	NIL NIL
Tax on Proposed Dividend	NIL (166.12)	NIL NIL	NIL (166.12)	NIL NIL

38. Consumption of Imported/Indigenous Materials:

Particulars	For the Year ended March 31, 2017		For the Year ended March 31, 2016	
	Percentage	Value	Percentage	Value
		₹ In Lakhs		₹ In Lakhs
Raw Materials				
Imported	33.01%	8,119.41	11.35%	2,773.97
Indigenous	66.99%	16,479.54	88.65%	21,656.72
Total	100.00%	24,598.95	100.00%	24,430.69
Stores and Spares				
Imported	0.44%	4.20	17.19%	146.72
Indigenous	99.56%	954.82	82.81%	706.98
Total	100.00%	959.02	100.00%	853.70

39. Value of Imports calculated on C.I.F. basis:

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
	₹ In Lakhs	₹ In Lakhs
Raw Materials	11,649.21	1,006.97
Stores and Spares	2.75	41.48
Capital Goods	14.49	31.17
Total	11,666.45	1,079.62

40. Expenditure in Foreign Currency:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	₹ In Lakhs	₹ In Lakhs
i. Interest		
Term Loan	230.81	147.56
Less : Capitalised	64.15	22.97
	166.66	124.59
Buyer's Credit	18.06	NIL
Others	22.01	21.65
ii. Bank Charges	8.68	49.20
Less : Capitalised	NIL	39.55
	8.68	9.65
iii. Other Expenses		
Commission on Sales	48.28	51.15
Professional Charges	22.90	20.35
Miscellaneous Expenses	0.19	7.40
Total	286.78	234.79

41. Earnings in Foreign Currency:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	₹ In Lakhs	₹ In Lakhs
Export of Goods at F.O.B. value	9,004.04	8,881.61
Other Income	6.88	25.62
Total	9,010.92	8,907.23

42. Financial and Other Derivative Instruments:

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

Particulars	Foreign Currency	Balance As At March 31, 2017		Balance As At March 31, 2016	
		In Foreign currency (In Lakhs)	₹ In Lakhs	In Foreign currency (In Lakhs)	₹ In Lakhs
<u>Forward Contracts for</u>					
Forward Contracts for firm commitment for Export Trade	USD	28.79	1,891.83	6.63	458.74
	EURO	4.84	343.74	NIL	NIL
Forward Contracts for firm commitment for Import Trade	USD	46.32	3,038.37	1.68	113.08
	EURO	2.20	153.81	NIL	NIL
<u>Cross currency and Interest Rate Swap for</u>					
ECB Loans	USD	122.50	8,053.15	63.00	4,235.49
Interest on ECB payable	USD	0.62	40.58	0.29	18.18

As required by the Guidance Note on Derivatives, the amounts reflected herein above are disclosed based on : For March 31, 2017 - At fair value, For March, 31, 2016 - Marked to market.

43. Financial and Other Derivative Instruments:

43.1 Exposures in Foreign Currency:

	Foreign Currency	Balance As At March 31, 2017			Balance As At March 31, 2016		
		Exchange Rate	Amount in Foreign Currency (In Lakhs)	Amount in ₹	Exchange Rate	Amount in Foreign Currency	Amount in ₹
I. Assets							
Trade Receivables	USD	63.92	28.57	1,825.40	65.39	23.39	1,529.52
	EURO	67.90	1.96	133.11	73.74	3.49	257.36
	GBP	NIL	NIL	NIL	94.56	0.16	15.13
Hedged by Derivative Contracts	USD	63.92	15.92	1,017.28	65.39	NIL	NIL
	EURO	67.90	0.20	13.85	NIL	NIL	NIL
	GBP	NIL	NIL	NIL	NIL	NIL	NIL
Unhedged Receivables	USD	63.92	12.65	808.12	65.39	23.39	1,529.52
	EURO	67.90	1.76	119.26	73.74	3.49	257.36
	GBP	NIL	NIL	NIL	94.56	0.16	15.13

43.2 II. Liabilities

Trade Payables	USD	65.74	34.94	2,296.68	67.23	0.20	13.51
	EURO	NIL	NIL	NIL	76.34	0.03	2.23
Buyers' Credit	USD	65.74	42.11	2,768.39	NIL	NIL	NIL
Borrowings (ECB and Others)	USD	65.74	123.13	8,094.58	67.23	65.38	4,394.10
Packing Credit in Foreign Currency	USD	65.74	7.51	493.66	67.23	14.00	940.97
	EURO	70.52	2.34	165.26	76.34	2.41	183.71
Balance with Bank	USD	NIL	NIL	NIL	65.41	1.47	95.92
Export Commission Payable	USD	65.74	0.26	17.15	67.23	0.25	16.75
	EURO	70.52	0.01	0.72	22.09	0.01	0.22
Total Payables	USD	65.74	207.95	13,670.46	67.18	81.32	5,463.47
	EURO	70.52	2.35	165.99	76.12	2.42	183.93
Hedged by Derivative Contracts	USD	65.74	165.79	10,898.66	69.14	63.47	4,388.48
	EURO	NIL	NIL	NIL	NIL	NIL	NIL
Unhedged Payables	USD	65.74	42.16	2,771.80	60.22	17.85	1,074.99
	EURO	70.52	2.35	165.99	76.12	2.42	183.93

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

As per our Report of even date attached

For and on behalf of the Board of Directors

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

YOGESH M. KOTHARI
Chairman and Managing Director

PARESH H. CLERK
Partner
Membership No. 36148
Place : MUMBAI
Dated : MAY 18, 2017

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

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

KIRAT PATEL
Executive Director

Place : MUMBAI
Dated : MAY 18, 2017

FORM AOC-1

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

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

PART "A": SUBSIDIARIES

₹ In Lakhs

1	Serial No.	1
2	Name of the subsidiary	Alkyl Speciality Chemicals limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
4	Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
5	Share Capital	163.83
6	Reserves & Surplus	37.46
7	Total Assets	202.78
8	Total Liabilities	202.78
9	Investments	NIL
10	Turnover	13.84
11	Profit before taxation	13.23
12	Provision for taxation	3.97
13	Profit after taxation	9.26
14	Proposed Dividend	NIL
15	% of shareholding	100%
1.	Names of subsidiaries which are yet to commence operations	NIL
2.	Names of subsidiaries which have been liquidated or sold during the year	NIL

PART "B": ASSOCIATES AND JOINT VENTURES

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

₹ in Lakhs

	Name of the Associate	Diamines and Chemicals Limited
1	Latest Audited Balance Sheet Date	March 31, 2017
2	Shares of Associate held by the Company on the year end	
	Number of shares	2,977,997 equity shares of ₹ 10/- each
	Amount of Investment in Associate	144.11
	Extent of Holding %	30.44%
3	There is significant influence in the associate due to shareholding	
4	Reason why the associate is not consolidated	NA
5	Net-worth attributable to Shareholding as per latest audited Balance Sheet	1042.34
6	Profit/Loss for the year	
i.	Considered in Consolidation	130.19
ii.	Not Considered in Consolidation	297.50
	Names of associates or joint ventures which are yet to commence operations	NA
	Name of associates or joint ventures which have been liquidated or sold during the year	NA

For and on behalf of the Board of Directors

YOGESH M. KOTHARI

Chairman and Managing Director

KIRAT PATEL

Executive Director

K. P. RAJAGOPALAN

General Manager
Secretarial and Legal
(Company Secretary)

PRAVIN TAWLE

General Manager
Finance and Accounts
(Chief Financial Officer)

Place : Mumbai

Dated : May 18, 2017



INDEPENDENT AUDITOR'S REPORT

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Alkyl Amines Chemicals Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its associate, which comprise the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law have been kept by the companies included in the Group, so far as it appears from the examination of those books.

- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant financial statements adopted and related working statements maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company, and our reports as the auditor of its subsidiary and its associate, none of the directors of the companies in the Group is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on our reports as the auditor of its subsidiary and its associate:
 - i. the consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 29.1 to the consolidated financial statements;
 - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the companies in the Group during the year ended March 31, 2017.
 - iv. the holding Company has provided requisite disclosures in its consolidated financial statements as to holding as well as dealings Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedure and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note 19.1 of the consolidated financial statements.

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

PARESH H. CLERK
Partner
Membership No. 36148

PLACE: MUMBAI
DATED: MAY 18, 2017



ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date on the consolidated financial statements for the year ended March 31, 2017.

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

We have audited the internal financial controls over financial reporting of Alkyl Amines Chemicals Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, as of March 31, 2017 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiary company and its associate company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

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

Chartered Accountants

Firm Registration No. 100991W

PARESH H. CLERK

Partner

Membership No. 36148

PLACE: MUMBAI

DATED: MAY 18, 2017



Alkyl Amines Chemicals Limited



CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

	Note	₹ In Lakhs	As At March 31, 2017 ₹ In Lakhs	As At March 31, 2016 ₹ In Lakhs
EQUITY AND LIABILITIES				
Shareholders' Funds				
Share Capital	3	1,020.60		1,020.60
Reserves and Surplus	4	24,507.17	25,527.77	19,889.18
				20,909.78
Non-current Liabilities				
Long-term Borrowings	5	6,622.57		4,468.09
Deferred Tax Liabilities (Net)	6	3,272.43		2,864.11
Other Long-term Liabilities	7	382.53		NIL
Long-term Provisions	8	321.48	10,599.01	266.19
				7,598.39
Current Liabilities				
Short-term Borrowings	9	3,637.76		5,326.21
Trade Payables	10			
Total outstanding dues of micro enterprises and small enterprises		27.74		30.76
Total outstanding dues of creditors other than micro enterprises and small enterprises		8,026.08		4,345.02
Other Current Liabilities	11	4,657.38		3,313.99
Short-term Provisions	12	84.77		79.63
			16,433.73	13,095.61
TOTAL			52,560.51	41,603.78
ASSETS				
Non-current Assets				
Property, Plant and Equipment	13A	21,888.25		18,584.36
Intangible Assets	13B	120.39		128.94
Capital Work-in-Progress	13C	3,475.94		1,606.66
Intangible Assets under Development	13D	NIL		7.70
Non-current Investments	14	1,042.34		996.97
Long-term Loans and Advances	15	2,827.52		1,415.12
Other Non-current Assets	16	41.08	29,395.52	292.92
				23,032.67
Current Assets				
Inventories	17	11,140.99		6,315.65
Trade Receivables	18	9,733.85		9,029.55
Cash and Bank Balances	19	523.83		596.81
Short-term Loans and Advances	20	1,648.54		2,467.55
Other Current Assets	21	117.77	23,164.98	161.55
				18,571.11
TOTAL			52,560.50	41,603.78
Notes (Including Significant Accounting Policies) 1 - 45				
Forming Part of the Financial Statements				

