IGPL

I G PETROCHEMICALS LIMITED

29th annual report

2017 - 18

Between the pages...

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Or visit:
www.igpetro.com/investors-relations

29th Annual General Meeting

Date and Time:
27th August, 2018 at 3:00 p.m.

Venue:
Hotel Mandovi, D B Bandodkar Road, Panaji, Goa - 403001

Disclaimer

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

Corporate Information

Board Of Directors

M M Dhanuka, Chairman
Nikunj Dhanuka, Managing Director & CEO
Rajesh Muni
Dr. A K A Rathi
P H Ravikumar
Dr. Vaijayanti Pandit
J K Saboo, Executive Director

Chief Financial Officer

R Chandrasekaran

Company Secretary

Sudhir R Singh

Auditors

M/s ASA & Associates LLP
M/s Uday & Co.

Internal Auditors

M/s S M M P & Associates

Bankers

The Lakshmi Vilas Bank Ltd.
State Bank of India
YES Bank Ltd.
The Cosmos Co-operative Bank Ltd.
Andhra Bank
Central Bank of India

Registered Office

T-10, 3rd Floor, Jairam Complex,
Mala, Neugi Nagar
Panaji, Goa - 403 001
Tel.: 0832 - 2434973

Corporate Office

401- 404, Raheja Centre,
214, Nariman Point, Mumbai - 400 021
Tel.: 022 - 30286100
Fax: 022 - 22040747
E-mail: igpl@igpetro.com
Website: www.igpetro.com
CIN: L51496GA1988PLC000915

Executive Office

D/4, Jyothi Complex, 134/1, Infantry Road
Bengaluru - 560 001
Tel.: 080 - 22868372
Fax: 080 - 22868778

Factory

T-2, MIDC Industrial Area, Taloja - 410 208
Maharashtra
Tel.: 022 - 39289100/146
Fax: 022 - 27410192

Registrar & Transfer Agents

M/s Bigshare Services Pvt. Ltd.
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis
Makwana Road, Marol
Andheri (East), Mumbai - 400 059
Tel.: 022 - 62638200
Fax: 022 - 62638299
E-mail: investor@bigshareonline.com
Website: www.bigshareonline.com

I G PETROCHEMICALS LIMITED

Corporate Office

401 - 404, Raheja Centre
214, Nariman Point, Mumbai - 400 021, India.
Tel.: (91) 22 - 3028 6100 | **Fax:** (91) 22 - 2204 0747
E-mail: igpl@igpetro.com | **Website:** www.igpetro.com
CIN: L51496GA1988PLC000915

Registered Office

T-10, 3rd Floor, Jairam Complex,
Mala, Neugi Nagar, Panaji,
Goa - 403 001, India.
Tel.: 0832 - 2434973

www.sapprints.com

Strength to succeed.

Business success is all about drive, dedication and the desire to explore new growth opportunities.

As the world in general and the competitive business landscape changes at a rapid pace, it is important that our products continue to remain relevant and contribute definite worth to our customers. This requires unique strategic approach and innovation to define new perspective in business.

At I G Petrochemicals (IGPL), we have enhanced the core of our existing business by acquiring the strength to succeed and continuously raising its value proposition for customers. We are at an inflection point, where widening product offering and scaling up the capacities comes to us as a natural progression.

We have deployed advanced technological solutions, utilised business synergies to create more capacities and leveraged on the new market potential to provide better quality products to end users. In doing so, we intend to enhance stakeholders' value creation and further strengthen our sustainability.

Investor info

Market capitalisation as on 31st March, 2018

₹ 1,976.11 crores

BSE Code

500199

NSE Symbol

IGPL

I G Petrochemicals Ltd. (IGPL) is the largest Phthalic Anhydride (PA) manufacturer in India.

Established in the year 1988 and headquartered in Mumbai, the Company is one of the lowest cost producers of PA globally. PA is a downstream product of orthoxylene and widely used across variety of consumer and non-consumer durables.

IGPL has three state-of-the art manufacturing units strategically located at Taloja, Maharashtra.

Driven by rapidly increasing demand for PA, the Company has made significant investments on capacity expansion and maintaining quality standards. This has led the Company to emerge as a leader in PA production across the domestic and international markets.

As a part of its strategic initiatives, the Company acquired Maleic Anhydride (MA) business of Mysore Petro Chemicals Ltd. in 2017.

Total Revenue for the year 2017-18

₹ 1,148 crores

Profit After Tax for the year 2017-18

₹ 147 crores

"Vision animates, inspires, transforms purpose into action." ~ **Warren Bennis**

Vision

To be the Largest Manufacturer of Phthalic Anhydride in the World

Mission

To consistently focus on delivering superior quality products by technological upgradation and utilising the expanded production capacities to provide the customers maximum value at the most competitive price.

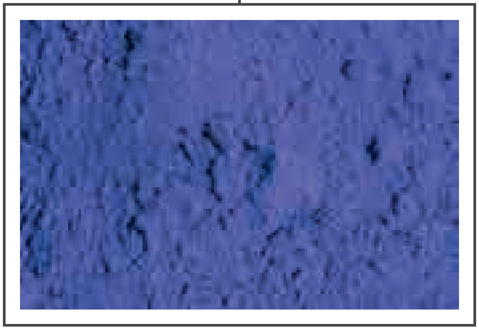
Business Overview

Phthalic Anhydride (PA)

PA forms the larger pie of IGPL's core revenues. It is a versatile intermediate in organic chemistry and is used for producing plasticizers for Plastics, Alkyd Resins, Unsaturated Polyester Resins & Copper Pthalocyanine. It is a white crystalline solid at room temperature and transforms to colorless liquid upon heating.

Maleic Anhydride (MA)

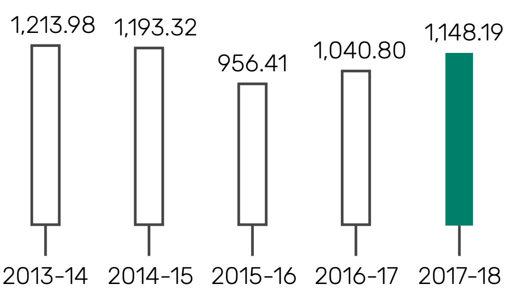
IGPL strategically acquired the Maleic Anhydride (MA) business from Mysore Petro Chemicals Ltd. (MPCL) in 2017. MA is a chemical intermediary, used in practically every field of industrial chemistry such as in the production of unsaturated polyester resin and manufacture of coatings, pharmaceutics, surfactants etc. It is also used as an additive of plastics, lubricating oil additives, agricultural chemicals, a precursor to compounds for water treatment detergents, insecticides and fungicides.



Steady financial growth is an outcome of our visionary mindset

Total Revenue (Net)

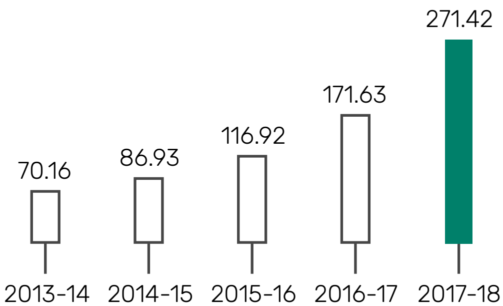
(₹ crore)



YoY Growth: 10 % **5 Years CAGR: 3.3 %**

EBITDA

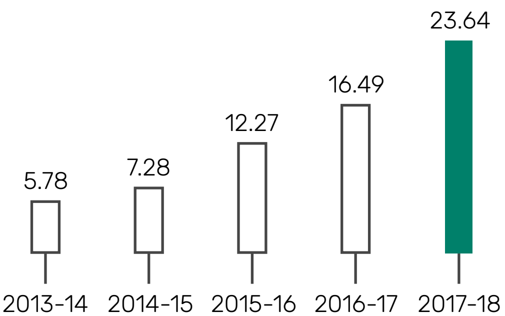
(₹ crore)



YoY Growth: 58 % **5 Years CAGR: 35 %**

EBITDA Margin

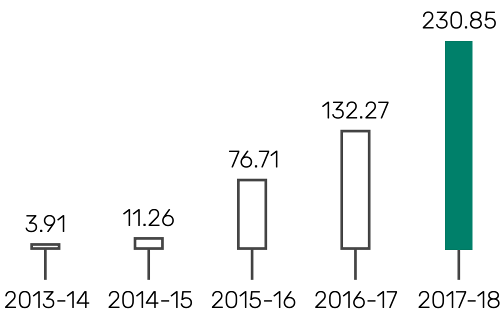
(%)



YoY Growth: 715 bps

PBT

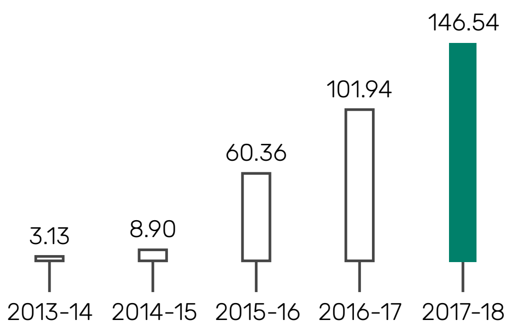
(₹ crore)



YoY Growth: 75 % **5 Years CAGR: 49 %**

PAT

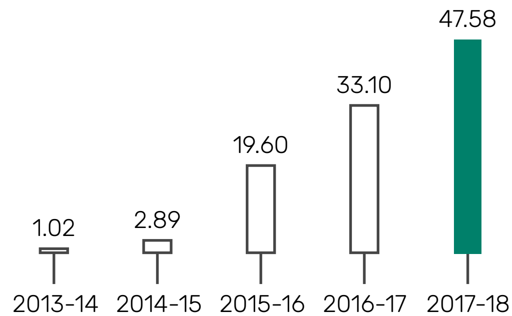
(₹ crore)



YoY Growth: 44 % **5 Years CAGR: 122 %**

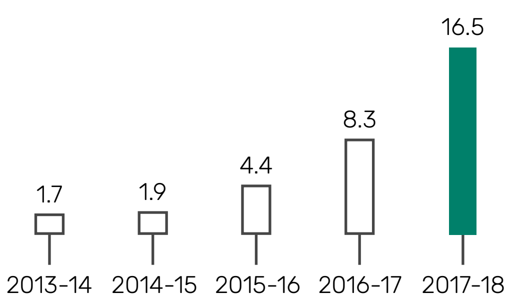
EPS

(₹ per share)



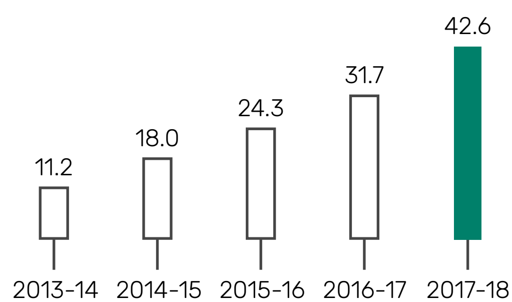
Interest Coverage Ratio

(Times)



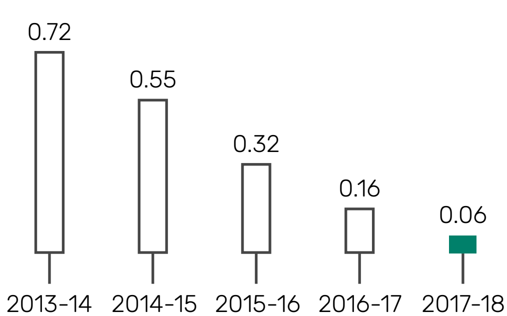
ROCE

(%)



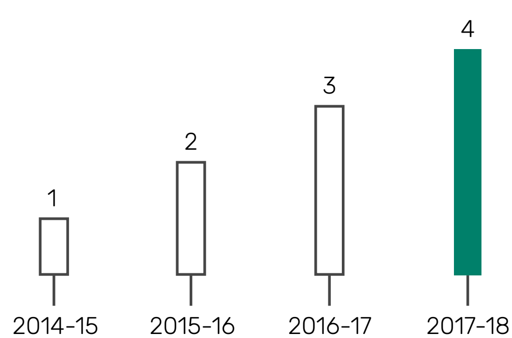
YoY Growth: 1050 bps

Debt-Equity



Dividend declared

(₹ per equity share)



Managing Director's perspective

Dear Fellow Shareholders,

It gives me immense satisfaction to report yet another successful year of astounding performance across all parameters. We continued to deliver more value to all our stakeholders.

Our country is heading in the right direction with robust macroeconomic fundamentals. The after-effects of demonetisation and Goods and Services Tax (GST) implementation temporary slowed down the momentum. However, it has paved way for an organised economic development of the country going forward. The economy continues to demonstrate its undiminished ability to grow, which is presenting significant opportunities across sectors. Stronger reforms and improving investor sentiments will lead to a steady 7% economic growth in the next fiscal.

Industry scenario

The Global PA consumption stands at apprx. 4.5 million tons. The North American and European markets are nearing maturation and are expected to remain flat over the next few years. The Asia-Pacific accounts for over 60% of the global consumption. The region has been witnessing strong growth traction owing to higher private and government spending on social and industrial infrastructure.

The Indian petrochemicals industry is expected to witness a CAGR of 11% and reach

We achieved significant improvement in the operational performance and profitability during the year 2017-18

US$ 100 bn by 2020. The demand growth in the Indian PA industry is around 6% annually and is considered to amongst the fastest. A strong domestic demand of 3,75,000 MTPA will strongly position domestic manufacturers like us.

Higher global crude oil prices remain a key area of concern for the economy as a whole. However, Government's strong focus on the rural and infrastructure development and favourable reforms to boost manufacturing growth shall translate into higher demand of plasticizers, paints and unsaturated polyester resins.

Financial review

We achieved significant improvement in the operational performance and profitability during the year 2017-18. Revenues increased by 3.16% during the year to ₹ 1,175 crores. EBIDTA improved by 58% to ₹ 271 crores, while PAT grew by 44% to ₹ 147 crores. The remarkable results are owing to strong domestic demand, efficient operations, better realisations and cost optimisation from expansion.

Our return ratios remained healthy, supported by an all-round improvement in performance. The return on equity increased to 27.7% in 2017-18 from 26% in 2016-17. Earnings per share increased from ₹ 33.10 to ₹ 47.58. Moreover, reduction in our leverage position led to 18.43% decline in finance costs. In consideration of this performance, your Directors have recommended a dividend of 40% i.e. ₹ 4 per equity share of ₹ 10 each.

Strategic initiatives

During 2017-18, the Company has undertaken several business strengthening initiatives in response to robust PA demand. We further plan to increase PA capacity through brownfield expansions which will come on stream by 2019. Besides, the Company is also planning to introduce specialty plasticizers as a part of downstream expansion. This will further strengthen the Company's positioning in the industry.

Currently, India's MA demand is around 60,000 MTPA. Our acquisition of MPCL's MA business in 2017 will certainly help delivering more value-added products to the market.

Closing thoughts

We are committed to strengthen competencies and enhance our long-term business sustainability. We are dedicated, optimistic and excited for the next phase of growth.
I would like to thank all our bankers, customers, Government authorities and shareholders for their constant contribution and support. I am deeply grateful to our employees who, through their skills and relentless efforts, have enabled us to reach here.

Yours sincerely,

Nikunj Dhanuka,
Managing Director & CEO

Bringing innovation to action:

Capitalising on scale and expansion

Leveraging on the strong demand trend and limited supply in the PA industry, we have periodically ramped-up our capacities. Besides, our manufacturing plants are designed on the low energy-based processes and equipped with ultra-modern technology that drives innovation as well as efficiencies.

During 2017-18, we initiated PA capacity expansion through brownfield route. This capacity addition will further allow IGPL to consolidate its position in the domestic and global PA space.

IGPL's acquisition of Mysore Petro Chemicals Ltd. will help the Company expand it's product portfolio by producing value-added Maleic Anhydride (MA).

Key differentiators of our business

- Diverse applications of PA's end-user industries – drives scale
- Capacity expansion at regular intervals – to keep pace with the market demand
- High capacity utilisation and strong recovery process – drives efficiencies and cost reduction
- Strategically located manufacturing plant with proximity to the chemical belt in Western India and ports
- Long standing relationships with various customers – drives sustainability

Strong R&D and Quality control

IGPL has strengthened its manufacturing processes with strict quality control and sharpened its R&D capabilities to compete across geographies. The world class quality product with Six-sigma technique to improve processes, has placed IGPL to further capitalise on growth opportunities

IGPL is an ISO certified Company from Bureau Veritas

Quality Management Systems

ISO 9001:2008

Environment Management System

ISO 14001:2004

Corporate Social Responsibility

At IGPL, we believe in responsible growth. We have adapted advance technologies in our business operations to prevent environment degradation. Besides, we also financially support the development of our surrounding communities. Our CSR Committee is entrusted with the responsibility of discharging the Company's obligations to give it back to the society. The Company undertakes social activities in the areas of education, healthcare, livelihood and community services for the weaker sections as set out below:

Community Service & Healthcare

- Contributed to the Charitable Trust and Community organisations i.e. old age homes, Blind Organisation of India etc.
- Aannadhanam (feeding of the poor), free/concessional health care to the needy apart from other charitable activities
- Contributed for providing drinking water to various interior villages in Maharashtra who were earlier deprived of drinking water; this enabled us to be a part of the state Government's noble initiative

Education

- Supported the education of the underprivileged children by constructing a school in Vrindavan

Environment

- Worked towards sustainability of environment viz. transplantation of trees, water conservation projects, environment protection awareness campaign titled 'Say no to plastic', mobile toilet etc.