As per our Report of even date attached

For and on behalf of the Board of Directors

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

YOGESH M. KOTHARI
Chairman and Managing Director

PARESH H. CLERK
Partner
Membership No. 36148

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

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

KIRAT PATEL
Executive Director

PLACE : MUMBAI
DATED : May 18, 2018

PLACE : MUMBAI
DATED : May 18, 2017



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

			For the Year ended March 31, 2017	For the Year ended March 31, 2016
	Note	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Revenue from Operations	22		54,178.53	52,328.91
Less : Excise Duty on Sales			4,114.67	3,969.56
Revenue from Operations (Net)			50,063.86	48,359.35
Other Income	23		114.38	256.48
Total Revenue			50,178.24	48,615.83
Expenses				
Cost of Materials Consumed	24		26,228.56	26,042.69
Changes in Inventories of Finished Goods and Work-in-Progress	25		100.68	(850.16)
Employee Benefits Expense	26		3,822.00	3,472.32
Finance Costs	27		561.96	803.50
Depreciation and Amortisation Expense	13		1,428.58	1,289.13
Other Expenses	28		10,743.86	10,596.19
Total Expenses			42,885.64	41,353.67
Profit before exceptional items and Tax			7,292.60	7,262.16
Exceptional items			NIL	NIL
Profit before Tax			7,292.60	7,262.16
Tax Expense:				
Current Tax		1,828.27		1,506.37
Deferred Tax		422.16		820.58
Current Tax Adjustments of Earlier Years		72.13		(61.00)
			2,322.56	2,265.95
Profit for the Year			4,970.04	4,996.21
Share of Profit / (Loss) of Associate Company			130.19	7.56
Profit for the Year			5,100.23	5,003.77
Earnings Per Equity Share:				
Basic and Diluted (₹)			25.01	24.53
Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements	1-45			

As per our Report of even date attached

For and on behalf of the Board of Directors

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

YOGESH M. KOTHARI
Chairman and Managing Director

PARESH H. CLERK
Partner
Membership No. 36148

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

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

KIRAT PATEL
Executive Director

PLACE : MUMBAI
DATED : May 18, 2017

PLACE : MUMBAI
DATED : May 18, 2017

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	For the Year ended March 31, 2017 ₹ In Lakhs	For the Year ended March 31, 2016 ₹ In Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax	7,292.60	7,262.16
Adjustments for :		
Loss on Sale/Scrap of Fixed Assets	6.60	(6.76)
Assets Written Off	NIL	88.37
Depreciation and Amortisation Expense	1,428.58	1,289.13
Interest Expense	561.96	803.50
Interest on Deposits and Others	(56.94)	(78.47)
Profit on sale of units of Mutual Fund	(2.61)	NIL
Unrealised Loss/(Gain) on Foreign Exchange	119.92	221.20
Provision for Bad and Doubtful Debts	(0.32)	0.88
Operating Profit Before Working Capital Changes	9,349.79	9,580.01
Adjustments for :		
Long-term Loans and Advances and Other Non-current Assets	(64.26)	217.23
Inventories	(5,106.76)	738.43
Trade Receivables and Short-term Loans and Advances	182.42	337.12
Other Current Assets	(13.63)	122.49
Other Long-term Liabilities and Long-term Provisions	(321.28)	42.00
Interest on Margin Money	43.10	64.26
Margin Money	13.35	154.15
Trade Payables, Other Current Liabilities and Short-term Provisions	4,079.96	371.15
Cash Generated From Operations	8,162.68	11,626.75
Income Tax paid	(1,935.85)	(1,483.36)
Net Cash From Operating Activities	6,226.83	10,143.39
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(7,562.32)	(3,528.80)
Sale of Property, Plant and Equipment	5.55	6.11
Interest on Bank Deposits	13.84	14.21
Profit on sale of units of Mutual Fund	2.61	NIL
Bank Deposits	(14.50)	(17.69)
Net Cash From Investing Activities	(7,554.82)	(3,526.17)



	For the Year ended March 31, 2017 ₹ In Lakhs	For the Year ended March 31, 2016 ₹ In Lakhs
C. CASH FLOW FROM FINANCING ACTIVITIES		
Deferred Sales Tax Payment	(150.67)	(104.20)
Proceeds from Long-term Borrowings	4,870.42	716.05
Repayment of Long-term Borrowings	(1,872.76)	(2,261.10)
Increase/Decrease in Short-term Borrowings	(1,632.10)	(873.25)
Currency Swap for ECB loans	599.09	(55.12)
Interest Paid	(561.96)	(803.50)
Dividend Paid (Including Dividend Distribution Tax)	NIL	(3,436.91)
Net Cash From Financing Activities	1,252.02	(6,818.03)
Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(75.97)	(200.81)
Cash and Cash Equivalents at the Beginning Of the Year	396.81	589.30
Exchange Difference on translation of Foreign Currency		
Cash and Cash Equivalents	2.82	8.32
Cash and Cash Equivalents at the End of the Year	323.66	396.81
Components of Cash and Cash Equivalents :		
Cash on hand	2.23	3.39
Other Bank Balances		
- On Current Accounts	264.27	302.41
- On Unpaid Dividend Accounts	57.16	91.01
	323.66	396.81

Notes:

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

As per our Report of even date attached

For and on behalf of the Board of Directors

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

YOGESH M. KOTHARI
Chairman and Managing Director

PARESH H. CLERK
Partner
Membership No. 36148
PLACE : MUMBAI
DATED : May 18, 2017

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

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

KIRAT PATEL
Executive Director

PLACE : MUMBAI
DATED : May 18, 2017

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF CONSOLIDATION

1.1. BASIS OF PREPARATION

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

1.2. PRINCIPLES OF CONSOLIDATION

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

The consolidated statements are prepared on the following basis:

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

1.3. USE OF ESTIMATES

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

1.4. PROPERTY, PLANT AND EQUIPMENT AND OTHERS:

- i. The Company has adopted the cost model as its accounting policy for all its Property, Plant and Equipment and accordingly, the same are reflected as under:

Land (Freehold) is carried at cost;

Land (Leasehold) is carried at cost less amortisation;

Other items of assets are carried at cost less accumulated depreciation/amortisation and impairment losses, if any.

- ii. An item of Property, Plant and Equipment is recognised as an asset, hitherto referred to as fixed asset, if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Items such as spare parts, stand-by equipment and servicing equipment are recognised under property, plant and equipment, if those meet the definition thereof, else, such spare parts, etc. are classified as inventory.
- iii. The cost comprises of - purchase price (net of CENVAT/ value added tax), including import duties and non-refundable taxes, after deducting trade discounts and rebates, any cost incurred which is directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and interest on borrowings attributable to the acquisition of qualifying Property, Plant and Equipment upto the date on

which the Asset is ready for its intended use, if any. It also includes exchange difference capitalised, if any, in terms of Para 46/46A of Accounting Standard 11 on "Effects of Changes in Foreign Exchange Rates".

- iv. Items of Property, Plant and Equipment which are retired from active use and held for disposal, and where the sale is highly probable, are classified as "Assets held for disposal" under "Other Current Assets; the same are carried at the lower of their carrying amount and net realisable value.
- v. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development".

1.5. DEPRECIATION AND AMORTISATION:

- i. Depreciation on Property, Plant and Equipment 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 manner intended by management.
- a. Where the cost of a part of the asset which is significant to total cost of the asset and useful life of the part is different from the useful life of the remaining asset, the Company has determined the useful life of the significant part separately ("Component Accounting") and accordingly, provided depreciation on such parts.
- b. Depreciation on Plant and Machinery (including those identified under the Component Accounting) other than those not specifically covered under the classification 'Special Plant and Machinery used in manufacturing of Chemicals' is provided on the straight line method over the useful lives as determined by the internal technical evaluation as follows:
 - i. Spare parts, stand-by equipment and servicing equipment : 10 years.
 - ii. Catalyst : 5 years.
 - iii. Other Property, Plant and Equipment : 20 years.

The Management believes that the useful lives as determined best represent the period over which it expects to use these assets which is the same as the useful life of the Special Plant and Machinery. Hence, the useful lives for such Plant and Machinery are different from the useful lives as prescribed under Part C of Schedule II of Companies Act, 2013.

Exchange Differences capitalised in terms of Para 46/46A of Accounting Standard 11 on "Effects of Changes in Foreign Exchange Rates" are depreciated over the balance life of the assets from the year in which such differences have been capitalised.

- c. Leasehold land and Leasehold improvements are being amortised on the straight line method over the period of lease.
- d. Revalued amount of leasehold land is amortised over its remaining lease period of 72 years commencing from the year 2002-03.
- ii. Intangible assets are amortised on the straight line method over their estimated useful life as follows:
 - a. Development of R & D Products/Processes (Internally generated) : 5 years.
 - b. Patents : 10 years.
 - c. REACH Registration : 5 years.
 - d. Computer Software : 10 years.
- iii. Depreciation for assets purchased/sold during the period is proportionately charged.

1.6. INVESTMENTS:

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

1.7. INVENTORIES:

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

Cost is determined on a Weighted Average basis.

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

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

Cost is determined on a Weighted Average basis.

1.8. TAXATION:

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

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

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

1.9. REVENUE RECOGNITION:

i. Sales of Manufactured Goods:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. 'Sales' include packing charges, excise duty and are net of returns.

Revenue from sales is recognised when the significant risks and rewards of ownership are transferred to the customers which is based upon the terms of contract and the Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the determination of the amount of consideration or its associated costs, that will be derived from the sale of goods.

ii. Recognition of Export Benefits:

Export Benefit Entitlements are recognised only to the extent there is a reasonable certainty of its ultimate collection in the year in which the Export Sales are accounted for.

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

iii. Commission receivable on sales:

Export Benefit Entitlements are recognised only to the extent there is a reasonable certainty of its ultimate collection in the year in which the Export Sales are accounted for.

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

iv. Interest Income:

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

1.10. EMPLOYEE BENEFITS:

i. Defined Contribution Plan:

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

ii. Defined Benefit Plan:

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

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

1.11. RESEARCH AND DEVELOPMENT COSTS:

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

1.12. FOREIGN CURRENCY TRANSACTIONS:

- i. Transactions in foreign currencies are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- ii. Monetary items which are denominated in foreign currency are translated at the exchange rates prevailing at the Balance Sheet date and profit/loss on translation thereon is credited/ charged to the Statement of Profit and Loss.
- iii. Exchange differences arising on settlement or restatement of foreign currency denominated liabilities relating to the acquisition of Assets have been recognised in the Statement of Profit and Loss. However, on the basis of the option available to the Company, exchange differences arising on Long-term Foreign Currency Monetary items at rates different from those at which they were initially recorded in so far as they relate to the acquisition of a depreciable capital asset, has been added or deducted from the cost of such assets (Refer Note 29).
- iv. In case of forward contracts with an underlying assets and liabilities, the exchange difference between the forward rate and the exchange rate at the date of transaction is recognised as income or expense over the life of the contract. Exchange differences on such a contract is recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

1.13. DERIVATIVE CONTRACTS:

In order to manage its exposure to foreign currency risks for highly probable forecast transactions for exports and imports, the Company enters into forward contracts. Further, to hedge interest rate and foreign currency risks from External Commercial Borrowings, the Company enters into Cross Currency Interest Rate Swap. The Company does not use derivatives for trading or speculation purposes.

Derivatives contracts which are not covered by Accounting Standard 11 on "The Effects of Changes in Foreign Exchange Rates" are accounted in accordance with the Guidance Note on "Accounting for Derivative Contracts" issued by the Institute of Chartered Accountants of India.

The Company designates a hedge as a cash flow hedge if the hedge relationship between the hedging instrument and hedged item is established and is effective at the inception of the derivative contract.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions.

All derivative contracts are recognised on the balance sheet and measured at fair value. Any gain or loss on contracts designated as effective cash flow hedges are recorded in Cash flow Hedge Reserve under Reserves and Surplus. In such cases, gains or losses are reclassified to Statement of Profit and Loss when the impact from hedged item is recognised in the Statement of Profit and Loss. Changes in the fair value relating to the ineffective portion of the hedges and derivative instruments that do not qualify or have not been designated for hedge accounting are recognised in the Statement of Profit and loss.

1.14. SEGMENT REPORTING POLICIES:
i. Identification of segments

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

ii. Segment Policies

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

1.15. LEASE RENTALS:

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

1.16. BORROWING COSTS:

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

1.17. IMPAIRMENT OF ASSETS:

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

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

1.18. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

2. 2.1. COMPANIES INCLUDED IN CONSOLIDATION :

Name of Company	Subsidiary/ Associate	Country of incorporation	% of holding	
			As At March 31, 2017	As At March 31, 2016
Alkyl Speciality Chemicals Limited	Subsidiary	India	100.00	100.00
Diamines and Chemicals Limited	Associate	India	30.44	30.44

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

	As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs
3. Share Capital		
Authorised :		
30,000,000 (30,000,000) Equity Shares of ₹ 5 par value	1,500.00	1,500.00
1,500,000 (1,500,000) Cumulative Redeemable Preference Shares of ₹ 100 par value	1,500.00	1,500.00
	3,000.00	3,000.00
Issued, Subscribed And Paid Up :		
20,396,392 (20,396,392) Equity Shares of ₹ 5 par value fully paid	1,019.82	1,019.82
Shares forfeited	0.78	0.78
	1,020.60	1,020.60

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

	As At March 31, 2017		As At March 31, 2016	
	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs
Equity Shares of ₹ 5 par value				
At the beginning	20,396,392	1,019.82	20,396,392	1,019.82
Changes during the year	NIL	NIL	NIL	NIL
At the end	20,396,392	1,019.82	20,396,392	1,019.82

3.2 Rights, preferences and restrictions

- The Company has only one class of shares referred to as equity shares having par value of ₹ 5. Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees. With effect from April 1, 2016, final dividend, if any, proposed by the Board of Directors is recorded as a liability on the date of the approval of the shareholders in the coming Annual General Meeting; in case of interim dividend, it is recorded as a liability on the date of declaration by the Board of Directors of the Company. Board of Directors, in their meeting held on May 18, 2017 has recommended final dividend of ₹ 5 per equity share of face value of ₹ 5 each for the year ended March 31, 2017.

During the year ended March 31, 2016, the amount of per share interim dividend recognised as distribution to equity shareholders was ₹ 10 for face value of ₹ 5 each. The dividend appropriation for the year ended March 31, 2016 amounted to ₹ 2,454.93 lakhs, including corporate dividend tax of ₹ 415.29 lakhs.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	As At March 31, 2017		As At March 31, 2016	
Name of the Shareholder	No. of shares	% held	No. of shares	% held
Yogesh M. Kothari	12,206,622	59.85	12,206,622	59.85

		As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
4. Reserves and Surplus			
Revaluation Reserve (Of the Associate Company)			
As per last Balance Sheet	85.39		87.68
Less: Transferred to General Reserve (Refer Note 4.1)	0.56		2.29
Less: Adjustment against the carrying amount of Leasehold Land and Building (Refer Note 4.1)	84.83		
		NIL	85.39
Capital Reserve			
As per last Balance Sheet		142.70	142.70
Capital Redemption Reserve			
As per last Balance Sheet		25.00	25.00
Securities Premium			
As per last Balance Sheet		1,290.97	1,290.97
General Reserve			
As per last Balance Sheet	3,558.10		3,620.78
Less : Adjustment for Component Accounting [Refer Note 13.9]	NIL		64.97
Add : Transfer from Revaluation Reserve	0.56		2.29
Add : Transfer from Surplus	NIL		NIL
		3,558.66	3,558.10
Cash Flow Hedge Reserve			-
As per last Balance Sheet	NIL		NIL
Add: Unrealised Gains/(Loss) form effective Hedges	(466.46)		NIL
Less: Reclassification to Statement of Profit and Loss	(69.05)		NIL
		(397.41)	NIL
Surplus			
As per last Balance Sheet	14,787.02		12,238.18
Add : Net Profit after Tax transferred from Statement of Profit and Loss	5,100.23		5,003.77
Less : On Disposal of Subsidiary	NIL		NIL
Less : Appropriations			
General Reserve	NIL		-
Interim Dividend paid	NIL*		2,039.64
Tax on Interim Dividend	NIL*		415.29
		19,887.25	14,787.02
		24,507.17	19,889.18

* Refer Note 3.2(ii)

4.1 Transitional provisions specified in Accounting Standard 10 on "Property, Plant and Equipment", as introduced by the Companies (Accounting Standards) Amendment Rules, 2016, provide that in case an enterprise does not adopt the revaluation model as its accounting policy, but if there is any previous revaluation reflected in the carrying amount of an item of Property, Plant and Equipment, the amount outstanding in the Revaluation Reserve is to be adjusted against the carrying amount of that item, maximum upto its residual value. Thereafter, any excess amount in the Revaluation Reserve is to be adjusted in revenue reserves. In terms thereof, the Company has adjusted the Revaluation Reserve of ₹ 278.64 lakhs against the carrying amounts of Leasehold Land and Building. Thereafter, the balance of ₹ 1.84 lakhs outstanding as Revaluation Reserve is adjusted in General Reserve.

For the previous year ended March 31, 2016 - As per the Guidance Note on Accounting for depreciation in the context of Schedule II to the Companies Act, 2013 issued by the Institute of Chartered Accountants of India (ICAI), the amount of depreciation on the revaluations of during the year was ₹ 753,112 withdrawn and transferred to General Reserve.

	As At March 31, 2017	As At March 31, 2016
₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
5. Long-term Borrowings		
Term Loans		
-Secured		
From Banks [Refer Note 5.1 (a)]	6,245.30	3,200.15
Deferred Payment Liability		
-Unsecured		
Sales Tax Deferral under the Package Scheme of Incentives, 1993 [Refer Note 5.1 (b)(i) below]	377.27	527.94
Loans and advances from Related Parties		
-Unsecured [Refer Note 5.1 (b)(ii) below]	NIL	740.00
	6,622.57	4,468.09

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

	As At March 31, 2017	As At March 31, 2016
Rate of Interest	₹ In Lakhs	₹ In Lakhs
a. Term Loan from Banks:		
i. Foreign Currency Term Loans to part finance Company's normal capital expenditure which are secured by creation of pari passu charge on Company's immovable properties situated at Plot No. A-7, A-7 (part) and A-25 at Patalganga and Plot no. D-6/1 at Kurkumbh, Maharashtra and also a second pari passu charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, etc. of :		
USD 3.3 million repayable in 16 quarterly instalments beginning from September 30, 2012, 3.40% p.a.	NIL	138.67
USD 3 million repayable in 16 quarterly instalments beginning from June 14, 2014 (covered by Interest rate and Currency rate Swap) 3.66% p.a.	493.05	1,008.45
USD 3.2 million repayable in 16 quarterly instalments beginning from February 11, 2015 (covered by Interest and Currency rate Swap) and 3 month LIBOR plus 3.05% p.a.	986.10	1,546.29
USD 6.00 million repayable in 16 quarterly instalments beginning from January 27, 2017 (covered by Interest and Currency rate swap). (Availed partial draw down of US\$ 2.50 million on October, 2015) 3 month LIBOR plus 1.65% p.a.	3,944.40	1,680.75
ii. Foreign Currency Term Loans to part finance Company's Dahej Project are secured by creation of pari passu charge on Company's immovable properties situated at Plot No. A-7, A-7 (part) and A-25 at Patalganga, Maharashtra, Plot no. D-6/1 at Kurkumbh, Maharashtra and Plot No. D-2/CH/149/2 at Dahej, Gujarat and also a second pari passu charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, both present and future of :		
USD 7.5 million from Standard Ch. Bank repayable in 18 quarterly installments beginning from October 2018 (covered by Interest and Currency rate swap). Availed partial draw down of USD 2.00 million on January, 2017. Hypothecation is completed, creation of mortgage is under progress. 3 month LIBOR plus 1.40% p.a.	1,314.80	NIL
USD 7.5 million from Citibank repayable in 18 quarterly installments beginning from August 2018 (covered by Interest and Currency rate swap). (Availed partial draw down of USD 2.00 million on February, 2017. Both Hypothecation and creation of mortgage are under progress. 1 month LIBOR plus 0.80% p.a.	1,314.80	NIL
iii. Vehicle Loans are secured against specified assets repayable in equated monthly instalments ranging from 36 to 60 months Ranging from 10.30% p.a. to 10.50% p.a.	6.72	16.81
	8,059.87	4,390.97
Less : Current Maturities of Long-term Debt (Refer Note 11)	1,814.57	1,190.82
	6,245.30	3,200.15

b. Unsecured Borrowings:		As At March 31, 2017	As At March 31, 2016
		₹ In Lakhs	₹ In Lakhs
	Terms of Repayment		
i. Deferred Payment Liability	Repayable after 10 years from the respective year in which actual tax was collected commencing from April 26, 2012.	536.44	687.11
Less : Current Maturities of Long-term Debt (Refer Note 11)		159.17	159.17
		377.27	527.94
ii. Loans and advances from Related Parties	Not repayable before March 31, 2017 and carries interest rate ranging from 8.50% p.a. to 10.75% p.a.	NIL	740.00

6. Deferred Tax Liabilities (Net)	As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs
Items of Timing Difference	Accumulated Deferred Tax (Assets) / Liabilities	Accumulated Deferred Tax (Assets) / Liabilities
Deferred Tax Liabilities		
Related to Plant, Property and Equipment and Others	3,478.42	2,973.97
	3,478.42	2,973.97
Deferred Tax Assets		
Provision for doubtful debts and advances	(36.40)	(0.97)
Provision for Gratuity	(58.76)	(37.28)
Provision for Leave Encashment	(78.49)	(62.24)
Disallowance under section 43B	(33.81)	(4.16)
Others	1.47	(5.21)
	(205.99)	(109.86)
Net Deferred Tax (Assets) / Liabilities	3,272.43	2,864.11

6.1 Note : Deferred Tax Liability for the year is arrived at after Deferred Tax Asset of ₹ 13.85 lakhs (Previous Year Deferred Tax Liability of ₹ 89.20 lakhs) relating to prior period.