Financial Highlights for the year 2017-18

(₹ in crores, except EPS)

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Total Revenue (Net)	975.62	1,213.98	1,193.32	956.41	1,040.80	1,148.19
Gross Profit/EBIDTA	61.97	70.16	86.93	116.92	171.63	271.42
Finance Cost	16.67	30.36	38.17	22.67	18.24	14.88
Depreciation & Amortisation	13.75	18.03	16.39	17.54	21.12	25.70
Profit before Extraordinary Item & Tax	31.55	3.91**	32.37	76.71	132.27	230.85
Profit Before Tax @	3.89	3.91	11.26	76.71	132.27	230.85
Tax Expense	0.81	0.78	2.36	16.35	30.33	84.30
Profit After Tax	3.08	3.13	8.90	60.36	101.94	146.54
Equity Share Capital	30.79	30.79	30.79	30.79	30.79	30.79
Net Worth	231.66	234.78	238.81	291.76	392.51	528.10
Earnings Per Share (EPS) of ₹ 10 each						
Before Extraordinary Item	9.98	1.02	9.74	19.60	33.10	47.58
After Extraordinary Item	1.00	1.02	2.89	19.60	33.10	47.58

@ Profit before tax for 2014-15 & 2012-13 is after provision of arrears of depreciation of ₹ 21.11 crores & ₹ 27.66 crores respectively

** Profit before extraordinary item & tax is after adjustment of exchange loss (Net) of ₹ 17.86 crores

Notice

NOTICE is hereby given that the 29th Annual General Meeting of the members of I G Petrochemicals Limited (CIN:L51496GA1988PLC000915) will be held on Monday, 27th August, 2018 at 3.00 p.m. at Hotel Mandovi, D B Bandodkar Road, Panaji, Goa – 403 001, to transact the following business:

AS ORDINARY BUSINESS

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

2. To declare Dividend.

3. To appoint a Director in place of Shri J K Saboo (DIN 00193512) who retires by rotation and being eligible offers himself for re-appointment.

AS SPECIAL BUSINESS

4. Ratification of Remuneration of Cost Auditor

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 45,000/- plus GST as applicable and reimbursement of actual travel and out-of-pocket expenses for the financial year ending 31st March, 2019 as approved by the Board of Directors of the Company, payable to M/s. Krishna S & Associates, Cost Accountants, (Firm Registration No. 100939) to conduct audit of the cost records of the Company be and is hereby ratified and confirmed."

By Order of the Board
For I G Petrochemicals Limited

Mumbai
28th May, 2018

Sudhir R Singh
Company Secretary

Registered Office :
T-10, 3rd Floor, Jairam Complex
Mala, Neugi Nagar
Panaji, Goa – 403 001.

NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), which sets out details relating to Special Business at the meeting is annexed hereto and forms part of the Notice.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) OF THE COMPANY MAY APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

3. Proxies in order to be effective must be received by the Company at its Registered Office not later than 48 hours before the commencement of the meeting. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a Proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a Proxy for any other person.

4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorising their representative to attend and vote on their behalf at the meeting.

5. A statement giving the relevant details of the Director seeking appointment under item No. 3 of the accompanying Notice as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto. The Director has furnished the requisite declaration for his re-appointment.

6. The Register of Members and Share Transfer Books of the Company will remain closed on Tuesday, 21st August, 2018 and Wednesday, 22nd August, 2018 for the purpose of AGM and payment of dividend, if declared.

7. If dividend as recommended by the Board of Directors is approved at the meeting, payment will be made on or after 3rd September, 2018 as under:

   a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on 20th August, 2018;

b) To all Members holding shares in physical form, whose names stand on the Register of Members of the Company on 20th August, 2018.

8. Members are requested to immediately intimate change of address, if any, to the Company/Registrar & Transfer Agents (RTA).

9. During the year, there was no amount which was liable to be transferred to the Investor Education and Protection Fund (IEPF) in terms of Sections 124 of the Act. A statement of unclaimed dividend declared at the last AGM held on 20th September, 2017 is available on the Company's website www.igpetro.com. Members are requested to claim their dividend before they become due for transfer to IEPF.

   Further, pursuant to the provisions of Section 124(5) and Section 124(6) of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") and amendments thereto, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the demat account of the IEPF Authority.

   The Members whose shares have been transferred to the IEPF Authority may claim the shares by making an application to IEPF Authority in Form IEPF-5 available at www.iepf.gov.in. Member should note that only one consolidated claim can be filed in a financial year as per the IEPF Rules. Members are advised to claim any un-encashed dividends.

10. Electronic copy of the Annual Report is being sent to the members whose email ID's are registered with the Company/Depository Participants for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies are being sent in the permitted mode and they are requested to register their e-mail address with the Company to facilitate the faster receipt of communication and avoid any possible loss in postal transit apart from benefits resulting out of reduction in paper consumption and contributing towards a greener environment.

11. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company/ RTA for assistance in this regard.

12. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

13. Members may also note that the Notice of the 29th AGM and the Annual Report for the year 2017-18 will also be available on the Company's website www.igpetro.com for download.

14. A route map showing directions to reach the venue of the meeting is available in the Annual Report.

15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal working days, up to and including the date of the Annual General Meeting of the Company.

16. The Company is providing the facility to the Members to cast their vote by electronic means i.e. through the e-voting services provided by NSDL on all resolutions set forth in this Notice and the Members may cast their vote on resolutions through e-voting.

17. The facility for voting by ballot or polling paper shall also be made available to the Members at the meeting and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to vote either through ballot or poll at the meeting. However, Members who have already casted their vote by remote e-voting may attend the meeting but they shall not be able to cast their vote again at the meeting.

PROCESS FOR MEMBERS OPTING FOR E-VOTING

The instructions for shareholders voting electronically are as under:

In compliance with provisions of the Act and the rules made thereunder and SEBI (listing Obligations and Disclosure Requirements), Regulations, 2015, the company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL).

The remote e-voting period commences on Friday, 24th August, 2018 (9:00 am) and ends on Sunday, 26th August, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of i.e., 20th August, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

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

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

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

Details on Step 1 is mentioned below:

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

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

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

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

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

   c) How to retrieve your 'initial password'?

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

      (ii) If your email ID is not registered, you can check the communication sent to your postal address for further instructions about obtaining password.

   d) Member may obtain a User ID and password for casting his /her vote by remote e-voting by sending a request at evoting@nsdl.co.in by providing the details such as Demat account no or Folio no, PAN no, name, address etc.

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

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

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

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

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

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

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

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

Details on Step 2 is given below:

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

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

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

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

4. 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. 20th August, 2018.

5. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 20th August, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to Issuer/ RTA.

   However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

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. Shri Martinho Ferrao, Practicing Company Secretary (Membership No. 6221) or failing him Shri Shiv Kumar Vaishy (Membership No. 45528) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

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 "remote e-voting" or "Ballot Paper" or "Poll 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 Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.igpetro.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

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

Item No. 4

On recommendation of Audit Committee, the Board of Directors has considered and approved the appointment of M/s Krishna S & Associates, Cost Accountants, for conducting an audit of cost records of the Company at a remuneration of ₹ 45,000/- plus GST as applicable and reimbursement of actual travel and out of pocket expenses for the financial year 2018-19.

In terms of the provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the resolution is set out for approval and ratification by the members.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested in the aforesaid resolution.

The Board of Directors recommends the resolution for your approval.

By Order of the Board
For I G Petrochemicals Limited

Mumbai
28th May, 2018

Sudhir R Singh
Company Secretary

Registered Office :
T-10, 3rd Floor, Jairam Complex
Mala, Neugi Nagar
Panaji, Goa – 403 001.

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT

(As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of the Director	Shri J K Saboo
Director Identification Number (DIN)	00193512
Date of Birth	18th January, 1952
Date of Appointment on the Board	1st July, 1998
Qualifications	B. Com, LL.B.
Expertise	In charge of and manages the affairs of the Company's Plant at Taloja, Maharashtra. Possesses over 35 years of diverse experience in petrochemical industries and oversees the compliance and all matters associated with factory and labour laws.
Directorship held in other listed companies	NIL
Chairmanships/Memberships of Committees in other listed companies	NIL
Shares held in the Company	1,200
Relationship between directors inter-se	Nil

Management Discussion & Analysis

Economic Overview

India has once again regained the recognition of being the 'fastest growing economy'. Both the World Bank and the International Monetary Fund have projected India's economy to grow a tad higher at 6.7 % for 2017-18. The disruptive impact of demonetisation and GST are largely waned. The economy remained temporarily subdued due to implementation of the Real Estate (Regulation and Development) Act, 2016 (RERA) and the Insolvency and Bankruptcy Code 2016 (IBC).

On the sectoral front, higher momentum was recorded for construction, transport, automobile, financial and real estate sectors. There has been an uptick in private investment activity, coupled with signs of rural demand pick-up. Capex trends are beginning to improve, as seen in IIP (Index of Industrial Production) anchored by manufacturing growth.

Meanwhile, domestic retail inflation continued to be moderate despite an increase in global commodity prices. Average CPI inflation during the year, decelerated to 3.6% from 4.5% in the previous year. A favourable monsoon and continued rationalization in the Minimum Support Prices shall help agriculture and rural consumption grow further.

The economy crossing the 8% rubicon now largely depends on how effectively the various policies, especially those related to structural and infrastructure reforms are implemented. Capacity utilisations have started to improve, which should incentivise private sector capex recovery with a lag, GST collections have picked up thanks to the implementation of e-way bill. NPA resolution is underway and the government is likely to remain focused on pushing infrastructure investment, which should bode well for the growth.

In addition, the World Bank's Ease of Doing Business rankings promoted India by 30 spots over the previous year and the international ratings agency Moody's upgraded India's sovereign bond ratings with a stable outlook, for the first time in 14 years. International Monetary Fund (IMF) in its latest forecast has projected an accelerated growth in Indian economy in the current and next fiscal years. Indian economy is forecast to grow at 7.4% in 2018-19.

The economic fundamentals and rebound in the global trade led the global growth to post the strongest expansion in six years. According to the International Monetary Fund the global economy has registered 3.8% growth. This was largely driven by several investment recovery in the advanced economies, solid trade cycle, resilient private consumption. The global economy entered 2018 on a solid footing mostly due to healthy trade dynamics, which will boost Indian exports and investment activity.

However, threats of a global trade war with US tariffs on steel seeing retaliation from other countries could translate into a temporary loss of economic momentum. The recent surge in oil and commodity prices, adding inflation to the economic mix along with volatile market conditions, foreign exchange currency risks may also weigh in the overall economic growth for 2018-19.

Industry structure and developments

The performance of petrochemical industry is directly linked with the oil price movements as it drives the raw material prices. Inventories of crude that had built up during the glut of 2014-16 have largely been worked off because of strong demand driven by a booming global economy and supply cuts by OPEC and Russia. However, India sees a greater probability of global crude oil prices remaining high for a longer period. In the current scenario of increasing geo-political uncertainties across the world, the crude oil prices are now looming towards an upsurge. Oil supplies from Iran are also likely to be constrained after the U.S. reinstated financial sanctions on the Islamic Republic.

Phthalic Anhydride (PA)

PA is a versatile intermediate in organic chemistry and a downstream product of a basic petrochemical, Orthoxylene (OX). It is used as an intermediate to produce Plasticizers, Unsaturated Polyster Resins, Alkyd Resins & Polyols. It finds application in both consumer durables to non-consumer durables. Its end users are paints, inks, coatings, boxes, containers and packaging films industries among others.

Outlook

The PA industry is expected to witness a steady growth over the next few years owing to increased demand in end-user industries. With the implementation of RERA Act, increasing infrastructure thrust and rising demand for paints and PVC pipes, the scenario is optimistic going ahead.

India's per capita plastic consumption at 10 kg is as against the per capita plastic use of 108-140 kg in developed countries like US, Europe and Japan. The government is now targeting to take this to 20 kg per person by the end of 2020, which is still small compared to global average per capita plastic consumption of 45 kg. This presents a scope to further leverage on the rising opportunities in the industry.

IGPL is bringing in efficiencies across the major cost heads with clear focus on its strategy of maintaining the lowest cost production of PA. Investment in additional capacity expansion will place IGPL amongst the top three PA manufacturers in the world.

Thus, IGPL is well positioned in the industry owing to its market leadership in PA industry, huge demand supply mismatch leading to capacity expansion, strong clientele, improving financials, acquisition and introduction of other related product lines.

Financial Performance

(₹ in Lakhs)

	2017-18	2016-17	Growth %
Total Revenue	**117,489.21**	113,892.91	3.16
PBT	**23,084.88**	13,226.61	74.53
PAT	**14,654.49**	10,193.59	43.76
EPS	**47.59**	33.10	43.78

Risk Management

IGPL's risk management framework drives a consistent and systematic approach for identifying and managing risk, both at the strategic and operational level. The integrated risk management approach provides the capability for timely and informed response to address risks and to capture opportunities.

Being a part of the petro-chemical industry, the Company is directly exposed to unfavourable oil price movements, impacting the price of their end product. The Company extracted better margins despite fluctuating oil prices during the year owing to its operational efficiencies. The Company further tends to derive benefits of the averaging by virtue of its procurement spanning over a period of time. The Company's assets are adequately insured against all perils.

Exchange Rate Risk

The basic raw material for PA i.e. Orthoxylene, is largely sourced from the domestic market and substantial part of finished goods (PA) is sold in the domestic markets. The exports of PA outpaced the import of raw material, giving the Company a natural hedge, keeping the exchange rate fluctuation always under check. The Company employs necessary safeguards and forward covers wherever warranted.

Interest Rate Risk

The Company borrows funds to meet its long-term and short-term funding requirements. It is subject to risks arising from fluctuations in interest rates. The debts of the Company are regularly monitored to prevent any unfavourable fluctuation in the interest rates. The borrowings of the Company consist of External Commercial Borrowings (ECB), Rupee Term Loans (RTL) and Working Capital Loans (WCL) out of which the rate of interest for ECB is fixed and that for RTL is floating. The interest rate for WCL are reviewed at regular intervals in terms of the conditions of the loans.

Economic Risk

Slowdown in the economic growth combined with adverse fluctuations in the movement of crude oil prices may impact the Company's growth performance. However, with a very strong outlook for the key end-user industries and progressive environment in the economy, the demand of petrochemical products is expected to continuously rise in the coming years.

Import Risk

Major challenges include competition from global players in terms of dumping their products in India. There is an anti-dumping duty imposed by the government on Taiwan, Korea, Russia, Japan & Israel. These anti-dumping measures ensure fair trade and provide a level-playing field to the domestic industry. Also, there is an import duty of 7.5% levied on Phthalic Anhydride, to protect the domestic industry.

Environmental Risk

IGPL is exposed to a complex and diverse range of environmental risk since PA is toxic in nature. It faces stringent regulations from the government. Various process activities such as handling, transportation, storage and manufacturing of raw materials and finished products is a major challenge. The Company being a leading player in PA manufacturing for over two decades, has adopted world's best environment protection standards to ensure that its plants and products meets all the applicable regulations laid down by the government.

Internal Control System & their Adequacy

The Company has adequate internal control systems that commensurate with its size and the industry standards. The processes and systems are well-defined and well-documented in the form of Standard Operating Processes. The Company strictly complies with all rules, laws and statutes of the land. The business transactions are properly recorded and are in total compliance and conformity with accounting principle and processes. The Company also regularly monitors all its expenses and ensures these are strictly within the allocated budgetary limits. The strict Code of Conduct lays down clear guidelines to be followed by the Company employees and business associates in their day-to-day activities. There are regular internal audits conducted through an internal audit programme that check and correct any discrepancy or non-adherence or non-compliance with set and defined norms. The senior management executives of the Company supervise the internal audit programme.

Material Development in HR

IGPL believes that employees are our greatest assets and is committed to attract, retain and recognise talent. Through its strong set of values and cohesive work-culture, the employees can achieve their highest potential both professionally and personally. The Company's manufacturing unit has all safety features to ensure a safe and secure environment for its workers. Health of the employees is of paramount importance to the Company. Regular workshops and trainings organised by the Company, at all levels, ensures its employees the best-in-class skills that are always upgraded and taken good care of.

Cautionary Statement

This report contains statements that are "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Company's future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Company undertakes no obligation to publicly revise any forward-looking statements to reflect future/likely events or circumstances.