	As At March 31, 2017	As At March 31, 2016
₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
7. Other Long-term Liabilities		
Payable on Currency Swap	382.53	NIL
	382.53	NIL
8. Long-term Provisions		
Provision for Employee Benefits (Refer Note 36)		
For Gratuity	166.15	141.35
For Leave Encashment	155.33	124.84
	321.48	266.19
	321.48	266.19

	As At March 31, 2017	As At March 31, 2016
₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
9. Short-term Borrowings		
Loans repayable on demand (Refer Note 9.1)		
Secured		
From Banks		
Cash Credit Facilities	816.87	3,904.71
Unsecured		
Buyers' Credit	2,768.39	NIL
Loans and advances from Related Parties.		
Unsecured	52.50	1,349.50
Deposits - Inter Corporate		
Unsecured		
From Related Parties (Refer Note 38)	NIL	72.00
	3,637.76	5,326.21

9.1 Cash Credits are secured by hypothecation of stocks of raw materials, semi-finished goods, finished goods, consumable stores and book debts of the Company, both present and future, as mentioned in the joint deed of hypothecation dated December 29, 1989 as amended from time to time, as well as by the second mortgage of the specified immovable properties of the Company.

10. Trade Payables

Micro, Small and Medium Enterprises (Refer Note 10.1)	27.74	30.76
Others	8,026.08	4,345.02
	8,053.82	4,375.78
	8,053.82	4,375.78

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

	As At March 31, 2017	As At March 31, 2016
₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Principal amount remaining unpaid and interest due thereon		
- Principal Amount	27.73	30.76
- Interest	0.01	NIL
Interest paid in term of Section 16	NIL	NIL
Interest due and payable for the period of delay in payment	0.01	NIL
Interest accrued and remaining unpaid	NIL	NIL
Interest due and payable even in succeeding years	NIL	NIL

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

	As At March 31, 2017	As At March 31, 2016
₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
11. Other Current Liabilities		
Current maturities of Long-term Debt		
Term Loans		
Secured		
From Banks [Refer Note 5.1(a)]	1,814.57	1,190.82
Deferred payment liabilities		
Unsecured		
Sales Tax Deferral under the Package Scheme of		
Incentives, 1993 [Refer Note 5.1 (b)(i)]	159.17	159.17
Interest accrued but not due on borrowings	79.79	20.98
Unpaid Dividends	57.16	91.01
Other Payables		
- For Capital Expenses	761.70	308.43
- Others*	1,784.99	1,543.58
	4,657.38	3,313.99
*Others include Statutory Dues, Advance from Customers and other year-end provisions.		
12. Short-term Provisions		
Provision for Employee Benefits (Refer Note 34)		
For Gratuity	3.64	NIL
For Leave Encashment	71.48	55.00
	75.12	55.00
Provision for Tax	19.01	1,525.44
Less : Taxes paid	9.36	1,500.81
	9.65	24.63
	84.77	79.63

13. Property, Plant and Equipment and others

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As At April 01, 2016	During the year		As At March 31, 2017	Upto March 31, 2016	For the year	Deduction/ Adjustments	As at March 31, 2017	As At March 31, 2017	As At March 31, 2016
		Additions	Other Adjustments							
Current Year										
A. Property, Plant and Equipment										
Land										
Freehold Land	83.50	NIL	NIL	82.35	NIL	NIL	NIL	NIL	82.35	83.50
Leasehold Land (Note 13.2)	1,445.44	NIL	NIL	1,445.44	98.49	14.99	NIL	113.48	1,331.96	1,346.95
Leasehold Improvements	51.00	NIL	NIL	51.00	0.02	6.92	NIL	6.94	44.06	50.98
Buildings	3,857.97	122.17	NIL	3,980.14	1,266.60	139.98	NIL	1,406.58	2,573.56	2,591.37
Plant and Equipment (Note 13.3)										
Machinery	24,817.36	4,237.70	152.41	29,063.01	10,901.82	1,097.71	133.62	11,865.91	17,197.10	13,915.54
Electrical Equipments	103.04	8.71	NIL	108.19	47.04	7.39	2.60	51.83	56.36	56.00
Furniture and Fixtures	167.90	39.59	NIL	207.49	100.35	10.41	NIL	110.76	96.73	67.55
Vehicles	208.25	16.49	NIL	217.74	96.37	22.88	6.65	112.60	105.14	111.88
Office Equipments	315.32	49.40	NIL	364.72	225.10	27.55	NIL	252.65	112.07	90.22
Others										
Electrical Installations	826.77	80.91	NIL	907.68	556.40	62.36	NIL	618.76	288.92	270.37
Total	31,876.55	4,554.97	152.41	36,427.76	13,292.19	1,390.19	142.87	14,539.51	21,888.25	18,584.36
B. Intangible Assets										
Internally Generated										
Development of R&D Products	33.62	NIL	NIL	33.62	33.62	NIL	NIL	33.62	NIL	NIL
Others										
Patents	39.39	7.70	NIL	47.09	6.54	4.47	NIL	11.01	36.08	32.85
REACH Registration	172.84	NIL	NIL	155.06	84.25	32.13	NIL	116.38	38.68	88.59
Others	7.97	39.92	NIL	47.89	0.47	1.79	NIL	2.26	45.63	7.50
Total	253.82	47.62	NIL	283.66	124.88	38.39	NIL	163.27	120.39	128.94
C. Capital Work-in-Progress										
	1,606.66	6,427.42	149.24	3,475.94					3,475.94	1,606.66
Total	1,606.66	6,427.42	149.24	3,475.94					3,475.94	1,606.66
D. Intangible Assets Under Development										
Internally Generated										
Development of R&D Products	NIL	NIL	NIL	NIL					NIL	NIL
Others										
Patents	7.70	NIL	NIL	7.70	NIL				NIL	7.70
REACH Registration	NIL	NIL	NIL	NIL	NIL				NIL	NIL
Others	NIL	39.92	NIL	39.92	NIL				NIL	NIL
Total	7.70	39.92	NIL	47.62	NIL				NIL	7.70

₹ In Lakhs

DESCRIPTION	GROSS BLOCK					DEPRECIATION AND AMORTISATION				NET BLOCK	
	As At April 01, 2015	During the year			As At March 31, 2016	Upto March 31, 2015	For the year	Deduction/ Adjustments	As At March 31, 2016	As At March 31, 2016	As At March 31, 2015
		Additions	Other Adjustments	Deduction/ Transfer							
Previous Year											
A. Property, Plant and Equipment											
Land											
Freehold Land	1.15	82.35	NIL	NIL	83.50	NIL	NIL	NIL	NIL	83.50	1.15
Leasehold Land (Note 13.2)	1,438.54	6.90	NIL	NIL	1,445.44	83.52	14.97	NIL	98.49	1,346.95	1,355.02
Leasehold Improvements	NIL	49.73	1.27	NIL	51.00	NIL	0.02	NIL	0.02	50.98	NIL
Buildings	3,450.92	403.40	NIL	(3.65)	3,857.97	1,128.53	135.35	(2.72)	1,266.60	2,591.37	2,322.39
Plant and Equipment (Note 13.3)											
Machinery	20,576.79	4,314.32	87.70	161.45	24,817.36	9,949.56	934.93	(17.32)	10,901.82	13,915.54	10,627.23
Electrical Equipments	90.59	12.45	NIL	NIL	103.04	40.21	6.83	NIL	47.04	56.00	50.38
Furniture and Fixtures	179.55	34.03	NIL	45.68	167.90	136.65	5.94	42.24	100.35	67.55	42.90
Vehicles	203.57	68.44	NIL	63.76	208.25	115.59	40.80	60.02	96.37	111.88	87.98
Office Equipments	341.53	14.60	NIL	40.81	315.32	241.96	21.90	38.76	225.10	90.22	99.57
Others											
Electrical Installations	774.25	48.62	3.90	NIL	826.77	468.72	87.68	NIL	556.40	270.37	305.53
Total	27,056.89	5,034.84	92.87	308.05	31,876.55	12,164.74	1,248.42	120.98	13,292.19	18,584.36	14,892.15
B. Intangible Assets											
Internally Generated											
Development of R&D Products/Processes	33.62	NIL	NIL	NIL	33.62	31.88	1.74	NIL	33.62	NIL	1.74
Others											
Patents	39.39	NIL	NIL	NIL	39.39	2.61	3.93	NIL	6.54	32.85	36.78
REACH Registration	172.84	NIL	NIL	NIL	172.84	49.68	34.57	NIL	84.25	88.59	123.16
Others	NIL	7.97	NIL	NIL	7.97	NIL	0.47	NIL	0.47	7.50	NIL
Total	245.85	7.97	NIL	NIL	253.82	84.17	40.71	NIL	124.88	128.94	161.68
C. Capital Work-in-Progress											
	3,099.56	3,616.33	6.28	5,115.51	1,606.66					1,606.66	3,099.56
Total	3,099.56	3,616.33	6.28	5,115.51	1,606.66					1,606.66	3,099.56
D. Intangible Assets Under Development											
Internally Generated											
Development of R&D Products/Processes	NIL	NIL	NIL	NIL	NIL	-	-	-	-	NIL	NIL
Others											
Patents	7.70	NIL	NIL	NIL	7.70					7.70	7.70
REACH Registration	NIL	NIL	NIL	NIL	NIL					NIL	NIL
Others	NIL	3.38	NIL	3.38	NIL					NIL	NIL
Total	7.70	3.38	NIL	3.38	7.70					7.70	7.70

₹ In Lakhs

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

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK	
	As At April 01, 2016	During the year	As At March 31, 2017	Upto March 31, 2016	For the year	Deduction/ Adjustments	As At March 31, 2017	As At March 31, 2016
A. Property, Plant and Equipment								
Leasehold Improvements	51.00	NIL	51.00	0.02	6.92	NIL	44.08	50.98
Plant and Equipment								
Machinery	198.08	17.83	215.91	124.61	9.57	NIL	81.73	73.47
Electrical Equipments	12.59	NIL	9.03	7.41	0.96	2.60	3.26	5.18
Furniture and Fixtures	61.80	0.85	62.65	50.56	1.03	NIL	11.06	11.24
Vehicles	17.10	NIL	17.10	1.72	2.03	NIL	13.35	15.38
Office Equipments	9.87	6.19	16.06	7.09	2.28	NIL	6.69	2.78
Others								
Electrical Installations	1.26	NIL	1.26	0.37	0.08	NIL	0.81	0.89
Current year	351.70	24.87	373.01	191.78	22.87	2.60	160.98	159.92
Previous year	244.99	118.61	351.70	191.19	13.10	12.51	159.92	
B. Intangible Assets								
Internally Generated								
Development of R&D Products/Processes	33.62	NIL	33.62	33.62	NIL	NIL	NIL	NIL
Others								
Patents	39.39	7.70	47.09	6.54	4.47	NIL	36.08	32.85
Current year	73.01	7.70	80.71	40.16	4.47	NIL	36.08	32.85
Previous year	73.01	NIL	73.01	34.51	5.67	0.02	32.85	
C. Capital Work-in-Progress								
	NIL	29.27	4.40				4.40	NIL
Current year	NIL	29.27	4.40				4.40	NIL
Previous year	13.25	112.69	NIL				NIL	
D. Intangible Assets Under Development								
Internally Generated								
Development of R&D Products/Processes	NIL	NIL	NIL				NIL	NIL
Others								
Patents	7.70	NIL	NIL				NIL	7.70
Current year	7.70	NIL	NIL				NIL	7.70
Previous year	7.70	NIL	7.70				7.70	

13.2. The Lease Deed from MIDC in respect of Plot Nos. D-6/2, R-1 and R-2 at Kurkumbh of the value of ₹ 131.13 lakh (Previous Year ₹ 131.13 lakh) are yet to be executed.

13.3. Plant, Machinery and Equipment include ₹ 242.66 lakh (Previous Year ₹ 242.66 lakh) being value of machinery installed at third party premises of Job Contractor (including that of the Associate Company), duly confirmed by them.

13.4. Transfer from Capital Work-in-Progress and Intangible Assets Under Development represents capitalisation to Property, Plant and Equipment or Intangible Assets, as the case may be. It also includes write off of Capital Work-in-Progress of ₹ NIL lakh (Previous Year ₹ 6.07 lakh).

13.5. Addition to Capital Work-in-Progress, inter alia, includes expenses incurred and pending for the capitalisation of Company's project at Dahej:

Particulars	As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs
Pre-operative expenditure as follows:		
Balance at the beginning of the year	593.96	21.51
Add: Expenditure during the year		
Employee Benefits Expense		
Labour Charges	771.44	NIL
Other Expenses	39.62	NIL
Finance Costs	27.85	NIL
Other Expenses		
Stores and Spares Consumed	1,183.02	NIL
Power and Fuel	NIL	300.28
Repairs	118.25	85.07
Professional Fees	183.97	170.90
Legal Charges	118.87	NIL
Other Expenses	69.90	16.20
Balance at the end of the year	3,106.88	593.96

13.6. Other Adjustments under the Gross Block represent Borrowings Costs of ₹ 300.15 lakh (Previous Year ₹ 64.37 lakh) and Exchange Differences of ₹ 1.51 lakh (Previous Year ₹ 34.78 lakh) capitalised in terms of AS - 11. For related disclosures, refer Note 28 to the financial statements.

13.7. In the light of Accounting Standard 10 on "Property, Plant and Equipment" becoming effective from April 1, 2016, the items of Spare Parts etc. which hitherto were being treated as Inventory either under Current or Non-current Assets are now capitalised as Property, Plant and Equipment or Capital Work-in-Progress at their carrying amounts of ₹ 99.88 lakhs and ₹ 286.97 lakhs respectively.

13.8. Freehold land at Kalol has been held for disposal and is shown as current assets held for sale.

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

		As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
14. Non-current Investments			
Long-term investments - valued at cost less provision for other than temporary diminution			
Trade			
In equity instruments of Associate			
Quoted			
Fully paid Equity shares			
Quantity Investee Company			
2,977,997 Diamines and Chemicals Limited		144.11	144.11
(2,977,997) of ₹ 10 each			
Add : Share of post acquisition profits			
At the beginning of the year	852.86		845.30
During the year	45.37		7.56
		898.23	852.86
		1,042.34	996.97

	Cost ₹ In Lakhs	Market Value ₹ In Lakhs	Cost ₹ In Lakhs	Market Value ₹ In Lakhs
Aggregate amount of Quoted Investments	144.11	1,648.32	144.11	1,002.10

14.1 Investments in Associate include Goodwill of ₹ 154.35 Lakh (₹ 154.35 Lakh).

		As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
15. Long-term Loans and Advances			
Unsecured			
Capital Advances			
Considered Good		1,634.34	294.25
Security Deposits			
Considered Good		136.07	51.50
Other Loans and advances			
Advances recoverable in cash or in kind for value to be received			
Considered Good	667.42		687.74
Taxes Paid	5,954.54		2,565.89
Less : Provision for Taxes	5,564.85		2,184.26
	389.69		381.63
		1,057.11	1,069.37
		2,827.52	1,415.12

	As At March 31, 2017	As At March 31, 2016
₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
16. Other Non-current Assets		
Interest Receivable on Bank/Security Deposits	0.33	NIL
Inventories (Refer Note 13.7)	NIL	94.00
Trade Receivables		
Considered Doubtful		
-Outstanding for a period exceeding six months from the date they are due for payment	NIL	0.88
Less : Provision for Doubtful Debts	NIL	0.88
Cash and Bank Balances	NIL	NIL
Other Bank Balances		
-On Fixed Deposit Accounts		
With maturity beyond 12 months from Balance Sheet date (Held as margin money against Bank Guarantee)	13.94	12.96
Other loans and advances		
Advances recoverable in cash or in kind for value to be received		
Advance to Suppliers		
Considered Doubtful	105.17	1.18
Less : Provision for Doubtful Advances	105.17	1.18
	NIL	NIL
Receivable on Currency Swap	26.81	185.96
	41.08	292.92
17. Inventories		
Raw Materials	5,931.05	871.59
(Includes in transit ₹ 2928.37 Lakhs, Previous Year NIL)		
Packing Materials	116.90	119.05
(Includes in transit ₹ 0.80 Lakhs, Previous Year NIL)		
Work-in-Progress [Refer Note 17.1(a)]	490.60	690.49
Finished Goods [Refer Note 17.1(b)]	3,496.95	3,384.40
(Includes in transit ₹ 315.63 Lakhs, Previous Year ₹ 175.09 Lakhs)		
Stores and Spares (Refer Note 12.7)	526.75	526.64
(Includes in transit ₹ 0.21 Lakhs, Previous Year NIL)		
Other Utilities, Catalyst, etc. (Refer Note 12.7)	578.74	723.48
(Includes in transit ₹ 42.74 Lakhs, Previous Year NIL)		
	11,140.99	6,315.65



		As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
17.1 Details of Inventories :			
a. Work-in-Progress			
Amines and Amines Derivatives		359.48	449.89
Other Speciality Chemicals		131.12	240.60
		490.60	690.49
b. Finished Goods			
Amines and Amines Derivatives		3,250.49	3,136.82
Other Speciality Chemicals		245.61	247.23
Industrial Gases		0.85	0.35
		3,496.95	3,384.40
18. Trade Receivables			
Unsecured, Considered Good			
Outstanding for a period exceeding six months from the date they are due for payment	3.05		26.22
Others	9,730.80		9,003.33
		9,733.85	9,029.55
		9,733.85	9,029.55
19. Cash and Bank Balances			
Cash and cash equivalents			
Cash on hand	2.23		3.39
Balances with Banks			
-On Current Accounts	264.27		302.41
-On Unpaid Dividend Accounts	57.16		91.01
		323.66	396.81
Other Bank Balances			
-On Fixed Deposit Accounts			
With maturity within 12 months from Balance Sheet date (Held as margin money against Bank Guarantee)		200.17	200.00
		523.83	596.81

	SBNs	Other denomination notes	Total
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs

19.1 In terms of Ministry of Corporate Affairs ("MCA") Notification No G.S.R.308 (E) dated March 30, 2017 details of Specified Bank Notes* (SBNs) transacted during the period from November 8, 2016 to December 30, 2016 is as under :

Closing cash in hand as on November 08, 2016	4.29	1.85	6.14
(+) Permitted receipt	NIL	0.04	0.04
(-) Permitted payment	0.15	7.79	7.94
(+) Amounts withdrawn from Banks	NIL	9.48	9.48
(-) Amounts deposited in Banks	4.14	0.01	4.15
Closing cash in hand as on December 30, 2016	NIL	3.57	3.57

* For the purpose of this Note, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of economic Affairs number S.O. 3407(E) dated November 8, 2016.

		As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
20. Short-term Loans and Advances			
Unsecured, Considered Good			
Security Deposits		0.25	18.77
MAT Credit Entitlement		10.76	12.20
Other Loans and Advances			
Advances recoverable in cash or in kind for value to be received	657.47		395.11
Advances to Suppliers	47.85		1,635.92
Balances with Excise and Service Tax Authorities	932.21		405.55
		1,637.53	2,436.58
		1,648.54	2,467.55
21. Other Current Assets			
Interest Receivable on Bank/Security Deposits		28.53	15.95
Deferred Premium on Forward Contracts		NIL	0.10
Receivable on Currency Swap		88.09	145.50
Freehold Land held for disposal		1.15	NIL
		117.77	161.55

	For the year ended March 31, 2017		For the year ended March 31, 2016	
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
22. Revenue From Operations				
Sale of Products - Manufactured Goods		52,977.12		51,230.35
Other Operating Revenues				
Scrap and Raw Material Sales	89.53			72.17
Toll and Other Processing Income	567.25			831.65
Export Incentives	530.45			163.91
Miscellaneous Income	14.18			30.83
		1,201.41		1,098.56
		54,178.53		52,328.91
Less : Excise Duty on Sales		4,114.67		3,969.56
		50,063.86		48,359.35
22.1 Details of Sales of Products:				
Amines and Amines Derivatives		43,975.08		42,277.73
Speciality Chemicals		8,614.93		8,411.51
Industrial Gases		387.11		541.11
		52,977.12		51,230.35
23. Other Income				
Interest on Deposits an Others		67.26		78.47
Insurance Claims		5.83		5.44
Amounts/Excess Provision written back (Refer Note 35)		33.64		14.47
Provision for Doubtful Debts/Advances no longer required		1.02		146.28
Profit on Sale of Asset		NIL		6.76
Profit on Sale of Units of Mutual Fund		2.61		NIL
Miscellaneous Income		4.02		5.06
		114.38		256.48
24. Cost of Materials Consumed				
Raw Materials (Refer Note 24.1 and 28.3)				
Opening Stock	871.59			2,558.44
Add: Purchases	29,658.41			22,743.84
	30,530.00			25,302.28
Less: Closing Stock	5,931.05			871.59
		24,598.95		24,430.69
Packing Materials				
Opening Stock	119.05			95.17
Add: Purchases	1,627.46			1,635.88
	1,746.51			1,731.05
Less: Closing Stock	116.90			119.05
		1,629.61		1,612.00
		26,228.56		26,042.69