Directors' Report

To the Members

On behalf of the Board of Directors of your Company, it gives me pleasure in presenting the Twenty Ninth Annual Report together with the Audited Financial Statements for the year ended 31st March, 2018:

1. FINANCIAL RESULTS

(₹ in Lakhs)

	2017-18	2016-17
Total Revenue	**117,489.21**	113,892.91
Profit before interest, depreciation and tax	**27,142.41**	17,162.93
Finance Cost	**1,487.96**	1,824.07
Depreciation and Amortization expenses	**2,569.58**	2,112.25
Profit before tax	**23,084.88**	13,226.61
Provision for tax	**8,430.39**	3,033.02
Profit for the year	**14,654.49**	10,193.59
Balance brought forward from previous year	**30,823.94**	23,371.63
Profit available for appropriations	**45,478.43**	33,565.22
Earnings per share	**47.59**	33.10

2. DIVIDEND

Your Board of Directors have recommended a dividend of ₹ 4/- per equity share having face value of ₹ 10/- each (40%) for the year ended 31st March, 2018. The total outgo (including dividend distribution tax) for the current year amounts to ₹ 1,484.99 lakhs (₹ 1,111.92 lakhs).

3. FINANCIALS

During the financial year 2017-18, the total revenue of your Company was ₹ 117,489.21 lakhs against ₹ 113,892.91 lakhs in the previous year registering a marginal growth of 3.16%. The finance cost continues to be under constant review which has now been brought down by apprx. 18.43% from ₹ 1,824.07 lakhs in the previous year to ₹ 1,487.96 lakhs during the year. The continuous efforts of the Company to focus on operational efficiency at all levels has helped in the increase of margins on a sustained basis. The profit before interest, depreciation and tax increased from ₹ 17,162.93 lakhs to ₹ 27,142.41 lakhs during the current year and the profit after tax increased from ₹ 10,193.59 lakhs to ₹ 14,654.49 lakhs registering a growth of over 43%.

During the year, the export turnover of the Company was ₹ 21,677.53 lakhs as against ₹ 23,139.61 lakhs in the previous year.

4. OPERATIONAL REVIEW

The Phthalic Anhydride (PA) market continues to witness the momentum in its demand across all sectors where it finds its application thus benefitting the PA industry as such. The PA prices remained buoyant through most of the year which resulted in higher realization and better margins supported by the economical cost of production. The Company's derives operational benefit by its self-sufficiency in steam/power which economize expensive furnace oil for operation.

The Asia-Pacific region is the largest market for PA for industries using it in plasticizers, alkyd resins, unsaturated polyester resins, etc. and India is one of the fastest growing PA markets. Rising private and government spending in infrastructure has pushed up demand for PVC, which in turn, has spurred PA demand.

The acquisition of Maleic Anhydride (MA) business from Mysore Petro Chemicals Limited has given a more value addition to the existing portfolio. Further there is high operating leverage from this acquisition due to the fact that raw material for MA viz. wash water is a derivative of PA.

5. EXPANSION

During the year under review, the Company has embarked on an expansion which is expected to come on stream in the next fiscal. The domestic consumption of PA continues to grow and the Company's operational capacities are optimally utilized. Your Company is also simultaneously working to foray into the downstream products. With all the plants at the same location (including the undergoing expansion), this will create economies of scale and enhance the Company's competitiveness in the PA market which is expected to further improve its performance in the years to come.

The expansion will also lead to the improvement in the revenue and margins from the operation of MA.

6. CONTRIBUTION TO THE EXCHEQUER

The Company has contributed ₹ 24,106.24 lakhs to the exchequer by way of excise duty, central sales tax, income tax, customs duty, goods and service tax, etc.

7. INDIAN ACCOUNTING STANDARDS (IND AS)

The Company has adopted Ind AS with effect from 1st April, 2017 and accordingly the financial statements of the Company (along with its subsidiaries) for the year ended 31st March, 2018 were prepared in compliance with Ind AS.

8. SUBSIDIARIES/ASSOCIATES/JOINT VENTURES

IGPL International Limited and IGPL (FZE) are the wholly owned subsidiaries of the Company.

The JV entered into between IGPL (FZE) and M/s Dubai Natural Gas Co. Ltd. for the manufacture of Maleic Anhydride is under implementation.

Pursuant to the provisions of Section 136 of the Companies Act, 2013 ("the Act"), the audited accounts of subsidiaries are placed on the website of the Company and available for inspection by the members of the Company. A copy of the audited accounts shall be made available to the member upon request.

The consolidated financial statements of the Company are prepared in accordance with the applicable Ind AS together with the report of the Auditors' thereon forms part of this Annual Report.

A statement containing salient features of the financial statements of the subsidiary in Form AOC-1 is available in this Annual Report.

9. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

In accordance with the provisions of Section 135 of the Act and the Rules framed thereunder, the CSR Committee reviews and monitors the projects and expenditures incurred by the Company which are mainly for education, old age homes, environment, etc. The Report on CSR activities containing prescribed details are annexed to the Directors' Report as **"Annexure-A"**.

During the year, the Company spent ₹ 143.70 lakhs towards CSR activities as against the budged allocation of ₹ 146.42 lakhs. The Company has initiated some projects which are under implementation.

10. VIGIL MECHANISM POLICY

The Company has a Vigil Mechanism Policy in place to report instances of actual or suspected unethical behavior, fraud, etc. The details of the Vigil Mechanism has been elaborated in the Corporate Governance Report and posted on the Company's website www.igpetro.com

11. TRANSFER OF SHARES TO IEPF

In compliance with the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") and amendments thereto, the Company has transferred shares to IEPF Authority in respect of shares on which dividend has not been paid or claimed for seven consecutive years.

Members whose shares are so transferred can claim their dividend and shares from the IEPF authority by filing Form IEPF-5 available at www.iepf.gov.in. Member should also note that only one consolidated claim can be filed in a financial year as per the IEPF Rules. Members are advised to claim any unencashed dividends.

The Company Secretary of the Company has been designated as the Nodal Officer who can be contacted for any guidance/assistance to claim the dividend and shares from IEPF Authority.

12. DIRECTORS & KEY MANAGERIAL PERSONNEL

At the forthcoming annual general meeting, Shri J K Saboo retires by rotation and being eligible has offered himself for re-appointment.

All Independent Directors of the Company have furnished declarations under Section 149(7) of the Act confirming that they meet the criteria of independence laid down in Section 149(6) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) ("SEBI Listing Regulation").

There is no change in the Key Managerial Personnel.

12.1 Meetings

During the year, four meetings of the Board of Directors and Audit Committee were held as more particularly disclosed in the attached Report on Corporate Governance.

12.2 Board Evaluation

The performance evaluation of Directors individually vis-à-vis the Board and its Committees have been carried out, the details of which are disclosed in the Corporate Governance Report.

12.3 Remuneration Policy

The details of the Remuneration Policy forms part of the Corporate Governance Report.

The information relating to remuneration as required pursuant to Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the said Rules") are given below:

a) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year –

Shri Nikunj Dhanuka, Managing Director & CEO – 65:1

Shri J K Saboo, Executive Director – 8:1

b) The percentage increase in the remuneration of Managing Director, Chief Financial Officer and Company Secretary for the Financial Year

Shri Nikunj Dhanuka, Managing Director & CEO – 672%

Shri R Chandrasekaran, Chief Financial Officer – 157%

Shri Sudhir R Singh, Company Secretary – 21%

c) The percentage increase in the median remuneration of employees in the Financial Year – 8%

d) Number of permanent employees on the rolls of the Company - 211

e) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was 8% whereas the increase in the managerial remuneration was 283%. The increase in the remuneration is on account of commission paid.

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

The information under Rule 5(2) of the said Rules will be provided to the members upon request in terms of the first proviso to Section 136 of the Act.

13. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanation obtained by us, in terms of Section 134(3)(c) of the Act, we state:

a. that in the preparation of the annual financial statements for the year ended 31st March, 2018, all the applicable accounting standards have been followed and no material departures have been made from the same;

b. that appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2018 and of the profit of the Company for that year;

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing/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.

14. RELATED PARTY TRANSACTIONS

All transactions entered into with related parties during the year were on arm's length basis and in the ordinary course of business.

There were no material related party transactions. The necessary disclosures regarding the transactions are given in the notes to accounts. The Company has formulated a policy on dealing with the Related Party Transactions and necessary approval of the Audit Committee and Board of Directors were taken wherever required in accordance with the Policy.

15. RISK ASSESSMENT

The internal control mechanism of the Company enables it to identify, assess and mitigate the risk related to its business. Risks are being evaluated on various parameters and these parameters are being reviewed at regular intervals.

The Company monitors its risk assessment programs to identify and curb the extent of exposure which the risk poses.

16. AUDITORS

16.1 Statutory Auditors

M/s ASA & Associates LLP and M/s Uday & Co. were appointed as Statutory Auditors of the Company by the members of the Company at the respective annual general meetings.

Pursuant to the amendment to Section 139 of the Act vide Companies (Amendment) Act, 2017, the proviso relating to the ratification of the appointments of the Statutory Auditors at every annual general meeting has been removed.

In accordance with the above provisions, the ratification of the appointments of the Statutory Auditors shall not be placed at the annual general meeting.

16.2 Cost Auditors

M/s Krishna S & Associates, Cost Accountants was appointed as the Cost Auditor to conduct an audit of the cost records of the Company for the year 2018-19.

16.3 Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Makarand M Joshi & Associates, Practicing Company Secretaries (Membership No. 5533) to conduct the Secretarial Audit and their Report on the Secretarial Audit for the year 2017-18 is annexed herewith as **"Annexure-B"**. There are no qualifications in the said report.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act, are given in the notes to the Financial Statements.

18. DEPOSITS

The Company has not accepted any deposits from the public during the year under review.

19. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as "**Annexure-C**".

20. EXTRACT OF ANNUAL RETURN

An extract of the Annual Return in Form MGT-9 is attached herewith as "**Annexure-D**" and forms part of this report.

21. CORPORATE GOVERNANCE

The report on Corporate Governance along with the Auditors' Certificate confirming thereon are attached to this report.

22. PREVENTION OF SEXUAL HARASSMENT

The Company has adopted a policy on prevention and redressal of sexual harassment at work place in accordance with the provisions of Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. No complaints of sexual harassment were received during the year.

23. ISO 9001 : (2008) AND ISO 14001:(2004) CERTIFICATION

Your Company continued to be certified under ISO 9001:2008 for quality management systems and ISO 14001:2004 for environment management systems by Beaureu Veritas.

24. ACKNOWLEDGEMENTS

Your Directors convey their sincere appreciation to the business partners for their continued support and contribution and thank the customers, members, dealers, employees, bankers and all stakeholders for their co-operation and confidence reposed in the Company.

For and on behalf of the Board of directors

Mumbai
28th May, 2018

M M Dhanuka
Chairman

ANNEXURE 'A' TO BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

Sr. No.	Particulars	Remarks
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 of the Company is available at www.igpetro.com
2.	Composition of the CSR Committee	Dr. Vaijayanti Pandit (Chairperson) Shri M M Dhanuka Shri Rajesh Muni Shri P H Ravikumar Shri J K Saboo
3.	Average net profit of the Company for last three financial years	₹ 7,321 lakhs
4.	Prescribed CSR expenditure (two per cent of the amount as in item 3 above)	₹ 146.42 lakhs
5.	Details of CSR spent for the financial year	a. Total amount spent for the financial year: ₹ 143.70 lakhs. b. Amount unspent, if any: ₹ 2.72 lakhs

Manner in which the amount spent during the financial year is detailed below:

(₹ in Lakhs)

Sr. No.	CSR Project or Activity identified	Sector in which the project is covered	Projects or program 1. Local area or other 2. Specify the State and district where projects or Programs was undertaken	Amount outlay (Budget) Project or Programs-wise	Amount spent on the Project or Programs Sub-heads 1. Direct expenditure on projects or programs 2. Overheads	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	Param Shantidham Vridhasharam, Blind Organisation of India, Smt. Parmeshwari Devi Jan Kalyan Trust.	Community Organisation	Mumbai	Not exceeding 146.42	53.60	53.60	Direct/Agency
2.	Utkarsh Star Mitra Mandal, Water Conservation & Tree Plantation Project, Sangrik Vikas Mitra Mandal, Flag Day Fund & others	Environment	Mumbai		17.19	17.19	Direct/Agency
3.	Child Health Foundation	Healthcare	Mumbai		0.20	0.20	Direct
4.	Sri Chaitanya Seva Trust & Sri Sai Siva Shakti Charitable Trust	Charitable Trust	Mumbai		2.75	2.75	Direct
5.	Raigad Zilha Parishad Prathmik Shala, Diksha Foundation, Shiv Vidya Prabodhini Trust, Saraswati Shishu Mandir Trust	Education	Vrindavan/Mumbai		69.96	69.96	Direct/Agency
	TOTAL				**143.70**	**143.70**	

The actual amount spent on CSR activities for the year ended 31st March, 2018 was less by ₹ 2.72 lakhs. The Company has initiated some projects which are under implementation.

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

Sd/-
Nikunj Dhanuka
Managing Director & CEO

Sd/-
Dr. Vaijayanti Pandit
Chairperson – CSR Committee

ANNEXURE 'B' TO BOARD'S REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

for The Financial Year Ended 31st March, 2018

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

To the Members,
I G Petrochemicals Limited
T-10, 3rd Floor, Jairam Complex,
Mala, Neugi Nagar,
Panaji – 403001

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by I G Petrochemicals 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, 2018 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowing and Overseas Direct Investments (Foreign Direct Investment is not Applicable during the audit period)

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

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

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

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable during the audit period)**

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 and its amendments notified on 18th September, 2015 **(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 the Companies Act and dealing with client.

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);**

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

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

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

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

We further report that, having regard to the Compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following law applicable specifically to the Company:

- Petroleum Act, 1934 and
- Petroleum Rules, 2002
- Chemicals Weapons Convention Act, 2000

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The composition of the Board of Directors during the period under review was in compliance with the provisions of the Act.

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

All decisions at Board Meetings and Committee Meetings are carried out either unanimously or majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

For Makarand M. Joshi & Co.,
Company Secretaries

Kumudini Bhalerao
Partner
FCS No. 6667
CP No. 6690

Mumbai
28th May, 2018

This report is to be read with our letter of even date which is annexed as "Annexure-I" and forms an integral part of this report.

'Annexure I'

To the Members,
I G Petrochemicals Limited
T-10, 3rd Floor, Jairam Complex,
Mala, Neugi Nagar,
Panaji – 403001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

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

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

For Makarand M. Joshi & Co.,
Company Secretaries

Kumudini Bhalerao
Partner
FCS No. 6667
CP No. 6690

Mumbai
28th May, 2018

ANNEXURE 'C' TO BOARD'S REPORT

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

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of
The Companies (Accounts) Rules, 2014]

FOR POWER & FUEL CONSUMPTION PER UNIT (MT) OF PRODUCT, TECHNOLOGY ABSORPTION & FOREIGN EARNINGS & OUTGO

		Year ended 31st March, 2018	Year ended 31st March, 2017
(A) Power & fuel Consumption			
1. Electricity			
a. Purchased (Units)		431,099	2,12,040
Total Amount (₹)		53,85,879	24,03,188
Rate / Unit (₹)		12.49	11.33
b. Own Generation			
I. Through Diesel Generator		9,04,520	4,88,110
Units per Ltr. Of Diesel oil		4.23	4.08
Cost / Units (₹)		13.94	13.30
II. Through Steam Turbine		3,81,92,580	3,83,40,317
Generator (Units)		-	-
Units per Ltr. Of Fuel / Oil / Gas		-	-
2. Coal is not used in Manufacturing Process		-	-
3. Furnace Oil quantity (MT)		6,048	6,014
Total Amount (₹)		15,55,93,225	13,64,32,015
Average Rate / MT (₹)		25,728	22,685
4 Other / Internal Generation		-	-
(B) Consumption per unit (MT) of product			
Phthalic Anhydride	Standard		
Electricity - Units	Not Specified	257	255
Furnace Oil – Litres	Not Specified	39	39
Maleic Anhydride	Standard		
Electricity - Units	Not Specified	62	-
Furnace Oil – Litres	Not Specified	-	-

(C) Technology Absorption

Research & Development (R & D)

(i) Specific area in which R & D carried out by the Company

The Company is conducting its R & D activities for developing the process of Phthalic Anhydride downstream value added products.

(ii) Benefits derived as a result of above R & D.

Benefits in terms of better quality and increased productivity.

(iii) Future plan of action.

All the efforts are being continued in the direction of product / process development as mentioned above

(iv) Expenditure incurred on R & D

The company has incurred expenditure to an extent of ₹ 48.07 lakhs.