	For the year ended March 31, 2017		For the year ended March 31, 2016	
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
24.1 Details of Raw Materials Consumed :				
Alcohols		14,343.16		13,856.42
Industrial Gases		3,522.90		3,906.78
Others		6,732.89		6,667.49
		<u>24,598.95</u>		<u>24,430.69</u>
25. Changes in Inventories of Finished Goods and Work-In-Progress				
Finished Goods				
Closing Stock	3,496.95			3,384.40
Less : Opening Stock	<u>3,384.40</u>			<u>2,621.63</u>
		(112.55)		(762.77)
Excise Duty Provision on Finished Goods				
Closing Stock	389.25			375.92
Less : Opening Stock	<u>375.92</u>			<u>291.28</u>
		13.33		84.64
Work-in-Progress				
Closing Stock	490.59			690.49
Less : Opening Stock	<u>690.49</u>			<u>518.46</u>
		199.90		(172.03)
		<u>100.68</u>		<u>(850.16)</u>
26. Employee Benefits Expense				
Salaries and wages				
Directors' Remuneration		738.10		711.84
Salaries, Wages and Benefits (Refer Note 13.5)		2,389.64		2,151.25
Contribution to Provident Fund and Other Funds		340.05		288.03
Staff Welfare Expenses		354.21		321.20
		<u>3,822.00</u>		<u>3,472.32</u>
27. Finance Costs				
Interest Expense				
On Cash Credit Facilities/Buyers' Credit	73.50			240.71
On Term Loans	166.66			215.44
On Others	<u>189.10</u>			<u>266.94</u>
		429.26		723.09
Other Borrowing Costs				
Bank Charges		88.15		29.73
Foreign Exchange Loss (as adjustment to Interest cost)		-		-
Other Finance Charges		<u>44.55</u>		<u>50.68</u>
		<u>561.96</u>		<u>803.50</u>

	For the year ended March 31, 2017		For the year ended March 31, 2016	
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
28. Other Expenses				
Stores and Spares Consumed		959.02		853.70
Power and Fuel		5,126.88		5,163.51
Rent		19.82		40.83
Repairs and Maintenance				
Building	72.36			91.63
Plant and Machinery	480.71			423.76
Others	168.93			194.07
		722.00		709.46
Insurance		46.81		49.25
Rates and Taxes		34.19		29.52
Auditors' Remuneration				
Audit Fees	8.79			10.29
Tax Audit Fees	3.00			3.00
Taxation Matters	3.22			0.20
Certification Work	3.68			7.16
Reimbursement of Expenses	0.90			0.48
		19.59		21.13
Foreign Exchange Loss (Net)		126.46		203.98
Processing Charges		734.30		691.20
Export Expenses		686.83		699.37
Freight Outward		845.36		770.58
Assets written off		NIL		88.37
Bad Debts written off		0.55		74.87
Provision for Doubtful Debts		NIL		0.88
Advances/Deposits written off		0.06		70.10
Provision for Doubtful Advances/Deposits		103.39		1.93
Corporate Social Responsibility (CSR) Expenditure (Refer Note 28.1)		125.88		88.20
Loss on sale of Investments				
Miscellaneous Expenses (Refer Note 28.3)		1,192.72		1,039.31
		10,743.86		10,596.19

	For the year ended March 31, 2017		For the year ended March 31, 2016	
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
28.1 Expenditure towards Corporate Social Responsibility (CSR) activities:				
a. Gross amount required to be spent by the Company during the year :		150.42		123.46
b. Amount spent and paid on CSR activities included in the Statement of Profit and Loss for the year :				
Nature of Expenses				
Other Expenses (Other than for Construction/ Acquisition of any asset) (In Note 28)				
Environment sustainability and Rural development		22.99		24.12
Education/Sports		75.78		44.29
Health/Woman Empowerment		24.51		17.59
Others		2.60		2.2
Total		125.88		88.20

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

Nature of expenses	For the year ended March 31, 2017		For the year ended March 31, 2016	
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Cost of Material Consumed (In Note 24)				
Raw Material		2.66		2.45
Packing Material		0.49		0.17
Employee Benefits Expense (In Note 26)				
Salaries and Wages	312.99		271.66	
Contribution to Provident and Other Funds	27.73		25.04	
Staff Welfare Expenses	13.76		13.75	
		354.48		310.45
Depreciation		27.33		18.77
Other Expenses (In Note 28)				
Stores and Spares Consumed	18.98		17.16	
Power and Fuel	0.17		0.01	
Rent	13.50		13.20	
Repairs and Maintenance:				
Plant and Machinery	3.08		2.60	
Others	5.45		22.28	
Insurance	0.69		0.02	
Rates and Taxes	2.43		0.06	
Miscellaneous Expenses	86.76		55.84	
		131.06		111.17
Total		516.02		443.01

	For the year ended March 31, 2017	For the year ended March 31, 2016
Nature of expenses	₹ In Lakhs	₹ In Lakhs
28.3 Details of Expenses for prior period:		
Expenses		
Cost of Materials Consumed		
Raw Materials (Reflected in Note 24)	NIL	0.30
Other Expenses (Reflected in Note 28)		
Miscellaneous Expenses	1.39	0.75
Total Expenses for prior period	1.39	1.05

29. Contingent Liabilities and Commitments

Particulars	As at March 31, 2017 ₹ In Lakhs	As at March 31, 2016 ₹ In Lakhs
29.1 Contingent Liabilities : (to the extent not provided for)		
i. Claims against the Company by Ex-employees in Labour Court not acknowledged as debts	60.72	89.06
ii. Income Tax (Amount deposited ₹ 330.97 lakhs) (Previous Year ₹ 135.88 lakh)	359.80	321.89
iii. Sales Tax (Amount deposited ₹ 1.00 lakh) (Previous year ₹ Nil lakh)	NIL	24.71
iv. Central Excise/Service Tax (Amount deposited ₹ 21.07 lakh) (Previous Year ₹ Nil lakh)	795.03	748.37
v. Amount paid to GIDC (Amount deposited under protest ₹ 42.63 lakhs) (Previous Year NIL lakhs)	42.63	NIL
vi. By its order of February 18, 2002, the Bombay High Court, has directed that no transport fee on denatured ethyl alcohol, one of the raw materials of the Company, shall be recovered from the Company by the State Excise Authorities until the final disposal of the petition. The petition is pending disposal by the High Court and the amount estimated on this account is ₹ 1031.50 lakh (Previous Year ₹ 956.33 lakh).		
29.2 Commitments :		
i. Estimated amount of contracts remaining to be executed on capital account	6068.96	1,410.93
Less : Advances	1634.34	294.25
Net Estimated Amount	4,434.62	1,116.68
ii. Other Commitments	NIL	NIL

30. Property, Plant and Equipment :

In terms of Accounting Standard 11 on "The Effects of Changes in Foreign Exchange Rates" (AS – 11), on the basis of option available to the Company, the Company has capitalised exchange difference aggregating to ₹ 1.51 lakh (Previous Year ₹ 34.88 lakh) which arose on the settlement or restatement of foreign currency denominated long-term liabilities relating to the acquisition of Property, Plant and Equipment (to its Machinery and Machinery under installation - Capital Work-in-Progress). In terms of the clarification issued by the Ministry of Corporate Affairs by Circular No. 25/2012 of August 9, 2012, the Company has considered the entire amount of exchange differences for the purpose of capitalisation without bifurcating the same between borrowing costs in terms of Accounting Standard 16 on "Borrowing Costs" and exchange differences in terms of AS – 11.

Disclosures required for the above capitalisation of AS - 11:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	₹ In Lakhs	₹ In Lakhs
i. Amounts capitalised:		
During the year	1.51	34.88
Cumulative upto the year end	386.75	385.24
ii. Amounts amortised:		
During the year	19.43	20.82
Cumulative upto the year end	88.36	68.93
iii. Amount remaining to be amortised as at year end	298.39	316.31

31. The Board of Directors has approved the proposed Scheme of Arrangement ("The Scheme") under sections 391 to 394 of the Companies Act, 1956 for amalgamation of Alkyl Speciality Chemicals Limited, its wholly owned subsidiary, into the Company with effect from April 1, 2016, the appointed date. Pending the approval of the National Company Law Tribunal, effect of such amalgamation has not been given in the results of the quarter and year ended March 31, 2017.

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

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

33. The shares of the associate were acquired on March 14, 2001. The value of investment in the associate is valued at ₹ 1042.34 lakh (₹ 989.41 lakh) as per AS - 23.

34. Capital Reserves include grant received by the subsidiary company from the erstwhile Co- promoter as per agreement dated June 17, 2003 to meet its obligations.

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

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

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016
	Gratuity		Compensated Absences	
Reconciliation of opening and closing balances of the present value of the defined benefit obligation	₹ In Lakhs		₹ In Lakhs	
Obligation at period beginning	776.24	621.97	179.84	165.01
Current service cost	38.66	34.64	16.33	25.94
Interest cost	62.72	49.51	14.53	13.20
Actuarial (gain)/loss	93.78	76.24	24.04	(18.23)
Benefits paid	(29.53)	(6.12)	(7.94)	(6.08)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016
Reconciliation of opening and closing balances of the present value of the defined benefit obligation	Gratuity		Compensated Absences	
	₹ In Lakhs		₹ In Lakhs	
Obligations at the year end	941.87	776.24	226.80	179.84
-Funded	775.72	634.89	NIL	NIL
-Unfunded	166.15	141.35	226.80	179.84
Change in plan assets				
Plan assets at period beginning, at fair value	668.53	431.49	N.A.	N.A.
Expected return on plan assets	54.02	34.35	N.A.	N.A.
Actuarial gain/(loss)	(3.76)	6.28	N.A.	N.A.
Contributions	82.81	202.53	N.A.	N.A.
Benefits paid	(29.53)	(6.12)	N.A.	N.A.
Plan assets at the year end, at fair value	772.07	668.53	N.A.	N.A.
Reconciliations of present value of the obligation and the fair value of plan assets	772.07	668.53	NIL	NIL
Fair value of plan assets at the end of the year	772.07	668.53	NIL	NIL
Present value of the defined benefit obligations at the end of the year	941.87	776.24	226.80	179.84
Liability/(Asset) recognised in the Balance Sheet	169.80	107.71	226.80	179.84
-Funded	3.65	(33.64)	NIL	NIL
-Unfunded	166.15	141.35	226.80	179.84
Cost for the year				
Current Service cost	38.66	34.64	16.33	25.94
Interest cost	62.72	49.51	14.53	13.20
Expected return on plan assets	(54.02)	(34.35)	NIL	NIL
Actuarial (gain)/loss	97.54	69.96	24.04	(18.23)
Net Cost recognised in the Statement of Profit and Loss	144.90	119.76	54.90	20.91
Net Cost as above :				
For the year ended March 31, 2017 is after considering Gratuity Expense of ₹ 24.81 lakh included in Directors' Remuneration and ₹ 120.09 lakh included in Contribution to Provident Fund and Other Funds shown in Note 26 on 'Employee Benefits Expense'.				
For the year ended March 31, 2016 is after considering Gratuity Expense of ₹ 29.54 lakh included in Directors' Remuneration and ₹ 90.22 lakh included in Contribution to Provident Fund and Other Funds shown in Note 24 on 'Employee Benefits Expense'.				
Category of assets				
Insurer Managed Funds	772.07	668.53	N.A.	N.A.
Assumptions used to determine the benefit obligations:				
Interest rate	7.20%	8.08%	7.20%	8.00%
Estimated rate of return on plan assets	7.20%	8.08%	N.A.	N.A.
Expected rate of increase in salary	5.00%	5.00%	5.00%	5.00%
Actual return on plan assets (₹ In Lakhs)	50.26	40.63	N.A.	N.A.

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

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

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Experience adjustment					
On plan liability (gain)/ loss	45.32	59.53	99.32	1.00	39.07
On plan assets gain/ (loss)	(3.76)	6.28	1.04	3.10	3.97
Present value of benefit obligation	941.87	776.24	621.97	435.23	433.43
Fair value of plan assets	772.07	668.53	431.49	305.45	222.60
Excess of obligation over plan assets (net)	169.80	107.71	190.48	129.78	210.83

The expected contribution is based on the same assumptions used to measure the Company's Gratuity obligations as at March 31, 2017. The Company is expected to contribute ₹ 80 lakh for the year ended March 31, 2018.

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

37.1 Primary Segment:

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

37.2 Secondary Segment (by Geographical Segment):

Particulars	Within India		Outside India		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Segment Revenue	39,176.93	38,487.11	10,886.93	9,872.24	50,063.86	48,359.35
Carrying amount of Segment Assets	50,211.79	39,610.60	2,348.72	1,993.18	52,560.51	41,603.78
Capital Expenditure	25,412.81	20,209.65	71.77	118.01	25,484.58	20,327.66

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

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

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

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

₹ In Lakhs

Particulars	Key Management Personnel and their relative	Entities on which Key Management Personnel has control	Entities on which relative of Key Management Personnel has Control
	[with 38.2 (I) and (II) below]	[with 38.2 (III) below] [with 32.2 (III) and (IV) below]	[with 32.2 (VI) below]
Loans and Advances - Unsecured :			
Loan from Directors –Received			
Yogesh Kothari	1,000.00 (650.00)		
Others	128.00 (55.00)		
Loan from Directors – Repaid			
Yogesh Kothari	3,070.00 (50.00)		
Others	95.00 (35.50)		
Deposit - Inter Corporate – Repaid		10.00 (85.00)	62.00 (250.00)

Particulars	Key Management Personnel and their relative	Entities on which Key Management Personnel has control	Entities on which relative of Key Management Personnel has Control
	[with 38.2 (I) and (II) below]	[with 38.2 (III) below] [with 32.2 (III) and (IV) below]	[with 32.2 (VI) below]
Interest Expenses :			
On Loans from Directors			
Yogesh Kothari	141.20 (199.65)		
Others	7.02 (2.50)		
On Deposit - Inter Corporate			
Anjyko Investments Private Limited		0.35 (10.21)	
Kamiko Investment & Trading Private Limited			1.53 (6.41)
DSP HMK Holdings Private Limited			NIL (5.44)
DSP ADIKO Holdings Private Limited			NIL (5.44)
Directors' Remuneration:			
Yogesh Kothari	405.03 (402.06)		
Kirat Patel	169.53 (153.42)		
Suneet Kothari	162.01 (146.47)		
Hemendra Kothari			
Sitting Fees	0.60 (0.60)		
Commission	13.50 (11.78)		
Outstanding Balance As At March 31, 2017			
Loans From Directors			
Yogesh Kothari	NIL (2,070.00)		
Others	52.50 (19.50)		
Deposit - Inter Corporate			
Others		NIL (10.00)	
Kamiko Investment & Trading Private Limited			NIL (62.00)

38.2 Relationships:

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

39. Disclosure as per Accounting Standard 19 on “Leases”:
39.1 Where the Company is a Lessee:

- i. The Company has taken residential, office and godown premises under operating lease or leave and licence agreements. These are generally cancellable and range between 11 months and five years under leave and licence, or longer for other leases and are renewable by mutual consent on mutually agreeable terms.
- ii. Lease/Rent payments are recognised in the Statement of Profit and Loss as ‘Rent’ under ‘Other Expenses’ in Note 28.
- iii. Future minimum lease rental payable is as under:

Particulars	As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs
Within 1 year	13.80	13.20
After 1 year but before 5 years	4.60	17.60

- iv. Land taken on lease has been amortised over the respective lease period and ₹ 14.99 lakh (Previous Year ₹ 14.97 lakh) has been amortised during the year.

40. “Earnings per Share” as per Accounting Standard 20:

Particulars	As At March 31, 2017	As At March 31, 2016
	₹ In Lakhs	₹ In Lakhs
Numerator for Basic and diluted earnings per Share		
Net Profit/ (Loss) after tax for the year before Preference Dividend	5,100.23	5,003.77
Less : Preference Dividend and Tax thereon	NIL	NIL
Net Profit/ (Loss) after tax for the year (a)	5,100.23	5,003.77
Denominator for Basic and diluted Earnings per Share		
Weighted average number of Shares (b)*	20,396,392	20,396,392
Basic and Diluted Earnings per Share [(a) / (b)] (In ₹)	25.01	24.53
Face value per Share (In ₹)	5.00	5.00

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

Particulars	As At April 1, 2016	Additions during the year	Paid/reversed during the year	As At March 31, 2017
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Leave Encashment	179.84	54.90	7.94	226.80
	(165.01)	(20.91)	(6.08)	(179.84)
Gratuity	107.71	144.90	82.81	169.80
	(190.48)	(119.76)	(202.53)	(107.71)
Proposed Dividend/Interim Dividend	NIL	NIL	NIL	NIL
	(815.86)	NIL	(815.86)	NIL
Tax on Proposed Dividend/Interim Dividend	NIL	NIL	NIL	NIL
	(166.12)	NIL	(166.12)	NIL

42. Financial and Other Derivative Instruments:

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

Particulars	Balance As At March 31, 2017		Balance As At March 31, 2016	
	In Foreign currency (In Lakhs)	₹ In Lakhs	In Foreign currency (In Lakhs)	₹ In Lakhs
<u>Forward Contracts for</u>				
Forward Contracts for firm commitment for Export Trade USD	28.79	1,891.83	6.63	458.74
EURO	4.84	343.74	NIL	NIL
Forward Contracts for firm commitment for Import Trade USD	46.32	3,038.37	1.68	113.08
EURO	2.20	153.81	NIL	NIL
<u>Cross currency and Interest Rate Swap for</u>				
ECB Loans USD	122.50	8,053.15	63.00	4,235.49
Interest on ECB payable USD	0.62	40.58	0.29	18.18

As required by the Guidance Note on Derivatives, the amounts reflected herein above are disclosed based on : For March 31, 2017 - At fair value, For March 31, 2016 - Marked to market.

43. Financial and Other Derivative Instruments:
43.1 Exposures in Foreign Currency:

I. Assets	Foreign Currency	Balance As At March 31, 2017			Balance As At March 31, 2016		
		Exchange Rate	Amount in Foreign Currency (In Lakhs)	Amount in ₹	Exchange Rate	Amount in Foreign Currency	Amount in ₹
Trade Receivables	USD	63.92	28.57	1,825.40	65.39	23.39	1,529.52
	EURO	67.90	1.96	133.11	73.74	3.49	257.36
	GBP	NIL	NIL	NIL	94.56	0.16	15.13
Hedged by Derivative Contracts	USD	63.92	15.92	1,017.28	65.39	NIL	NIL
	EURO	67.90	0.20	13.85	NIL	NIL	NIL
	GBP	NIL	NIL	NIL	NIL	NIL	NIL
Unhedged Receivables	USD	63.92	12.65	808.12	65.39	23.39	1,529.52
	EURO	67.90	1.76	119.26	73.74	3.49	257.36
	GBP	NIL	NIL	NIL	94.56	0.16	15.13

43.2 II. Liabilities	Foreign Currency	Balance As At March 31, 2017			Balance As At March 31, 2016		
		Exchange Rate	Amount in Foreign Currency (In Lakhs)	Amount in ₹	Exchange Rate	Amount in Foreign Currency	Amount in ₹
Trade Payables	USD	65.74	34.94	2,296.68	67.23	0.20	13.51
	EURO	NIL	NIL	NIL	76.34	0.03	2.23
Buyers' Credit	USD	65.74	42.11	2,768.39	NIL	NIL	NIL
Borrowings (ECB and Others)	USD	65.74	123.13	8,094.58	67.23	65.38	4,394.10
Packing Credit in Foreign Currency	USD	65.74	7.51	493.66	67.23	14.00	940.97
	EURO	70.52	2.34	165.26	76.34	2.41	183.71
Balance with Bank	USD	NIL	NIL	NIL	65.41	1.47	95.92
Export Commission Payable	USD	65.74	0.26	17.15	67.23	0.25	16.75
	EURO	70.52	0.01	0.72	22.09	0.01	0.22
Total Payables	USD	65.74	207.95	13,670.46	67.18	81.32	5,463.47
	EURO	70.52	2.35	165.99	76.12	2.42	183.93
Hedged by Derivative Contracts	USD	65.74	165.79	10,898.66	69.14	63.47	4,388.48
	EURO	NIL	NIL	NIL	NIL	NIL	NIL
Unhedged Payables	USD	65.74	42.16	2,771.80	60.22	17.85	1,074.99
	EURO	70.52	2.35	165.99	76.12	2.42	183.93