Total R & D expenses as a % of turnover : 0.04% (0.05%)

(D) Foreign Exchange Earnings & Outgo (₹ in Lakhs)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Total Foreign Exchange Earnings	**19,862.17**	21,422.03
Total Foreign Exchange Outgo	**4,591.57**	7,319.81

ANNEXURE 'D' TO BOARD'S REPORT

FORM MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

I. REGISTRATION AND OTHER DETAILS

CIN	L51496GA1988PLC000915
Registration date	18th October, 1988
Name of the Company	I G Petrochemicals Limited
Category/Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and Contact details	T-10, 3rd Floor, Jairam Complex, Mala, Neugi Nagar, Panaji, Goa-403 001. Tel. No. 0832 - 2434973
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer agent, if any	Bigshare Services Pvt. Ltd. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri (East), Mumbai – 400 059 Tel: 022-62638200/222/223 Fax: 022-62638299 E-mail: investor@bigshareonline.com web: www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITY 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	% of total turnover of the Company
Phthalic Anhydride	24119	100%

III. PARTICULARS OF HOLDING/SUBSIDIARY/ASSOCIATE COMPANIES

Name and address of the Company	CIN/GLN	Holding/Subsidiary / Associate	% of shares held	Applicable Section
IGPL International Limited P.O. Box 93915 Dubai, UAE	N.A.	Subsidiary	100%	Section 2(87)
IGPL (FZE) Q1-04-107/C, P.O. Box 513190 Sharjah, UAE	N.A.	Step-down subsidiary	100%	Section 2(87)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April 2017]				No. of Shares held at the end of the year [As on 31st March 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2,60,010	0	2,60,010	0.84	2,60,010	0	2,60,010	0.84	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 Corp.	2,19,79,917	0	2,19,79,917	71.38	2,19,79,917	0	2,19,79,917	71.38	0

Category of Shareholders		No. of Shares held at the beginning of the year [As on 1st April 2017]				No. of Shares held at the end of the year [As on 31st March 2018]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e)	Banks / FI	0	0	0	0	0	0	0	0	0
f)	Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)		2,22,39,927	0	2,22,39,927	72.22	2,22,39,927	0	2,22,39,927	72.22	0
B.Public Shareholding										
1.	**Institutions**									
a)	Mutual Funds	0	9,500	9,500	0.03	50,000	4,900	54,900	0.18	0.15
b)	Banks / FI	14,676	5,200	19,876	0.06	10,805	3,800	14,605	0.05	(0.02)
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	0	3,100	3,100	0.01	0	1,000	1,000	0.00	(0.01)
h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i)	Foreign Portfolio Investors	27,611	0	27,611	0.09	5,62,164	0	5,62,164	1.83	1.74
Sub-total (B)(1):-		42,287	17,800	60,087	0.20	6,22,969	9,700	6,32,669	2.05	1.86
2.	**Non-Institutions**									
a)	Bodies Corp.									
	i) Indian	5,71,059	56,550	6,27,609	2.04	4,56,233	26,750	4,82,983	1.57	(0.47)
	ii) Overseas	0	0	0	0	0	0	0	0	0
b)	Individuals									
	i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	34,88,966	17,67,653	52,56,619	17.07	36,09,737	11,48,457	47,58,194	15.45	(1.62)
	ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	20,17,752	0	20,17,752	6.55	14,47,602	0	14,47,602	4.70	(1.85)
c)	Others									
	Trusts	200	100	300	0	200	0	200	0	0
	Non Resident Indians	1,89,114	3,18,400	5,07,514	1.65	2,71,655	84,800	3,56,455	1.16	(0.49)
	Directors & their relatives	7,800	0	7,800	0.03	7,800	0	7,800	0.03	0
	Clearing Members	77,242	0	77,242	0.25	89,678	0	89,678	0.29	0.04
	IEPF	0	0	0	0	7,79,342	0	7,79,342	2.53	2.53
Sub-total (B)(2):-		63,52,133	21,42,703	84,94,836	27.59	66,62,247	12,60,007	79,22,254	25.73	(1.86)
Total Public Shareholding (B)=(B)(1)+ (B)(2)		63,94,420	21,60,503	85,54,923	27.78	72,85,216	12,69,707	85,54,923	27.78	0
C.	**Shares held by Custodian for GDRs & ADRs**	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)		**2,86,34,347**	**21,60,503**	**3,07,94,850**	**100.00**	**2,95,25,143**	**12,69,707**	**3,07,94,850**	**100.0**	**0**

B) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 1st April, 2017]			Shareholding at the end of the year [As on 31st March, 2018]			% 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	M M Dhanuka	1,04,904	0.34	0.00	1,04,904	0.34	0.00	0.00
2	Amishi Dhanuka	1,000	0.00	0.00	1,000	0.00	0.00	0.00
3	Bina Devi Dhanuka	22,073	0.07	0.00	22,073	0.07	0.00	0.00
4	Neha Dhanuka	1,28,235	0.42	0.00	1,28,235	0.42	0.00	0.00
5	Umang Dhanuka	3,798	0.01	0.00	3,798	0.01	0.00	0.00
6	Bihariji Constructions (I) Ltd	5,50,200	1.79	0.00	5,50,200	1.79	0.00	0.00
7	Gembel Trade Enterprises Ltd	27,17,491	8.82	0.00	27,17,491	8.82	0.00	0.92
8	Kalimpong Produce Co. Ltd	1,200	0.00	0.00	1,200	0.00	0.00	0.00
9	Kamrup Enterprises Ltd.	33,21,401	10.79	0.00	33,21,401	10.79	0.00	0.00
10	Mysore Petro Chemicals Ltd.	40,75,000	13.23	0.00	40,75,000	13.23	0.00	0.00
11	Savita Investments Co. Ltd.	19,33,414	6.28	0.00	19,33,414	6.28	0.00	0.00
12	Shekhavati Investment Corp. Ltd.	41,22,210	13.39	0.00	41,22,210	13.39	0.00	0.00
13	Shogun Vinimay (P) Ltd.	3,69,074	1.20	0.00	3,69,074	1.20	0.00	0.00
14	Vincent (India) Ltd.	48,89,927	15.88	0.00	48,89,927	15.88	0.00	0.00
	Total	**2,22,39,927**	**72.22**	**0.00**	**2,22,39,927**	**72.22**	**0.00**	**0.00**

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

There is no change in the Promoters' shareholding

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For each of the top 10 shareholders	Shareholding at the beginning of the year [As on 1st April, 2017]		Cumulative Shareholding during the Year [As on 31st March, 2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Anil Kumar Goel				
	01-04-2017	5,76,354	1.87	5,76,354	1.87
	14-04-2017	646	0.00	5,77,000	1.87
	31-03-2018	0	0.00	5,77,000	1.87
2	Manulife Global Fund - Asian Small Cap Equity Fund				
	01-04-2017	0	0.00	0	0
	20-09-2017	1,20,000	0.39	1,20,000	0.39
	22-09-2017	56,000	0.18	1,76,000	0.57
	06-10-2017	50,414	0.16	2,26,414	0.74
	15-12-2017	40,000	0.13	2,66,414	0.87
	22-12-2017	(2,389)	(0.01)	2,64,025	0.86
	09-02-2018	(27,272)	(0.09)	2,36,753	0.77

Sr. No.	For each of the top 10 shareholders	Shareholding at the beginning of the year [As on 1st April, 2017]		Cumulative Shareholding during the Year [As on 31st March, 2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	16-02-2018	30,000	0.10	2,66,753	0.87
	16-03-2018	(8,132)	(0.03)	2,58,621	0.84
	30-03-2018	(32,000)	(0.10)	2,26,621	0.74
	31-03-2018	0	0.00	2,26,621	0.74
3	Dolly Khanna				
	01-04-2017	1,87,695	0.61	1,87,695	0.61
	07-04-2017	5,675	0.02	1,93,370	0.63
	14-04-2017	2,000	0.01	1,95,370	0.63
	05-05-2017	2,180	0.01	1,97,550	0.64
	19-05-2017	2,170	0.01	1,99,720	0.65
	14-07-2017	7,665	0.02	2,07,385	0.67
	28-07-2017	4,636	0.02	2,12,021	0.69
	11-08-2017	4,270	0.01	2,16,291	0.70
	08-09-2017	930	0.00	2,17,221	0.71
	13-09-2017	1,320	0.00	2,18,541	0.71
	20-09-2017	1,455	0.00	2,19,996	0.71
	22-09-2017	5,136	0.02	2,25,132	0.73
	29-09-2017	2,309	0.01	2,27,441	0.74
	10-11-2017	900	0.00	2,28,341	0.74
	17-11-2017	(1,000)	0.00	2,27,341	0.74
	24-11-2017	(1,000)	0.00	2,26,341	0.74
	08-12-2017	(1,000)	0.00	2,25,341	0.73
	29-12-2017	(660)	0.00	2,24,681	0.73
	05-01-2018	(400)	0.00	2,24,281	0.73
	02-02-2018	(690)	0.00	2,23,591	0.73
	23-02-2018	(720)	0.00	2,22,871	0.72
	02-03-2018	(1,000)	0.00	2,21,871	0.72
	31-03-2018	0	0.00	2,21,871	0.72
4	Ajay Shiv Narayan Upadhyaya				
	01-04-2017	1,80,000	0.58	1,80,000	0.58
	12-05-2017	(2,855)	(0.01)	1,77,145	0.58
	19-05-2017	2,855	0.01	1,80,000	0.58
	12-01-2018	(25,000)	(0.08)	1,55,000	0.50
	23-02-2018	7,000	0.02	1,62,000	0.53
	31-03-2018	0	0.00	1,62,000	0.53
5	Seema Goel				
	01-04-2017	1,07,004	0.35	1,07,004	0.35
	28-04-2017	(2,004)	(0.01)	1,05,000	0.34
	05-05-2017	(3,963)	(0.01)	1,01,037	0.33
	12-05-2017	(16,037)	(0.05)	85,000	0.28

Sr. No.	For each of the top 10 shareholders	Shareholding at the beginning of the year [As on 1st April, 2017]		Cumulative Shareholding during the Year [As on 31st March, 2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	28-07-2017	(5,000)	(0.02)	80,000	0.26
	20-09-2017	(10,000)	(0.03)	70,000	0.23
	22-09-2017	(1,684)	(0.01)	68,316	0.22
	06-10-2017	(3,316)	(0.01)	65,000	0.21
	12-01-2018	(1,000)	0.00	64,000	0.21
	19-01-2018	(1,000)	0.00	63,000	0.20
	26-01-2018	(11,000)	(0.04)	52,000	0.17
	16-02-2018	(289)	0.00	51,711	0.17
	31-03-2018	0	0.00	51,711	0.17
6	Sudhir Chandulal Mehta				
	01-04-2017	89,500	0.29	89,500	0.29
	05-05-2017	(50,500)	(0.16)	39,000	0.13
	12-05-2017	(30,000)	(0.10)	9,000	0.03
	26-05-2017	3,000	0.01	12,000	0.04
	02-06-2017	1,500	0.00	13,500	0.04
	28-07-2017	(13,500)	(0.04)	0	0.00
	09-02-2018	10,017	0.03	10,017	0.03
	16-02-2018	4,730	0.02	14,747	0.05
	23-02-2018	(11,230)	(0.04)	3,517	0.01
	02-03-2018	(2,500)	(0.01)	1,017	0.00
	31-03-2018	0	0.00	1,017	0.00
7	Kumarasun M Nadar				
	01-04-2017	83,703	0.27	83,703	0.27
	31-03-2018	83,703	0.27	83,703	0.27
8	Kemnay Investment Fund Ltd				
	01-04-2017	20,247	0.07	20,247	0.07
	11-08-2017	(847)	0.00	19,400	0.06
	26-01-2018	35,408	0.11	54,808	0.18
	02-02-2018	3,137	0.01	57,945	0.19
	16-02-2018	(250)	0.00	57,695	0.19
	02-03-2018	500	0.00	58,195	0.19
	09-03-2018	4,694	0.02	62,889	0.20
	16-03-2018	1,955	0.01	64,844	0.21
	30-03-2018	7,250	0.02	72,094	0.23
	31-03-2018	0	0.00	72,094	0.23
9	Tushar Agencies Pvt. Ltd.				
	01-04-2017	70,000	0.23	70,000	0.23
	28-07-2017	(10,885)	(0.04)	59,115	0.19
	25-08-2017	(465)	0.00	58,650	0.19
	08-09-2017	(6,650)	(0.02)	52,000	0.17
	15-09-2017	(2,000)	(0.01)	50,000	0.16

Sr. No.	For each of the top 10 shareholders	Shareholding at the beginning of the year [As on 1st April, 2017]		Cumulative Shareholding during the Year [As on 31st March, 2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	29-09-2017	(6,000)	(0.02)	44,000	0.14
	27-10-2017	(5,000)	(0.02)	39,000	0.13
	31-10-2017	(9,000)	(0.03)	30,000	0.10
	10-11-2017	(3,000)	(0.01)	27,000	0.09
	17-11-2017	(27,000)	(0.09)	0	0.00
	31-03-2018	0	0.00	0	0.00
10	P Nishita				
	01-04-2017	53,028	0.17	53,028	0.17
	28-04-2017	264	0.00	53,292	0.17
	19-05-2017	2,115	0.01	55,407	0.18
	26-05-2017	190	0.00	55,597	0.18
	02-06-2017	541	0.00	56,138	0.18
	09-06-2017	959	0.00	57,097	0.19
	16-06-2017	3,074	0.01	60,171	0.20
	23-06-2017	5,000	0.02	65,171	0.21
	21-07-2017	2	0.00	65,173	0.21
	29-09-2017	3,833	0.01	69,006	0.22
	10-11-2017	(24,309)	(0.08)	44,697	0.15
	17-11-2017	24,325	0.08	69,022	0.22
	12-01-2018	(9,000)	(0.03)	60,022	0.19
	19-01-2018	2,000	0.01	62,022	0.20
	09-02-2018	333	0.00	62,355	0.20
	16-02-2018	1,717	0.01	64,072	0.21
	31-03-2018	0	0.00	64,072	0.21

E) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name	Shareholding at the beginning of the year [As on 1st April, 2017]		Cumulative Shareholding during the year [As on 31st March, 2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	M M Dhanuka	1,04,904	0.34	1,04,904	0.34
2	Nikunj Dhanuka	0	0.00	0	0.00
3	Rajesh Muni	5,500	0.02	5,500	0.02
4	P H Ravikumar	1,000	0.00	1,000	0.00
5	Dr. A K A Rathi	100	0.00	100	0.00
6	J K Saboo	1,200	0.00	1,200	0.00
7	Dr. Vaijayanti Pandit	0	0.00	0	0.00
8	R Chandrasekaran	8	0.00	0	0.00
9	Sudhir R Singh	5	0.00	5	0.00

V. INDEBTEDNESS

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

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5,516.23	2,706.05	0	8,222.28
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	6.55	77.25	0	83.80
Total (i+ii+iii)	5,522.78	2,783.30	0	8,306.08
Change in Indebtedness during the financial year				
- Addition	0	543.18	0	543.18
- Reduction	(1,683.98)	(2,533.98)	0	(4,217.96)
Net Change	(1,683.98)	(1,990.80)	0	(3,674.78)
Indebtedness at the end of the financial year				
i) Principal Amount	3,832.87	225.00	0	4,057.87
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	5.93	24.32	0	30.25
Total (i+ii+iii)	**3,838.80**	**249.32**	**0**	**4,088.12**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL –

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

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Nikunj Dhanuka (MD & CEO)	J K Saboo (ED)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	60.00	39.00	99.00
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	26.77	17.08	43.85
	(c) Profits in lieu of salary under section 17(3) Income- Tax Act, 1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission - as % of profit	355.15	0	355.15
	Total (A)	**441.92**	**56.08**	**498.00**
	Ceiling as per the Act			2,334.05

B. Remuneration to other directors

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	**Independent Directors**	**Rajesh R Muni**	**Dr A K A Rathi**	**P H Ravikumar**	**Dr. Vaijayanti Pandit**	
	Fee for attending board / committee meetings	3.90	3.90	4.20	3.15	15.15
	Commission	5.92	5.92	5.92	5.92	23.68
	Others, please specify	0	0	0	0	0
	Total (1)					**38.83**
2.	**Other Non-Executive Directors**					**M M Dhanuka**
	Fee for attending board / committee meetings					4.60
	Commission					213.09
	Others, please specify					-
	Total (2)					**217.69**
	Total (B)=(1+2)					**256.52**
	Total Managerial Remuneration (A) + (B)					**754.52**
	Ceiling as per the Act					2,567.46

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		R Chandrasekaran Chief Financial Officer	**Sudhir R Singh Company Secretary**	**Total**
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	47.40	19.68	67.08
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	20.31	7.99	28.30
	(c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission	0	0	0
	Total	**67.71**	**27.67**	**95.38**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for breach of any provisions of the Companies Act, 2013 against the Company or its Directors or other officers in default during the year.

Report on Corporate Governance

(Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2018

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance depicts the way the Company has been doing its business all these years bringing in utmost transparency, adherence to the ethics, compliances with the laws and adaption and application of the best governing practices. These standards ensures that the Company helps all its stakeholders viz. shareholders, business associates, employees, customers and others in the course of its association with the Company in creating wealth all round.