44. Disclosure by way of Additional information as required for the preparation of Consolidated Financial Statements :

Name of the entities in the Consolidated financial Statements	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss	
	As % of Consolidated Net Assets	₹ In Lakhs	As % of Consolidated Profit or Loss	₹ In Lakhs
Parent Company:				
Alkyl Amines Chemicals Limited	96.01%	24,510.17	97.27%	4,960.78
	(94.87%)	(19,946.80)	(101.04%)	(4560.30)
Indian Subsidiary Company:				
Alkyl Speciality Chemicals Limited	0.47%	119.38	0.18%	9.26
	(0.54%)	(110.13)	(0.04%)	(1.71)
Indian Associate Company:				
Diamines Chemicals Limited	3.52%	898.23	2.55%	130.19
	(4.59%)	(852.86)	(-1.08%)	(-48.53)
Current Year Total	100.00%	25,527.77	100.00%	5,100.23
Previous Year Total	100.00%	20,909.78	100.00%	5,003.77
Minority interest in the Subsidiary				
Current Year Total	NIL	NIL	NIL	NIL
Previous Year Total	NIL	NIL	NIL	NIL

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

As per our Report of even date attached

For and on behalf of the Board of Directors

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

YOGESH M. KOTHARI
Chairman and Managing Director

PARESH H. CLERK
Partner
Membership No. 36148

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

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

KIRAT PATEL
Executive Director

PLACE : MUMBAI
Dated : May 18, 2017

PLACE : MUMBAI
Dated : May 18, 2017

Corporate Social Responsibility Initiatives



Support to 'Sense International India' on auditory & visual disabilities of children



Cleaning & clearing of canal between village Khutbav to Kedgaon - Daund

Corporate Social Responsibility Initiatives



Conservation of water at Lake Roti in Kurkumbh

If undelivered please return to:



Alkyl Amines Chemicals Limited

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

Website: www.alkylamines.com



Alkyl Amines Chemicals Limited



Regd. Office : 401-407, Nirman Vyapar Kendra, Plot No. 10, Sector 17, Vashi, Navi Mumbai 400 703
CIN : L99999MH1979PLC021796 Tel. No.: 022-67946600 Fax No.: 022-67946666
E-mail: legal@alkylamines.com Website: www.alkylamines.com

ATTENDANCE SLIP

Folio No.:	DP ID :
Client ID No.:	No. of shares held :

I/We record my/our presence at the 37th Annual General Meeting to be held on Tuesday, July 25, 2017 at Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703 at 11.00 A.M.

Name of the Shareholder / Proxy (In Block Letters) :

Signature of the Shareholder / Proxy :

NOTE:

1. You are requested to sign and handover this slip at the entrance of the meeting venue.
2. Members are requested to bring their copy of Annual Report for reference at the Meeting.



Alkyl Amines Chemicals Limited



Regd. Office : 401-407, Nirman Vyapar Kendra, Plot No. 10, Sector 17, Vashi, Navi Mumbai 400 703
CIN : L99999MH1979PLC021796 Tel. No.: 022-67946600 Fax No.: 022-67946666
E-mail: legal@alkylamines.com Website: www.alkylamines.com

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	L99999MH1979PLC021796
Name of the Company	ALKYL AMINES CHEMICALS LIMITED
Registered Office	401-407, Nirman Vyapar Kendra, Plot No. 10, Sector 17, Vashi, Navi Mumbai 400 703
Name of the member(s)	
Registered Address	
E-mail ID	
Folio No./ Client ID	

I/We, being the member(s) of _____ shares of the above named company, hereby appoint

Name

Address

E-mail ID Signature

or failing him / her

Name

Address

E-mail ID Signature

or failing him / her

Name

Address

E-mail ID Signature



as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37th Annual General Meeting to be held on Tuesday, July 25, 2017 at Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703 at 11.00 am and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
Ordinary Business		For	Against
1	Adoption of Financial Statements for the year ended March 31, 2017		
2	Declaration of dividend		
3	Re-appointment of Mr. Kirat Patel, who retires by rotation		
4	Appointment of Statutory Auditors and fixing their remuneration		
Special Business			
5	Re-appointment of Cost Auditors and fixing their remuneration		
6	Payment of commission to Non-Executive Directors		

Signed this _____ day of _____ 2017

Signature of shareholder: _____

Signature of Proxy holder(s): _____

Affix
Re. 1/-
Revenue
Stamp

Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

*It is optional to put a (✓) in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he /she thinks appropriate.



Alkyl Amines Chemicals Limited



To,

Sharex Dynamic (India) Pvt. Limited

Unit No. 1, Luthra Ind. Premises,

Andheri Kurla Road, Safed Pool,

Andheri (E), Mumbai - 400 072

FORM FOR ECS / NACH MANDATE / BANK MANDATE

(Not to be filled by Shareholders holding shares in dematerialised form)

I / We,.....do hereby authorise Alkyl Amines Chemicals Limited to -

- Credit my dividend amount directly to my Bank Account as per details furnished below by Electronic Clearing Service (ECS) - ECS Mandate / National Automated Clearing House (NACH) Mandate*
- Print the details of my Bank Account as furnished below, on my dividend warrant which will be mailed to me - Bank Mandate*

(* Strike out whichever is not applicable)

Folio No.....

A.	Bank Name										
B.	Branch										
C.	Bank Address										
D.	Bank Account Number										
E.	Account Type (Savings / Current)										
F.	9 Digit Code number of the bank & branch as appearing on the MICR cheque (for ECS Mandate only) Please attach photocopy of the cheque	<table border="1"> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </table>									
G.	STD code & telephone number of shareholder (optional)										

I / We shall not hold the Company responsible if the ECS mandate could not be implemented for reasons beyond the control of the Company.

Signature of shareholder(s)
(as per specimen lodged with the Company)



Alkyl Amines Chemicals Limited



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

CIN : L99999MH1979PLC021796 **Tel. No.:** 022-67946600 **Fax No.:** 022-67946666

E-mail: legal@alkylamines.com **Website:** www.alkylamines.com

Name & Registered Address
of the sole / first named member :

Name of Joint Holder(s) :

Registered Folio No. /
DP ID No. / Client ID No. :

Number of share(s) held :

Dear member,

Subject : Process and manner for availing E-voting facility

Please find enclosed the Notice convening the 37th Annual General Meeting (AGM) of ALKYL AMINES CHEMICALS LIMITED (the 'Company') to be held on Tuesday, July 25, 2017 at 11 A.M. and the Annual Report for the Financial year 2016-17.

The Company is offering remote e-voting facility to its Members enabling them to cast their votes electronically. The Company has appointed National Securities Depository Limited ('NSDL') for facilitating remote e-voting facility to enable the Members to cast their votes electronically pursuant to section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In this regard, please find below USER ID and Password for remote e-voting:

EVEN (E-voting Event Number)	User ID	Password

Please read the instructions printed overleaf before exercising the vote.

These details and instructions form an integral part of the Notice for the Annual General Meeting to be held on July 25, 2017.



INSTRUCTIONS FOR E-VOTING

Members are requested to follow the instructions below to cast their vote through e-voting:

1. **A.** In case a Member receiving an email from NSDL [for Members whose email IDs are registered with the Company/Depository Participant(s)]:
 - i) Open e-mail and open PDF file, viz., “AAEQ-AGM17.PDF” with your client ID and Folio No. as password. The said PDF file contains your user ID and password/ PIN for e-voting. Please note that the password is an initial password.
 - NOTE:** Shareholders already registered with NSDL for e-voting will not receive the PDF file “AAEQ-AGM17.PDF”.
 - ii) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com>
 - iii) Click on “Shareholder-Login” and enter the login credentials (i.e. User ID and Password mentioned above). Your Folio No./ DP ID Client ID will be your User ID. However, if you are already registered with NSDL for e-voting, you can use your existing User ID and password for casting your vote. Shareholders who have forgot the User Details/Password can use “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com.
 - iv) After entering these details appropriately, click on “LOGIN”.
 - v) If you are logging in for the first time, Password Change Menu appears. Change the password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi) Home page of “e-voting” opens. Click on “e-voting” : Active Voting Cycles.
 - vii) Select “EVEN (E-voting Event Number)” of Alkyl Amines Chemicals Limited. For an EVEN, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution during the voting period
 - viii) Now you are ready for “e-voting” as “Cast Vote” Page opens.
 - ix) Cast your vote by selecting appropriate option and click “Submit” and also “Confirm” when prompted. Kindly note that vote once cast cannot be modified.
 - x) Upon confirmation, the message “Vote cast successfully” will be displayed. Kindly note that vote once cast cannot be modified.
 - xi) Corporate/Institutional members (i.e. members other than individuals, HUF, NRIs, etc.) are also required to send scanned copy (PDF/JPG format) of the relevant board resolution / authority letter, etc. together with the attested specimen signature(s) of the duly authorized signatory(ies) who are authorised to vote, to the Scrutinizer through email at : prashant.m@legacs.com with a copy marked to evoting@nsdl.co.in. The documents should reach the Scrutinizer on or before Monday, July 24, 2017 at 5:00 P.M. You can also forward the documents at the Company’s email ID : legal@alkylamines.com.
- B.** In case of Members receiving physical copy of the AGM Notice by Courier [for Members whose email IDs are not registered with the Company/Depository Participant(s)]:
 - i) User ID and initial password are as provided above.
 - ii) Please follow all steps from Sr.No. (ii) to (ix) as mentioned in (A) above to cast your vote.
- C.** In case a person has become the Member of the Company after the dispatch of AGM Notice but on or before the cut-off date i.e. Monday, July 17, 2017 may write to the NSDL on the email ID evoting@nsdl.co.in requesting for the User ID and Password. After receipt of the above credentials, please follow all the steps from Sr. No. (i) to (viii) as mentioned in (A) above to cast the vote.
2. In case of any queries you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the “downloads” section of <https://www.evoting.nsdl.com> or contact NSDL by email at evoting@nsdl.co.in or call on toll free no.: 1800-222-990
3. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
4. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company, as on the cut-off date, being Monday, July 17, 2017.
5. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
6. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
7. Mr. Prashant Mehta, Practising Company Secretary (Membership No. 5814) (C.P. No. 17341), has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
8. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
9. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, will first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and will make not later than 48 hours from the conclusion of the AGM, a consolidated scrutiniser’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him who shall countersign the same. The Chairman or the person authorised by him in writing will declare the result of voting forthwith.
10. The Results on resolutions shall be declared not later than 48 hours from the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
11. The Results declared along with the Scrutinizer’s Report(s) will be available on the website of the Company (www.alkylamines.com) and on NSDL’s website and the same will be communicated to the BSE Limited and the National Stock Exchange of India Limited within 48 hours from the conclusion of the AGM.