The Board of Directors of the Company lays down the guiding principles and policies for the management to perform. Delegation of powers with responsibilities is a standard practice across all levels in the Company. The Company boasts of the best-in class manufacturing facilities with adequate safety mechanism for its employees, effective treatment of waste and discharge, social accountability, adherence to the environmental norms, etc. Appropriate training programmes are conducted as and when needed.

BOARD OF DIRECTORS

Composition and category of the Directors

The Board of Directors, led by a Non-executive Chairman, comprises of 7 Directors with diverse background and profession and having an optimum combination of Executive and Non-executive Directors in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI Listing Obligations"). The majority of the Board consists of Independent Directors, whose terms are fixed in accordance with the provisions of Section 149 of the Companies Act, 2013 ("the Act").

The Company has Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee, which functions in accordance with the defined criteria.

The Directors are not related to each other.

ATTENDANCE OF THE DIRECTORS AT THE MEETINGS

The Board met four times during the year i.e. on 3rd May, 2017, 24th July, 2017, 30th October, 2017 and 14th February, 2018.

The attendance of the Directors at the Board Meetings and the Annual General Meeting, Directorship and Committee membership in other Companies are given below:

Name of the Directors	Category	Number of Board Meetings attended	Attendance at the AGM held on 20th September, 2017	Number of Directorship(s) held in other public companies		Number of Committee positions held in other public companies		No. of shares held
				Chairman	Member	Chairman	Member	
M M Dhanuka	Non-Executive	4	Yes	1	0	0	0	1,04,904
Nikunj Dhanuka	Executive	4	No	0	1	1	1	0
J K Saboo	Executive	4	No	0	0	0	0	1,200
Rajesh Muni	Non-Executive & Independent	4	No	0	1	1	1	5,500
Dr. A K A Rathi	Non-Executive & Independent	4	Yes	0	0	0	0	100
P H Ravikumar	Non-Executive & Independent	4	No	2	5	2	4	1,000
Dr. Vaijayanti Pandit	Non-Executive & Independent	4	No	0	8	1	5	0

The familiarization programme of the Directors can be accessed at www.igpetro.com

AUDIT COMMITTEE

The composition of the Audit Committee consists majorly of independent directors with diverse experience and Chairman possessing expertise in financial, accounts and taxation. The meetings of the Committee are held at regular intervals. The terms of reference are governed by Regulation 18 of the SEBI Listing Obligations and Section 177 of the Act. It acts as an additional layer of governance for the Board of Directors in providing its observations and recommendations to the Board to enable it to arrive at informed decisions which relates primarily to overseeing the financial statements and its reporting process, internal audit reports, related parties transactions, reviewing the adequacy and evaluation of internal financial controls, etc.

The Audit Committee met four times during the year i.e. on 3rd May, 2017, 24th July, 2017, 30th October, 2017 and 14th February, 2018, which were attended by all the then members of the Committee. During the year, the Audit Committee was reconstituted as stated below:

Name of the Members	Position	Category
Rajesh Muni	Chairman	Non-Executive & Independent
M M Dhanuka	Member	Non-Executive
Dr. A K A Rathi	Member	Non-Executive & Independent
P H Ravikumar	Member	Non-Executive & Independent
Nikunj Dhanuka*	Member	Executive
Dr. Vaijayanti Pandit*	Member	Non-Executive & Independent

* Inducted w.e.f. 3rd May, 2017

The Company Secretary acts as the Secretary of the Committee. The Internal Auditors, Statutory Auditors, Chief Financial Officer and President – Finance & Accounts are the invitees to all Audit Committee meetings and have attended all meetings during the year.

The Chairman and few other members of the Audit Committee could not attend the last AGM due to cyclone in Mumbai leading to cancellation of all flights to Goa.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee functions within the ambit of powers as vested by the Board vis-à-vis Regulation 19 of the SEBI Listing Obligations and Section 178 of the Act, which includes amongst other overseeing the matters relating to appointment of directors, key managerial personnel, senior management level employees, recommending to the Board the remuneration and other related benefits of the executive directors and senior management employees, determining the term of the directors, recommending to the Board and the shareholders the appointment of directors, evaluating the re-appointment and determining whether to extend the tenure of the independent directors, etc.

All members of the Committee are non-executive with majority of them being independent. During the year, two meetings were held on 3rd May, 2017 and 30th October, 2017 and which were attended by all the then members of the Committee. During the year, the Committee was reconstituted as stated below:

Name of the Members	Position	Category
P H Ravikumar	Chairman	Non-Executive & Independent
M M Dhanuka	Member	Non-Executive
Rajesh Muni	Member	Non-Executive & Independent
Dr. A K A Rathi	Member	Non-Executive & Independent

The Company Secretary acts as the Secretary of the Committee.

Dr. Vaijayanti Pandit ceased to a member of the Committee from 3rd May, 2017.

Performance evaluation criteria of independent directors

The criteria for the evaluation of directors are determined by the Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Act and SEBI Listing Obligations. The Committee evaluates the performance of each directors. The evaluation criteria provides for different parameters for the evaluation of the performance of the Board, its committees and Directors (including Independent Directors). The criteria for the evaluation were designed from the point of discharge of the key responsibilities, attendance at the meetings, directors' contribution, board functioning, etc.

All the Directors carried out the performance evaluation. The Independent Directors evaluated the performance of non-independent directors, the Board as a whole and Chairman. The performance evaluation of independent directors was done by the entire Board members in which the independent directors who were being evaluated did not participate.

Remuneration of Directors

The Remuneration Policy of the Company strives to ensure that the level and composition of the remuneration is reasonable and sufficient to attract, retain and motivate the best talent commensurate with the size of the Company and that it involves a balance between fixed and incentive pay reflecting short and long-term performance objectives to the working.

The non-executive directors of the Company are entitled for the sitting fees for each meeting of the Board/Committees attended by them. During the year, there was no transaction or any other pecuniary relationship with the non-executive directors.

Pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the Members of the Company at the last Annual General Meeting held on 20th September, 2017, have approved the payment of Commission upto 1% of the net profits of the Company (computed in accordance with Section 198 of the Act) to the non-executive directors of the Company for a period of 5 years from the year 2016-17.

The payment of remuneration to Managing Director (MD) and Executive Director (ED) are as per their terms of appointment agreed to between the Company and the said Directors individually subject to the same being within the overall limits as prescribed under the Act. The details of remuneration of the MD and ED are disclosed in the Board Report. The MD is entitled for a Commission upto 1.50% of the net profit for each year during his term of appointment. There are no performance linked incentives payable to the Directors.

There are no severance fees paid to any Directors. The notice period are as per the contract entered into with them.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Shareholders' Relationship Committee meets as and when required and reviews all matters relating to the resolution of the investor grievances viz. transfer of shares, non-receipt of annual report, non-receipt of dividends, issue of duplicate share certificates, etc.

The investor grievances are being attended by M/s Bigshare Services Pvt. Ltd., Registrar and Transfer Agent (RTA) administered under the supervision of the Company Secretary and a periodical report on the same is being presented before the Committee.

The details of composition and attendance are given below:

Name of the Members	Position	Category	No. of complaints received	No. of complaints resolved	No. of complaints pending
Dr. A K A Rathi	Chairman	Non-Executive & Independent	21	20	1*
M M Dhanuka	Member	Non-Executive			
P H Ravikumar	Member	Non-Executive & Independent			
Dr. Vaijayanti Pandit	Member	Non-Executive & Independent			

* Since been resolved

The Company Secretary acts as the Secretary of the Committee and is the Compliance Officer of the Company.

GENERAL BODY MEETINGS

a. Annual General Meetings

Financial Year	Date	Time	Venue	Special Resolutions
2014-15	17th August, 2015	11.00 a.m.	Hotel Mandovi, D.B. Bandodkar Road Panaji, Goa – 403 001	1. Appointment of Shri Umang Dhanuka 2. Appointment of Shri Mayank Dhanuka 3. Alteration of Articles of Association 4. Maintenance of statutory books at a place other than the registered office
2015-16	31st August, 2016	3.30 p.m.		Appointment of Shri Nikunj Dhanuka as Managing Director & CEO
2016-17	20th September, 2017	3.00 p.m.		Revision in terms of remuneration of Shri Nikunj Dhanuka

b. During the year, no Special Resolution was passed through postal ballot.

c. No special resolution is proposed to be conducted through postal ballot at this AGM.

MEANS OF COMMUNICATION

The quarterly financial results and other information (as applicable) are promptly disclosed to the stock exchanges and are generally published in Economic Times and Goa Doot. The investor presentations and the financial results are uploaded on the website of the Company www.igpetro.com

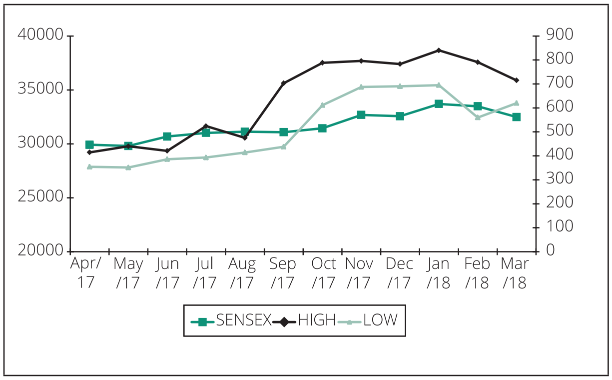
GENERAL INFORMATION TO SHAREHOLDERS

Date, Time and Venue of Annual General Meeting	27th August, 2018 at 3.00 p.m. at Hotel Mandovi, D. B. Bandodkar Road Panaji, Goa - 403 001.
Financial year	1st April to 31st March
Dividend Payment Date	On or after 3rd September, 2018
ISIN Code	INE 204A01010
Listing on stock exchanges and stock code	BSE Ltd. – 500199 and The National Stock Exchange of India Ltd. - IGPL The listing fees for the year 2018-19 have been paid to the stock exchanges
Date of Book Closure	Tuesday, 21st August, 2018 and Wednesday, 22nd August, 2018.
Registrar & Transfer Agents	M/s Bigshare Services Pvt. Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol Andheri (East) - Mumbai – 400 059 Tel: 022-62638200/222/223 Fax: 022-62638299 E-mail: investor@bigshareonline.com web: www.bigshareonline.com
Share Transfer System	By the Registrar & Transfer Agents in compliance of the provisions
Dematerialisation of shares and liquidity	95.88% of the shares are held in dematerialised form as at 31st March, 2018.
Plant locations	T-2, MIDC Industrial Area, Taloja 410 208, Dist. Raigad, Maharashtra
Address for correspondence	401-404, Raheja Centre, 214, Nariman Point Mumbai - 400 021 Phone : +91-22-30286100 E-mail- igpl@igpetro.com

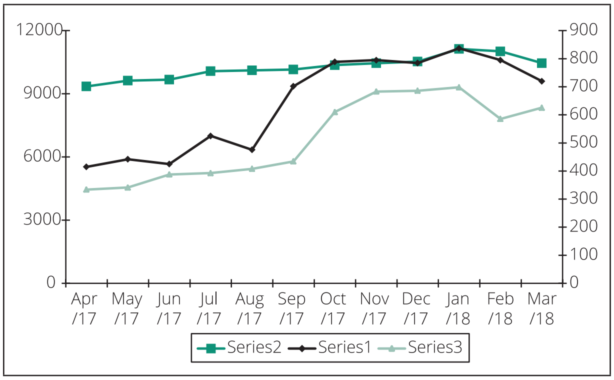
MARKET PRICE DATA DURING THE YEAR ENDED 31ST MARCH, 2018 (MONTH-WISE)

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April	414.50	354.35	414.95	334.00
May	440.00	351.20	441.90	341.40
June	420.90	386.00	424.90	387.65
July	524.00	393.00	525.00	392.80
August	475.00	414.00	475.70	407.75
September	702.90	438.00	702.00	434.45
October	788.20	611.30	788.80	610.00
November	796.10	687.20	795.00	683.00
December	783.00	690.00	784.70	686.05
January	840.00	695.00	836.80	698.10
February	790.80	560.00	795.00	585.50
March	715.00	620.00	719.95	625.50

PERFORMANCE OF SHARE PRICE IN COMPARISON WITH SENSEX (BSE)



PERFORMANCE OF SHARE PRICE IN COMPARISON WITH NIFTY (NSE)



DISTRIBUTION OF SHAREHOLDING AS AT 31ST MARCH, 2018

Shareholding	No. of shareholders	% to total	No. of shares	% to total
1 – 500	28,840	94.92	30,96,705	10.06
501 – 1000	859	2.83	6,98,316	2.27
1001 – 2000	341	1.12	5,00,124	1.62
2001 – 3000	110	0.36	2,78,404	0.90
3001 – 4000	72	0.24	2,58,092	0.84
4001 – 5000	51	0.17	2,41,673	0.78
5001 – 10000	58	0.19	4,12,654	1.34
10001 and above	53	0.17	2,53,08,882	82.19
Total	**30,384**	**100.00**	**3,07,94,850**	**100.00**

OTHER DISCLOSURES

Related party transactions

There are no material related party transactions as defined under Regulation 23 of the SEBI Listing Obligations which could have potential conflict with the interest of the Company at large.

Strictures and Penalties

The Company has complied with the SEBI Listing Obligations and no penalties or strictures were imposed by the stock exchanges or SEBI or any other statutory authority during the last 3 years.

Vigil Mechanism/Whistle Blower Policy

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and it provides its employees a channel for the reporting of genuine concerns about unethical behaviour, actual or suspected or misconduct without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization and direct access to the Chairman of the Audit Committee in exceptional cases. The Chief Financial Officer of the Company is the Vigilance Officer who can be approached to report the concern.

During the year, no employee has been denied access to the Audit Committee.

Mandatory/Non-mandatory compliances

The Company has been complying with all mandatory legislations including but not restricted to Ind As, Secretarial Standards, Internal Financial Controls, Code of Conduct, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Corporate Social Responsibility, etc.

Adoption of non-mandatory requirements:

The Company has adopted the following non-mandatory requirements:

a. The financial statements of the Company contain an unmodified audit opinion.

b. The office of the Chairman and Managing Director are being held by separate persons.

c. The report of the Internal Auditor is placed before the Audit Committee meeting and they are invitees to the meeting.

The Company do not have any material subsidiary.

The Policy on related party transactions is available at www.igpetro.com

The Company do not have any shares lying in the demat suspense account /unclaimed suspense account.

DECLARATION ON CODE OF CONDUCT

I hereby confirm and declare that all the Directors and Senior Management personnel of the Company as defined in the Code of Conduct of the Company have submitted annual declarations for the year ended 31st March, 2018 confirming their compliance of the same.

Mumbai
28th May, 2018

Nikunj Dhanuka
Chief Executive Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
I G Petrochemicals Limited

We have examined the compliance of conditions of Corporate Governance by I G Petrochemicals Limited ("the Company") for the year ended 31st March, 2018 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015 ('SEBI Listing Regulations') and as amended from time to time.

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. 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 Listing Regulations.

Auditor's Responsibility

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), 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 and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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

Opinion

Based on our examination of relevant records and information and according to the explanations given to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations, during the year ended 31st March, 2018, as applicable.

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

For Uday & Co.
Chartered Accountants
Firm Registration No. 004440S

K. Sathyanarayanan
Partner
Membership No. 203644

Mumbai
28th May, 2018

Independent Auditors' Report

To the Members of I G Petrochemicals Limited

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of **I G Petrochemicals Limited** ("the Company"), which comprises the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including the other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'standalone Ind AS financial statement')

MANAGEMENT'S RESPONSIBILITY FOR THE 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income and Cash Flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Accounts) Rules, 2015 as amended.

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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the order under section 143(11) of the Act.

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 standalone Ind AS 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 standalone Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, its Profit (financial performance including other comprehensive income), its Cash Flow and the Changes in Equity for the year ended on that date.

OTHER MATTER

The Comparatives financial information for the year ended 31st March, 2017 and the transition date opening balance sheet as on 1st April 2016 included in the standalone Ind AS financial statement, are based on the previously issued statutory standalone financial statement prepared in accordance with Companies (Accounting Standards) Rules, 2006 audited by ASA & Associates LLP, Chartered Accountants (One of the Joint Auditor) and Hariharan & Co, Chartered Accountants (Predecessor Joint auditor) for the year ended 31st March, 2017 and 31st March, 2016 whose report dated 3rd May, 2017 and 23rd May, 2016, respectively expressed an unmodified opinion on these financial statement, as adjusted for the difference in the accounting principle adopted by the company on transition to the Ind AS which have been audited by us.

Our opinion is not modified in respect of above matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such check of the books and records of the company as we considered appropriate and according to the information and explanation given to us during the course of audit, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

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

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, as applicable.

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

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

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note no. 31 to the financial statements;

      ii. The Company has made provision, as required under the applicable law and 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.

For Uday & Co.
Chartered Accountants
Firm Registration No: 004440S

For ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

K. Satyanarayanan
Partner
Membership No. 203644

Prateet Mittal
Partner
Membership No. 402631

Mumbai
28th May, 2018

Annexure 'A' to the Independent Auditors' Report of even date on the standalone Ind AS financial statement of I G Petrochemicals Limited

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

b) The fixed assets are being physically verified by the management at all its office in a phased manner at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification. However, the policy with regard to the verification of physical assets and the periodicity thereof needs to be reviewed and approved by the Board.

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 are held in the name of the Company.

(ii) The inventory (excluding stock with third parties) has been physically verified by the management at reasonable intervals. In respect of inventory lying with third parties, these have been confirmed by them. No Material discrepancies were noticed on physical verification.

(iii) The Company has granted loan to one body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act").

(a) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to the body corporate listed in the registered maintained under section 189 of the Act were not, prima facie prejudicial to the interest of the Company.

(b) In the case of the loan granted to the body corporate listed in the register maintained under section 189 of the Act, the borrower have been regular in the payment of the principle and interest as stipulated.

(c) There is no overdue amount in respect of the Loan granted to the body corporate listed in the register maintained under section 189 of the Act.

(iv) According to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loan and investment made.

(v) According to the information provided and explanations given to us, the Company has not accepted any deposits from the public during the year within the meaning of Section 73 to 76 of the Act or any other relevant provision of the Act and rules framed there under.,

(vi) According to the information provided and records produced to us, the cost records prescribed by the Central Government of India under sub section (1) of the section 148 of the Act, relating to the products of the Company have been made and maintained. We are not required to and accordingly, have not made a detailed examination of such records.

(vii) a) According to the information provided and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess, Goods and service tax and any other material statutory dues applicable to it with the appropriate authorities. There are no outstanding statutory dues existing as at the last day of the financial year for a period of more than six months from the day they became payable.

b) According to the information and explanations given to us, there were no amounts due as on 31st March, 2018 in respect of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or Goods and Service tax which have not been deposited on account of any dispute other than those indicated below.

Name of the Statute	Nature of disputed dues	Amount ₹ (in lakhs) *	Year to which demand relates	Forum, where dispute is pending
Central Excise Act, 1944	Excise Duty	4,331.17	Various year from 1997 to 2009	CESTAT
Central Excise Act, 1944	Excise Duty	119.82	Various Years from 1997 to 2015	Commissioner of GST.
Income Tax Act, 1961	Income tax	3,306.00*	Assessment Years 2005-06 to 2015-16	Karnataka High Court/ ITAT/ CIT(Appeal).

*' after taking into consideration of the payments under protest /MAT adjustments.

(viii) According to the information provided and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution, bank, Government or dues to debenture holders.

(ix) According to the information provided and explanations given to us, no moneys have been raised by way of initial public offer or further public offer (including debt instruments) during the year. On the basis of information and explanation given to us, term loans raised from different banks during the year were applied for the purposes for which those are raised.

(x) According to the information and explanations given to us and to the best of our knowledge and belief, no fraud by or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on examination of the record of the Company, the Company has paid/provided for the managerial remuneration in accordance with the requisite approval mandated by the provisions of Section 197 read with schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(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 them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information provided and explanations given to us, the Company is not a non-banking financial Company hence it is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Uday & Co.	**For ASA & Associates LLP**
Chartered Accountants	Chartered Accountants
Firm Registration No: 004440S	Firm Registration No: 009571N/ N500006
K. Satyanarayanan	**Prateet Mittal**
Partner	Partner
Membership No. 203644	Membership No. 402631

Mumbai
28th May, 2018

Annexure 'B' to the Independent Auditors' Report of even date on the standalone Ind AS financial statement of I G Petrochemicals Limited

Report on the Internal Financial Control Over Financial Reporting 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 I G Petrochemicals Limited ("the Company") as at 31st March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes 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 to be 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 control system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

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

For Uday & Co.	**For ASA & Associates LLP**
Chartered Accountants	Chartered Accountants
Firm Registration No: 004440S	Firm Registration No: 009571N/N500006
K. Satyanarayanan	**Prateet Mittal**
Partner	Partner
Membership No. 203644	Membership No. 402631

Mumbai
28th May, 2018

Balance Sheet
as at 31st March, 2018

(₹ in Lakhs)

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
Non-Current assets				
Property, Plant and Equipment	1	40,078.66	32,368.40	32,704.16
Capital Work-In-Progress	1	2,568.60	1,121.33	441.40
Goodwill		201.14	-	-
Other Intangible Assets	1	13.99	17.21	3.89
Intangible Assets Under Development	1	58.86	-	-
		42,921.25	**33,506.94**	**33,149.45**
Financial Assets				
(i) Investments	2	4,895.43	1,858.29	39.26
(ii) Loans	3	128.48	8.85	78.17
(iii) Other Financial Assets	4	321.24	150.76	756.86
Non- Current Tax Assets (Net)		656.74	144.16	17.81
Other Non-Current Assets	5	2,379.84	1,342.17	1,412.38
Total Non-Current Assets		**51,302.98**	**37,011.17**	**35,453.93**
Current Aseets				
Inventories	6	9,437.88	9,659.93	8,349.59
Financial Assets				
(i) Investments	7	4,073.86	-	0.31
(ii) Trade Receivables	8	13,877.11	14,975.09	10,880.88
(iii) Cash and Cash Equivalents	9(a)	450.15	509.27	91.44
(iv) Bank balances other than (iii) above	9(b)	1,669.14	2,467.02	1,567.46
(v) Loans	10	56.79	44.46	43.21
(vi) Other Financial Assets	11(a)	70.16	202.55	493.98
Other Current Assets	11(b)	1,792.63	1,040.37	807.99
Total Current Assets		**31,427.72**	**28,898.69**	**22,234.86**
TOTAL		**82,730.70**	**65,909.86**	**57,688.79**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	12	3,079.81	3,079.81	3,079.81
Other Equity	13	49,730.29	36,170.77	26,762.88
Total Equity		**52,810.10**	**39,250.58**	**29,842.69**
Non-Current Liabilities				
Financial Liabilities				
(i) Borrowings	14	2,923.44	6,003.40	9,218.11
(ii) Other Financial Liabilities	15	3,750.00	-	-
Provisions	16	278.63	194.53	182.05
Deferred Tax Liabilities (Net)	17	3,712.14	199.44	-
Total Non-Current Liabilities		**10,664.21**	**6,397.37**	**9,400.16**
Current Liabilities				
Financial Liabilities				
(i) Borrowings	18	2.51	240.32	31.06
(ii) Trade Payables	19(a)	14,982.99	17,073.53	15,254.74
(iii) Other Financial Liabilities	19(b)	2,855.02	2,110.28	2,524.67
Other Current Liabilities	20	1,331.05	752.13	621.03
Provisions	21	84.82	85.65	14.44
Total Current Liabilities		**19,256.39**	**20,261.91**	**18,445.94**
TOTAL		**82,730.70**	**65,909.86**	**57,688.79**
Significant Accounting Policies	A			
Notes on Financial Statements	1-45			

As per our report of even date

For **Uday & Co.**
Chartered Accountants

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

Mumbai
28th May, 2018

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

R Chandrasekaran
Chief Financial Officer

Sudhir R Singh
Company Secretary

Statement of Profit and Loss
for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	Note	Year ended 31st March, 2018	Year ended 31st March, 2017
INCOME			
Revenue from Operations	22	1,17,086.88	1,13,560.69
Other Income	23	402.35	332.22
Total Income		**1,17,489.23**	**1,13,892.91**
EXPENSES			
Cost of Raw Material Consumed	24	69,815.63	73,319.01
Purchases of Stock-in -Trade		2,498.27	218.06
Changes In Inventories of Finished Goods and Work-in-Progress	25	436.45	1,583.61
Excise Duty		2,669.96	9,813.16
Employee Benefits Expense	26	5,575.11	3,905.79
Finance Cost	27	1,487.96	1,824.07
Depreciation and Amortisation Expenses	1	2,569.60	2,112.25
Other Expenses	28	9,351.37	7,890.35
Total Expenses		**94,404.35**	**1,00,666.30**
Profit before Tax		**23,084.88**	**13,226.61**
Tax Expenses	39		
Current Tax		7,574.52	3,126.02
MAT Credit		-	(3,957.22)
Deferred Tax		855.87	3,864.22
Profit for the year		**14,654.49**	**10,193.59**
Other Comprehensive Income / (Expenses)			
(i) Items that will not be reclassified to profit or loss Remeasurement of Defined Benefit Plan - Gratuity		25.92	(67.93)
(ii) Income Tax relating to items that will not be reclassfied to profit or loss		(8.97)	23.51
Other Comprehensive Income For The Year		**16.95**	**(44.42)**
Total Comprehensive Income For The Year		**14,671.44**	**10,149.17**
Earning per Equity Share:	29		
Face value of shares ₹ 10 each, (Previous Year: ₹ 10 each)			
Basic & Diluted - ₹		47.58	33.10
Significant Accounting Policies	A		
Notes on Financial Statements	1-45		

As per our report of even date
For **Uday & Co.**
Chartered Accountants

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

Mumbai
28th May, 2018

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

R Chandrasekaran
Chief Financial Officer

Sudhir R Singh
Company Secretary

Statement of Changes in Equity
for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
(A) Equity Share Capital		
Opening Balance	3,079.81	3,079.81
Changes in Equity Share Capital	-	-
Closing Balance	3,079.81	3,079.81

(B) Other Equity (₹ in Lakhs)

Particulars	Reserves and Surplus				Other Comprehensive Income	Total Other Equity
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at 1st April, 2016	**116.25**	**2,275.00**	**1,000.00**	**23,371.63**	**-**	**26,762.88**
Profit for the Year	-	-	-	10,193.59	-	10,193.59
Other Comprehensive Income, net of tax	-	-	-	-	(44.42)	(44.42)
Transfer to General Reserve	-	-	2,000.00	(2,000.00)	-	-
Dividend (Including dividend distribution tax)	-	-	-	(741.28)	-	(741.28)
Balance as at 31st March, 2017	**116.25**	**2,275.00**	**3,000.00**	**30,823.94**	**(44.42)**	**36,170.77**
Profit for the Year	-	-	-	14,654.49	-	14,654.49
Other Comprehensive Income, net of tax	-	-	-	-	16.95	16.95
Transfer to General Reserve	-	-	2000.00	(2,000.00)	-	-
Dividend (Including dividend distribution tax)	-	-	-	(1,111.92)	-	(1,111.92)
Balance as at 31st March, 2018	**116.25**	**2,275.00**	**5,000.00**	**42,366.51**	**(27.47)**	**49,730.29**

The nature of reserves are as follows:

1. Capital Reserve : Capital Reserve has been created to record the forfeiture of Share Warrants. It is utlised to meet Capital Losses and issue of Bonus Shares.
2. Securities Premium Reserve : Securities premium is used to record the premium received on issue of Shares. It is utilised in accordance with the provisions of the Companies Act, 2013.
3. General Reserve : General Reserve is used from time to time to transfer profit from retained earnings for appropriation purposes.
4. Retained Earnings: The amount can be utilised by the Company to distributed as dividend to its equity shareholders.

As per our report of even date
For **Uday & Co.**
Chartered Accountants

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP.**
Chartered Accountants

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

Mumbai
28th May, 2018

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

R Chandrasekaran
Chief Financial Officer

Sudhir R Singh
Company Secretary

Cash Flow Statement
for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars		Year ended 31st March, 2018	Year ended 31st March, 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax and Extraordinary Items	23,084.88	13,226.61
	Non-cash Adjustment to reconcile profit before tax to net cash flow:		
	Depreciation / Amortisation Expenses	2,569.60	2,112.25
	Loss / (Profit) on Sale / Write off of Fixed Assets	(14.52)	(3.18)
	Loss / (Profit) on Sale of Investments	(7.87)	1.71
	Profit on Fair Value of Investment through Profit & Loss	(115.66)	(2.84)
	Foreign Exchange Translation Difference Loss (Net)	207.04	(509.70)
	Sundry Balances / Excess Provision Written Back	47.72	254.89
	Interest Expense	1,121.73	1,058.15
	Interest Income	(226.08)	(309.93)
	Dividend Income	(12.79)	(0.39)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**26,654.05**	**15,827.57**
	Movements in Working Capital		
	Increase / (decrease) in Trade Payables / Other Current liabilities	(1,881.46)	1,712.30
	Decrease / (increase) in Trade receivables	1,361.50	(3,694.48)
	Decrease / (increase) in Inventories	222.05	(1,310.34)
	Decrease / (increase) in loans and advances	(1,157.32)	(113.41)
		(1,455.23)	**(3,405.93)**
	CASH GENERATED FROM OPERATIONS	25,198.82	12,421.64
	Direct Taxes Paid (Net of refunds)	(5,420.02)	(2,907.20)
	NET CASH FLOW FROM OPERATING ACTIVITIES	**19,778.80**	**9,514.44**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Purchase of Fixed Assets, including intangible assets,CWIP	(6,138.42)	(3,215.39)
	Proceeds from Sale of Fixed Assets	35.89	393.09
	Purchase of Investments	(6,987.47)	(1,817.59)
	Interest Received	220.17	348.44
	Dividend Received	12.79	0.39
	NET CASH FLOW USED IN INVESTING ACTIVITIES	**(12,857.04)**	**(4,291.06)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Proceeds / (Repayments) of Long-term borrowings (Net)	(4,499.60)	(3,240.37)
	Interest Paid	(1,175.28)	(1,062.43)
	Dividend Paid	(1,068.19)	(712.01)
	NET CASH FLOW USED IN FINANCING ACTIVITIES	**(6,743.07)**	**(5,014.81)**
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**178.69**	**208.57**
	Cash and Cash Equivalents at the begnning of the year	**268.95**	**60.38**
	Cash and Cash Equivalents at the end of the year	**447.64**	**268.95**

NOTE : Previous year figures have been regrouped / reclassified wherever applicable.

As per our report of even date
For **Uday & Co.**
Chartered Accountants

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

Mumbai
28th May, 2018

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

R Chandrasekaran
Chief Financial Officer

Sudhir R Singh
Company Secretary

Significant Accounting Policies

Note A :

(A) GENERAL INFORMATION

I G Petrochemicals Limited ("the Company") is a public limited Company incorporated in India with its registered office at T-10, 3rd Floor, Jairam Complex, Mala, Neugi Nagar, Panaji, Goa 403001.

(B) BASIS OF PREPARATION

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ("Ind AS"), notified under the Companies (Indian Accounting Standards) Rules, 2015, with effect from 1st April, 2017.

The transition from the previous GAAP to Ind AS has been accounted for, in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards", with 1st April, 2016 as the transition date.

The financial statements have been prepared under the historical cost convention, with the exception of certain assets and liabilities that are required to be carried at fair value by Ind-AS.

(C) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:

- Depreciation on property, plant and equipment acquired from, Mysore Petro Chemicals Limited is provided based on the useful life determined by the valuer which is as follows:

Asset	Useful life as per valuer	Useful life as per Schedule II
Building	20 to 30 years	30 years
Furniture & fixtures	5 years	10 years
Vehicles	5 to 6 years	8 years
Plant & Equipment	20 years	8 to 20 years
Road	10 years	10 years

Catalyst used in the production process is amortized over a period of 3 years against useful life of 8 to 20 years as per schedule II.

Freehold land is not depreciated.

Leasehold land is amortized over the period of lease.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

Upon first-time adoption of Ind AS, the Company has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1st April, 2016.

(D) INTANGIBLE ASSETS

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Computer software : 4 years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

Goodwill is initially recognised based on the accounting policy for business combinations. These assets are not amortised but are tested for impairment annually.

Significant Accounting Policies

Upon first-time adoption of Ind AS, the Company has elected to measure its intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e. 1st April, 2016.

(E) INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURE

Investments in subsidiaries and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries and joint ventures at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e. 1st April, 2016.

(F) INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

(G) CASH AND CASH EQUIVALENTS

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(H) FINANCIAL INSTRUMENTS

Financial Assets:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognized in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- amortized cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade Receivables and Loans:

Trade receivables are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Debt Instruments:

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

(a) **Measured at amortised cost:** Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

(b) **Measured at fair value through other comprehensive income:** Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain

Significant Accounting Policies

or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) **Measured at fair value through profit or loss:** A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value , the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Financial Liabilities:

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(I) PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the

Significant Accounting Policies

existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(J) REVENUE RECOGNITION

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract. There is no continuing managerial involvement, with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as value added tax.

Income from export incentives such as duty drawback and premium on sale of import licenses are recognised on accrual basis.

Income from services rendered is recognised based on agreements/ arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably.

Interest income is recognized using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.

(K) EXPENDITURE

Expenses are accounted on accrual basis.

(L) EMPLOYEE BENEFITS: DEFINED CONTRIBUTION PLANS

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, employee pension scheme, etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

Company's provident fund contribution, in respect of certain employees, is made to an irrevocable trust set up by the company and contribution to pension fund deposited with the Regional Provident Fund Commissioner and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plans

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation. The Company also provides for retirement/post-retirement benefits in the form of gratuity and leave pay.

For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

The defined benefit plan surplus or deficit on the Balance Sheet comprises the total for each plan of the fair value of plan assets less the present value of the defined benefit liabilities (using a discount rate by reference to market yields on government bonds at the end of the reporting period).

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

Significant Accounting Policies

Termination benefits

Termination benefits, in the nature of voluntary retirement benefits or termination benefits arising from restructuring, are recognised in the Statement of Profit and Loss. The Company recognises termination benefits at the earlier of the following dates:

(a) when the Company can no longer withdraw the offer of those benefits; or

(b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value

(M) IMPAIRMENT

(i) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss on following:

- Financial assets measured at amortised cost; and
- Financial assets measured at FVOCI – debt investments

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected losses for all other financial assets, ECL are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to statement of profit and loss and recognised in OCI.

ii) Impairment of non-financial assets

The Company assess at each reporting date whether there is any indication that the carrying amount may not be recoverable, if any, such indication exists, then the assets recoverable amount is estimated and an impairment loss is recognised if the carrying amount of an asset or CGL exceeds its estimated recoverable amount in the statement of profit and loss.

Goodwill is tested annually for impairment.

The Company's non-financial assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment, if any, indication exists, then the asset's recoverable amount is estimated.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(N) INCOME TAXES

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest income/ expenses and penalties, if any, related to income tax are included in current tax expense.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Significant Accounting Policies

(O) FOREIGN CURRENCIES

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

(P) EARNINGS PER SHARE

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(Q) BUSINESS COMBINATION

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

FIRST TIME ADOPTION OF IND AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016. These financial statements for the year ended 31st March, 2018 are the first financial statements the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2017 , the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended 31st March, 2018, together with the comparative information as at and for the year ended 31st March, 2017 and the opening Ind AS Balance Sheet as at 1st April, 2016, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at 1st April, 2016 and the financial statements as at and for the year ended 31st March, 2017.

Significant Accounting Policies

A. Optional Exemptions from retrospective application

Ind AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The Company has elected to apply the following optional exemptions from retrospective application:

(i) Business combinations

Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, or of interests in associates and joint ventures and transactions which are considered businesses for Ind AS, that occurred before 1st April, 2016. The carrying amounts of assets and liabilities in accordance with Previous GAAP are considered as their deemed cost at the date of acquisition. After the date of the acquisition, measurement is in accordance with Ind AS.

(ii) Deemed cost for property, plant and equipment and intangible assets

The Company has elected to measure all its property, plant and equipment and intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

The Company has elected to continue to capitalize difference on foreign exchange arising from translation of long term foreign currency monetary items loss as permitted by company's Accounting Rules 2006 by notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs and exemption allowed vide para D13AA of Ind AS-101 first time adoption of Ind AS.

(iii) Investments in subsidiaries and joint ventures

The Company has elected to measure its investments in subsidiaries and joint ventures at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

B. Mandatory Exceptions from retrospective application

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101:

(i) Estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

(ii) Classification and measurement of financial assets

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

C. Transition to Ind AS - Reconciliations

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Equity as at 1st April, 2016

II. a. Reconciliation of Equity as at 31st March, 2017

b. Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2017

III. Adjustments to Statement of Cash Flows for the year ended 31st March, 2017

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

Notes
to the financial statements for the year ended 31st March, 2018

1. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Equipments	Office Equipments	Furniture & Fixtures	Vehicles	Catalyst	Total	Intangible Assets (Computer - Software)	Intangible Assets under Development	Capital work-in - progress (Refer Note-2)
Gross Carrying Amount												
As at 1st April, 2016	**233.87**	**1,752.19**	**2,598.64**	**64,707.26**	**302.98**	**468.15**	**520.39**	**1,760.77**	**72,344.25**	**48.49**	**-**	**441.40**
Additions	-	89.45	-	801.38	78.86	466.29	139.91	586.85	2,162.74	16.98	-	2,092.03
Disposal	-	-	-	(381.57)	-	-	(45.25)	-	(426.82)	-	-	(1,412.10)
As at 31st March, 2017	**233.87**	**1,841.64**	**2,598.64**	**65,127.07**	**381.84**	**934.44**	**615.05**	**2,347.62**	**74,080.17**	**65.47**	**-**	**1,121.33**
Additions	-	2,683.20	306.45	6,495.85	18.49	23.70	203.37	564.55	10,295.61	2.40	58.86	2,398.24
Disposal	-	-	-	(12.41)	-	-	(173.63)	-	(186.04)	-	-	(950.97)
As at 31st March, 2018	**233.87**	**4,524.84**	**2,905.09**	**71,610.51**	**400.33**	**958.14**	**644.79**	**2,912.17**	**84,189.74**	**67.87**	**58.86**	**2,568.60**
Accumulated Depreciation												
As at 1st April, 2016	**-**	**96.61**	**1,103.21**	**36,442.08**	**253.42**	**324.42**	**265.65**	**1,154.70**	**39,640.09**	**44.60**	**-**	**-**
Depreciation for the year	-	18.61	118.95	1,447.69	18.96	34.87	70.45	399.06	2,108.59	3.66	-	-
Disposal	-	-	-	-	-	-	(36.91)	-	(36.91)	-	-	-
As at 31st March, 2017	**-**	**115.22**	**1,222.16**	**37,889.77**	**272.38**	**359.29**	**299.19**	**1,553.76**	**41,711.77**	**48.26**	**-**	**-**
Depreciation for the year	-	64.75	101.89	1,880.58	38.55	62.99	59.27	355.95	2,563.98	5.62	-	-
Disposal	-	-	-	(10.33)	-	-	(154.34)	-	(164.67)	-	-	-
As at 31st March, 2018	**-**	**179.97**	**1,324.05**	**39,760.02**	**310.93**	**422.28**	**204.12**	**1,909.71**	**44,111.08**	**53.88**	**-**	**-**
Net Carrying Amount												
As at 1st April, 2016	**233.87**	**1,655.58**	**1,495.43**	**28,265.18**	**49.56**	**143.73**	**254.74**	**606.07**	**32,704.16**	**3.89**	**-**	**441.40**
As at 31st March, 2017	**233.87**	**1,726.42**	**1,376.48**	**27,237.30**	**109.46**	**575.15**	**315.86**	**793.86**	**32,368.40**	**17.21**	**-**	**1,121.33**
As at 31st March, 2018	**233.87**	**4,344.87**	**1,581.04**	**31,850.49**	**89.40**	**535.86**	**440.67**	**1,002.46**	**40,078.66**	**13.99**	**58.86**	**2,568.60**

Notes :

1. Buildings include ₹ 250/- (Previous year ₹ 250/-) for shares in office premises in a co-operative society.
2. Capital work in Progress includes Plant & Machinery under construction ₹ 1769.94 lakhs (31st March, 2017 - ₹ 256.59 lakhs & 1st April, 2016 - ₹ 288.77 lakhs), Machinery Spares Stock ₹ 513.01 lakhs (31st March, 2017 - ₹ 499.69 lakhs & 1st April, 2016 Nil) and preoperative expenses incurred during the year in the form of Employee Benifits expense of ₹ 108.97 lakhs (31st March, 2017 Nil & 1st April, 2016 ₹ 50.84 lakhs), and Rates & Taxes ₹ 6.32 lakhs (31st March, 2017 Nil, & 1st April, 2016 - ₹ 1.50 lakhs).
3. Pursuant to the amendment to the Companies (Accounting Standards) Rules 2006 by notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs and exemption allowed vide para D13AA of Ind AS-101 first time adoption of Ind AS, the Company continues to exercise the option in terms of Para 46A inserted in the Standard for long term foreign currency monetary assets and liabilities. Consequently the Loss of foreign exchange of ₹ 656.73 lakhs for the year and loss of foreign exchange ₹ 1017.49 lakhs as on 31st March, 2018 has been capitalised.
4. During the year w.e.f. 1st April, 2017 Company had acquired the business of Maleic Anhydride manufacturing unit of M/s Mysore Petro Chemicals Limited located at Taloja, Maharashtra and assets so acquired is included under respective assets at the value determined by the valuer.

Notes
to the financial statements for the year ended 31st March, 2018

2. NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Investment at Cost			
Unquoted			
Investment in Equity Instruments (Fully Paid- up)			
Nil (31st March, 2017 - Nil, 1st April, 2016 1,200) shares of ₹ 100 each in Blue Circle Fine Chem Pvt. Ltd	-	-	3.60
1,000 (31st March, 2017 - 1,000, 1st April, 2016 - 1,000) shares of ₹ 100 each in Cosmos Co-operative Bank	1.00	1.00	1.00
2,68,055 (31st March, 2017 - 57100, 1st April, 2016 - Nil) Shares of AED 100 each in IGPL - International Limited (wholly owned subsidary)	3,884.20	1,046.14	-
Nil (31st March, 2017- Nil, 1st April, 2016 - 1) Share of AED 150,000 in IGPL (FZE) (wholly owned subsidary)	-	-	26.35
Total Non-Current Investment at Cost	**3,885.20**	**1,047.14**	**30.95**
Investment measued at fair Value through Profit & Loss			
Investment in Mutual Funds (Fully Paid up)			
40,537.392 (31st March, 2017 - 40,537.392, 1st April, 2016 - 40,537.392) units of ₹ 10/- each in Principal Mutual Fund	8.82	10.63	8.31
Investment in Debentures (Fully Paid up)			
Nil (31st March, 2017 - 800, 1st April, 2016- Nil) Units of Edelweiss Finvest Private Limited of ₹1,00,000 each.	-	800.52	-
100 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of JM Financial Products of ₹1,00,000 each.	1,001.41	-	-
Total Non-Current Investment measured at Fair Value through Profit & Loss	**1,010.23**	**811.15**	**8.31**
Total Non-Current Investments	**4,895.43**	**1,858.29**	**39.26**
Aggreagte amount of quoted Investments and market value thereof	-	-	-
Aggreagte amount of unquoted Investments	4,895.43	1,858.29	39.26
Aggreagte amount of impairment in the value of Investments	-	-	-

3. NON- CURRENT FINANCIAL ASSETS

(Unsecured, Considered Good)			
Loan to Wholly Owned Subsidary	128.48	8.85	78.17
	128.48	**8.85**	**78.17**

4. NON- CURRENT FINANCIAL ASSETS

OTHER FINANCIAL ASSETS			
Deposits – Others	113.60	63.50	54.57
Loans to Employees	108.16	58.01	48.04
Fixed Deposits with Bank with a maturity period of above 12 months	29.25	29.25	29.25
Security Deposit – Related Party (Refer Note No. 33)	70.23	-	625.00
	321.24	**150.76**	**756.86**

Notes

to the financial statements for the year ended 31st March, 2018

5. OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Capital Advances for Purchase of Property, Plant and Equipment	1,529.16	5.19	72.08
Other Advances (Deposit with Government Authorities etc.)	850.68	1,336.98	1,340.30
	2,379.84	**1,342.17**	**1,412.38**

6. INVENTORIES (at lower of cost and net realisable value)

Raw Material	4,163.40	4,491.62	1,098.00
Raw Material in transit	1,098.24	521.21	787.18
Stores and Spares	2,768.83	2,652.40	2,743.20
Work - in- Progress	397.21	482.80	767.51
Finished Goods	1,010.20	1,497.97	2,855.92
Finished Goods in transit	-	13.93	97.78
	9,437.88	**9,659.93**	**8,349.59**

7. CURRENT INVESTMENTS

Investment at Cost			
Unquoted			
Investment in Government Securities			
Six years National Saving Certificates of the face value of ₹ 31,000 (Nil, 31st March, 2017 - Nil, 1st April, 2016 ₹ 31,000) lodged as security with Government Departments	-	-	0.31
Total Current Investment at Cost	**-**	**-**	**0.31**
Investment measured at Fair Value through Profit & Loss			
Investment in Mutual Funds (Fully Paid -up)			
1,53,895.370 (31st March, 2017 - Nil , 1st April, 2016 - Nil) Units of Aditya Birla Sunlife Cash Plus of ₹100 each	154.20	-	-
31.885 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of HDFC Liquid Fund of ₹ 3418.5354 each	1.09	-	-
Investment in Debentures (Fully Paid -up)			
9 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of Arm Infra & Utilities Pvt. Ltd. of ₹10,00,000 each	104.36	-	-
800 (31st March, 2017 - Nil, 1st April, 2016- Nil) Units of Edelweiss Finvest Private Limited of ₹1,00,000 each	865.54	-	-
976 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of Edelweiss Finvest Private Limited of ₹ 1,00,000 each	1,011.62	-	-
9 (31st March, 2017 - Nil,1st April, 2016 - Nil) Units of JM Financial Products Ltd. of ₹10,00,000 each	98.00	-	-
200 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of ECAP Equities Ltd. of ₹1,00,000 each	214.92	-	-
88 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of ECL Finance Ltd. of ₹1,00,000 each	101.75	-	-

Notes

to the financial statements for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Investment in Alternate Investment Fund(Fully Paid -up)			
50,000 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of Edelweiss Alpha Fund of ₹ 1,000 each .	500.00	-	-
50,000 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of Avendus Absolute Return Fund ₹ 1,000 each	520.48	-	-
5,00,000 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of DSP BlackRock India of ₹100 each.	501.90		
Total Current Investment measured at Fair Value through Profit & Loss	**4,073.86**	**-**	**-**
Total Current Investment	**4,073.86**	**-**	0.31
Aggreagte amount of quoted Investments and market value thereof	-	-	-
Aggreagte amount of unquoted Investments	4,073.86	-	0.31
Aggreagte amount of impairment in the value of Investments	-	-	-

8. TRADE RECEIVABLES

Unsecured, Considered Good	13,877.11	14,975.09	10,880.88
	13,877.11	**14,975.09**	**10,880.88**

9. CASH AND CASH EQUIVALENTS

(a)	Cash in hand	2.92	2.89	9.63
	Balance with Scheduled Banks			
	In Current Accounts	447.23	506.38	81.81
		450.15	**509.27**	**91.44**
(b)	Other Bank Balances			
	In Fixed Deposits (Held with Scheduled Banks as Margin)	1,037.18	1,207.18	1,543.63
	In Deposits with Maturity of less than 12 Months	542.84	1,208.64	-
	In Fixed Deposits (Held with Government Department as Security)	0.97	1.22	1.22
	In Margin Money Accounts	-	5.56	7.46
	In Unpaid Dividend Account	88.15	44.42	15.15
		1,669.14	**2,467.02**	**1,567.46**
		2,119.29	**2,976.29**	**1,658.90**

Notes

to the financial statements for the year ended 31st March, 2018

10. CURRENT FINANCIAL ASSETS - LOANS

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Loan to Employees	56.79	44.46	43.21
	56.79	**44.46**	**43.21**

11. a) CURRENT ASSETS - OTHERS FINANCIAL ASSETS

Advances recoverable in cash or kind or for value to be received			
- Considered Good	70.16	180.56	453.41
Balance with Custom, Excise Authorities	-	21.99	40.57
	70.16	**202.55**	**493.98**

11. b) CURRENT ASSETS - OTHERS

Prepayment	1,163.37	386.22	471.68
Export Incentive Receivable	366.44	375.96	230.54
Balance with Statutory/Government Authorities	-	38.71	37.37
Advances to Suppliers	262.82	239.48	68.40
	1,792.63	**1,040.37**	**807.99**

12. EQUITY SHARE CAPITAL

Authorised			
4,00,00,000 (31st March, 2017 - 4,00,00,000, 1st April, 2016 - 4,00,00,000) Equity Shares of ₹ 10/- each	4,000.00	4,000.00	4,000.00
10,00,000 (31st March, 2017- 10,00,000, 1st April, 2016 -10,00,000) Preference Share of ₹ 100/- each	1,000.00	1,000.00	1,000.00
	5,000.00	**5,000.00**	**5,000.00**
Issued			
3,08,01,350 (31st March, 2017- 3,08,01,350, 1st April, 2016 - 3,08,01,350) Equity Shares of ₹ 10/- each	3,080.14	3,080.14	3,080.14
Subscribed and Paid up			
3,07,94,850 (31st March, 2017- 3,07,94,850, 1st April, 2016 - 3,07,94,850) Equity Shares of ₹ 10/- each	3,079.49	3,079.49	3,079.49
Add: Amount paid up on 6,500 shares forfeited	0.32	0.32	0.32
	3,079.81	**3,079.81**	**3,079.81**

The reconciliation of the number of shares outstanding is set out below

Particulars	No. of Shares	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	3,07,94,850	3,07,94,850	3,07,94,850
Add : Shares Issued during the year	-	-	-
Equity Shares at the end of the year	**3,07,94,850**	**3,07,94,850**	**3,07,94,850**

Notes
to the financial statements for the year ended 31st March, 2018

The Details of Shareholders holding more than 5% Shares in the company

Name of the Shareholders	As at 31st March,2018		As at 31st March,2017		As at 1st April, 2016	
	No. of Shares	% Held	No. of Shares	% Held	No. of Shares	% Held
Gembel Trade Enterprises Ltd.	27,17,491	8.82%	27,17,491	8.82%	27,17,491	8.82%
Kamrup Enterprises Ltd.	33,21,401	10.79%	33,21,401	10.79%	18,94,884	6.15%
Mysore Petro Chemicals Ltd.	40,75,000	13.23%	40,75,000	13.23%	40,75,000	13.23%
Savita Investment Company Ltd.	19,33,414	6.28%	19,33,414	6.28%	19,33,414	6.28%
Shekhavati Investment Corporation Ltd.	41,22,210	13.39%	41,22,210	13.39%	41,22,210	13.39%
Vincent (India) Ltd.	48,89,927	15.88%	48,89,927	15.88%	26,34,294	8.55%

13. OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Capital Reserve			
Balance as per last Balance Sheet	**116.25**	**116.25**	**116.25**
Securities Premium Reserve	-	-	-
Balance as per last Balance Sheet	**2,275.00**	**2,275.00**	**2,275.00**
General Reserve			
Balance as per last Balance Sheet	3,000.00	1,000.00	500.00
Add : Transferred from Surplus in Profit & Loss	2,000.00	2,000.00	500.00
Retained Earning			
Opening Balance at the beginning of the year	30,823.94	23,371.63	17,910.04
Add : Profit for the year	14,654.49	10,193.59	6,036.46
	45,478.43	**33,565.22**	**23,946.50**
Less : Appropriation			
Transferred to General Reserve	2,000.00	2,000.00	500.00
Equity dividend	923.85	615.90	-
Tax on dividend distributed	188.07	125.38	-
Adjustment in Retained earning as on 31st March, 2016	-	-	74.87
	42,366.51	**30,823.94**	**23,371.63**
Other Comprehensive Income (OCI)			
As per Last Balance Sheet	(44.42)	-	-
Add : Movement in OCI (Net) during the year	16.95	(44.42)	-
	(27.47)	**(44.42)**	**-**
Total Other Equity	**49,730.29**	**36,170.77**	**26,762.88**

Notes
to the financial statements for the year ended 31st March, 2018

14. NON-CURRENT FINANCIAL LIABILITIES- BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Secured Loans			
Term Loan - Rupee Term Loan from Banks	-	-	1,033.11
- Foreign Currency Loan from Bank	-	-	628.86
External Commercial Borrowing	2,698.44	3,244.82	4,524.23
Loan against Cars	-	52.53	55.86
	2,698.44	3,297.35	6,242.06
Unsecured Loans			
From Bodies Corporate	225.00	2,706.05	2,976.05
	2,923.44	**6,003.40**	**9,218.11**

i. The External Commercial Borrowings (ECB) is secured by Hypothecation of Fixed and movable properties (other than current assets) and registered mortgage on immovable properties of the Company on first pari passu basis with Term Loan lender. The ECB is payable in 17 equal semi annual instalments from 15th September, 2013.

ii. Car loans are secured by the assets acquired through such finance.

15. NON-CURRENT FINANCIAL LIABILITIES

Due to Related Party (Refer Note No.33)	3,750.00	-	-
	3,750.00	**-**	**-**

16. LONG TERM PROVISIONS

Provision for Leave Encashment	278.63	194.53	182.05
	278.63	**194.53**	**182.05**

17. DEFERRED TAX LIABILITIES (Net)

Deferred Tax Assets :			
MAT Credit Entitlement	753.92	3,665.00	-
Provision allowed under tax on payment basis	143.48	67.83	-
	897.40	**3,732.83**	-
Deferred Tax Liabilities :			
Property, Plant & Equipment	4,569.52	3,932.27	-
Financial Assets	40.02	-	-
	4,609.54	**3,932.27**	-
Deferred Tax Liability (Net)	**3,712.14**	**199.44**	-

Deferred Tax benefits are recognised on assets to the extent that it is probable that taxable profit will be available against which the deductible temporary differences will be utilised against which the asset can be utilised.

Notes
to the financial statements for the year ended 31st March, 2018

The movement on the deferred Tax account is as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
At the beginning of the year	199.44	-	-
Charge to statement of Profit & Loss (Net)	855.87	93.00	-
Adjustment to MAT (Net)	2,656.83	106.44	-
At the end of the year	**3,712.14**	**199.44**	**-**

18. CURRENT FINANCIAL LIABILITIES - BORROWINGS

Secured			
Bank Borrowings	2.51	240.32	31.06
	2.51	**240.32**	**31.06**

Bank borrowings are secured by Hypothecation of current assets of the company i.e. stock of raw materials, stock in process, finished goods, stores & spares and book debts on first pari passu basis amongst Working Capital lenders under consortium banking arrangement. It is further secured by hypothecation of Fixed and movable properties and registered mortgage of immovable properties of the Company on second charge basis.

The above Bank borrowings are further secured by Personal Guarantee of two Directors of the company.

19. a) CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

Dues of Micro, Medium and Small Enterprises	118.99	166.75	141.92
Dues of creditors other than Micro, Medium and Small Enterprises	14,864.00	16,906.78	15,112.82
	14,982.99	**17,073.53**	**15,254.74**

Dues to parties covered under the Micro, Small and Medium Enterprises as per MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditor.

Notes
to the financial statements for the year ended 31st March, 2018

19. b) CURRENT FINANCIAL LIABILITIES - OTHER

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unpaid Dividend (shall be credited to Investor Education and Protection Fund as and when due)	88.15	44.42	15.15
Security Deposits	249.58	3.50	3.50
Current maturities of long term Secured debts			
- Rupee Term Loan from Banks	-	600.00	1,102.85
- Foreign Currency Term Loan from Bank	-	367.73	197.15
- External Commercial Borrowing	1,079.38	927.09	1,005.38
- Loan Against Cars	52.53	83.74	52.76
- Due to Related Party - Refer Note No. 33	1,350.00	-	-
Interest Accrued But not Due on Loans	30.25	83.80	88.08
Other Liabilities	5.13	-	59.80
	2,855.02	**2,110.28**	**2,524.67**

20. OTHER CURRENT LIABILITIES

Advance from Customers	7.91	73.94	34.63
Book Overdraft	889.96	-	157.31
Statutory Dues & Taxes payable	433.18	678.19	429.09
	1,331.05	**752.13**	**621.03**

21. SHORT TERM PROVISIONS

Provision for Leave Encashment	62.06	44.95	14.44
Provision for Gratuity	22.76	40.70	-
	84.82	**85.65**	**14.44**

22. REVENUE FROM OPERATIONS (Gross)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Sale of products		
Finished Goods	1,13,977.03	1,12,738.19
Traded Goods	2,573.47	239.46
Other Operating Revenues	536.38	583.04
	1,17,086.88	**1,13,560.69**

Notes

to the financial statements for the year ended 31st March, 2018

23. OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Interest		
Bank Deposits	152.78	112.83
Others	73.30	197.10
Profit on Fair Value of Investment through Profit & Loss	115.66	2.84
Profit on Sale of Fixed Assets	14.52	3.18
Profit on Sale of Investments	7.87	-
Dividend Received	12.79	0.39
Other Non Operating Income	25.43	15.88
	402.35	**332.22**

24. COST OF RAW MATERIAL CONSUMED

Orthoxylene		
Opening Stock	4,491.62	1,098.00
Add: Purchases (Net)	69,487.41	76,712.63
	73,979.03	77,810.63
Less: Closing Stock	4,163.40	4,491.62
	69,815.63	**73,319.01**

25. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK -IN-PROGRESS

Opening Inventories		
Work - in- Progress	482.80	767.51
Finished Goods	1,511.90	2,953.70
Stock on acquisition of MA Unit	66.25	-
Closing Inventories		
Work - in- Progress	397.21	482.80
Finished Goods	1,010.20	1,511.90
	653.54	1,726.51
Differential Excise duty	(217.09)	(142.90)
	436.45	**1,583.61**

26. EMPLOYEE BENEFITS EXPENSE

Salaries , Wages and Bonus	4,489.64	3,111.00
Contribution to Provident and Other Funds	223.29	191.78
Gratuity Expenses	129.26	30.23
Staff Welfare Expenses	732.92	572.78
	5,575.11	**3,905.79**

Notes
to the financial statements for the year ended 31st March, 2018

27. FINANCE COST

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Interest		
- on Term Loans	330.42	755.40
- on Others	791.31	302.75
Bills Discounting and Bank Charges	366.23	765.92
	1,487.96	**1,824.07**

28. OTHER EXPENSES

Consumption of Stores, Spares and Consumables	258.19	320.04
Consumption of Packing Materials	589.48	554.18
Power, Fuel and Water charges	2,186.74	2,053.39
Repairs and Maintenance		
Plant and Equipments	1,312.83	1,128.25
Buildings	9.14	23.05
Others	82.80	39.68
Insurance Premium	245.74	216.85
Rent	126.22	133.51
Rates and Taxes	192.13	171.18
Selling Expenses		
Brokerage and Commission	41.56	103.10
Freight outward	2,157.19	1,869.71
Port charges	123.01	141.63
Other selling expenses	116.62	122.32
Loss on Sale of Investment	-	1.71
Directors' Sitting Fees & Commission	255.62	150.83
Payment to Auditors (Refer Note 28.1)	15.96	15.80
Travelling & Conveyance	556.60	417.94
Legal & Professional Fees	297.22	360.17
Foreign Exchange Translation Difference	207.04	(509.70)
Communication Cost	40.05	41.30
CSR Expenditure (Refer Note 44)	143.70	26.01
Donations and Contributions to Charitable Institutions	-	10.67
Miscellaneous Expenses	393.53	498.73
	9,351.37	**7,890.35**

28.1 PAYMENT TO AUDITORS

Audit Fees	15.00	15.00
Reimbursement of Expenses	0.96	0.80
	15.96	**15.80**

Notes

to the financial statements for the year ended 31st March, 2018

29. EARNING PER SHARE OF ₹ 10 EACH (EPS)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Profit after tax as per Statement of Profit & Loss	14,654.49	10,193.59
Weighted average No. of Shares outstanding in calculating basic and diluted EPS	3,07,94,850	3,07,94,850
Earning per Share		
Basic & Diluted - ₹	47.58	33.10

30. CAPITAL COMMITMENT

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances.	13,982.74	88.17

31. CONTINGENT LIABILITIES

	Contingent Liabilities not provided for		
a.	Bills of Exchange Discounted - With Banks	-	1,142.83
b.	Disputed Excise & Service tax matters		
	i) Cases decided in favour of the Company which are taken further in appeal before the appellate authorities by the department. (Deposit under Protest ₹36.32 lakhs, (31st March, 2017 ₹ 36.32 lakhs).	3,054.41	2,647.45
	ii) Other Matters for which the Company is in appeal. (Deposits paid under protest ₹ 794.57 lakhs (31st March, 2017 ₹ 794.57 lakhs)	794.57	1,222.27
	iii) Show Cause Notices received (Deposits paid under protest ₹ 19.61 lakhs (31st March, 2017 ₹ 506.09 lakhs)	602.01	1,472.77
c.	Claim against the Company not acknowledged as Debt	377.81	467.58
d.	Custom Duty on Raw Material under Advance Licence pending Export Obligation. {Including Cenvat Credit available ₹1647.75 lakhs (31st March, 2017 ₹2,713.63 lakhs)}.	1,647.75	2,773.43
e.	Electricity Duty Disputed, writ petion has been filed before the Bombay High Court through Captive Power Producers Association and stay has been granted.	1,001.62	701.92

The Management is confident that the matters will be in favour of the company as per legal opinions obtained / legal precedents.

f. Income Tax Matters

The Income Tax Assessments have been completed upto Assessment year 2015-16. While completing the Income tax Assessments, the Income Tax department had disallowed certain claims of the Company which resulted in reduction of carried forward benefits available to the Company as per the Income Tax Act, 1961. Due to this the additional liability

Notes

to the financial statements for the year ended 31st March, 2018

remains to be provided as on date amounts to ₹ 2,302.20 Lakhs (Previous Year ₹ 5,209 Lakhs). These matters are under Appeal before the Hon'ble Karnataka High Court and with other Appellate Authorities, based on the favourable decisions in similar cases / legal opinions taken by the Company / discussions with solicitors etc. the management is confident that matters will be in favour of the company, hence no provision has been made in the accounts.

Future cash outflows in respect of item b, c, e, and f above are determinable only on receipt of judgments / decisions pending at various forums / authorities.

g. The Board at its meeting held on 28th May, 2018 considered and recommended a dividend @ 40% i.e. ₹ 4/- per share of ₹ 10/ each for the financial year 2017-18 (Previous Year @ 30% i.e. ₹ 3/- per Share taken as deduction under Reserves & Surplus) subject to approval of the members of the company.

(₹ in Lakhs)

Particulars	As at 31st March, 2018
Proposed equity dividend	1231.79
Tax on proposed dividend	253.20

h. Workmen's Union Demand of the Company at Taloja with effect from June 1, 2017 is under negotiation, amount presently not ascertainable.

32. SEGMENT INFORMATION

Primary Business Segment

The Company is exclusively engaged in a single business segment of manufacture and sale of organic chemicals and accordingly this is the only primary reportable segment.

Geographical Segments

Secondary segmental reporting is based on the geographical location of customer. The geographical segments have been disclosed based on revenues within India (sales to Customers within India) and revenues outside India (sales to customers located outside India). Secondary segment assets and liabilities are based on the location of such asset / liability.

Information about Secondary Geographical Segments

(₹ in Lakhs)

Segment Information	Year ended 31st March, 2018			Year ended 31st March, 2017		
	India	Outside India	Total	India	Outside India	Total
Revenue (Including Excise duty)	97,224.71	19,862.17	1,17,086.88	92,153.93	21,406.76	1,13,560.69
Carrying amount of segment assets	76,146.56	6,584.13	82,730.70	60,794.34	5,115.52	65,909.86
Carrying amount of segment liabilities	20,758.93	9,161.68	29,920.60	18,193.73	8,465.55	26,659.28
Additions to fixed assets	10,298.01	-	10,298.01	21,79.72	-	2,179.72

Notes
to the financial statements for the year ended 31st March, 2018

33. RELATED PARTY DISCLOSURE

i.	Names of related parties where control exists irrespective of whether transactions have occurred or not		
	Individuals owning, directly or indirectly, an interest in the voting power that gives them control or significant influence		-
ii.	Names of other related parties with whom transactions have taken place during the year		
	a.	Key Managerial Personnel	Shri Nikunj Dhanuka - Managing Director & CEO Shri R Chandrarsekaran - Chief Financial Officer Shri Sudhir R Singh - Company Secretary
	b.	Relatives of Key Managerial Personnel	Shri Umang Dhanuka – Brother of Managing Director & CEO. Smt. Raj Kumari Dhanuka – Mother of Managing Director & CEO.
	c.	Enterprises over which Key Managerial Personnel and their relatives can exercise control	Mysore Petro Chemicals Limited
	d.	Subsidiary Companies	IGPL International Limited (Wholly Owned Subsidiary) IGPL - FZE (Step down Subsidiary)

Transactions carried out and year end balances with related parties referred in above, in ordinary course of business are as under:

(₹ in Lakhs)

Sr. No.	Nature of Transaction	Related parties referred to in			
		ii(a) above	ii(b) above	ii(c) above	ii(d) above
1.	**Income**				
	Sale of Goods (Including Taxes)	-	-	**203.00**	-
		(-)	(-)	(228.73)	(-)
	Interest Charged	-	-	-	**42.64**
		(-)	(-)	(-)	(15.27)
2.	**Purchases**				
	Goods (Including Taxes)	-	-	**111.47**	-
		(-)	(-)	(208.36)	(-)
	Purchase of MA Unit on Slump sale basis	-	-	**7,448.00**	-
		(-)	(-)	(-)	(-)
3.	**Expenses**				
	Remuneration	**537.29**	**72.12**	-	-
		(334.66)	(57.12)	(-)	(-)
	Interest	-	-	**629.85**	-
		(-)	(-)	(-)	(-)
	Rent	-	**5.40**	**88.29**	-
		(-)	(3.00)	(-)	(-)
4.	**Investment**	-	-	-	**3,884.20**
	31st March, 2017	(-)	(-)	(-)	(1,046.14)
	1st April, 2016	(-)	(-)	(-)	(26.35)
5.	**Amount Payable at year end**				
	Against Purchase of MA Unit	-	-	5,100.00	-
	31st March, 2017	(-)	(-)	(-)	(-)
	1st April, 2016	(-)	(-)	(-)	(-)

Notes
to the financial statements for the year ended 31st March, 2018

(₹ in Lakhs)

Sr. No.	Nature of Transaction	Related parties referred to in			
		ii(a) above	ii(b) above	ii(c) above	ii(d) above
6.	**Amount Receivable at year end**				
	Security Deposit	-	1.20	69.02	-
	31st March, 2017	(-)	(-)	(-)	(-)
	1st April, 2016	(-)	(-)	(625.00)	(-)
	Other Receivable	-	-	-	-
	31st March, 2017	(-)	(-)	(9.81)	(-)
	1st April, 2016	(-)	(-)	(-)	(-)

Note: Amount in bracket represents figures for previous years.

34. EMPLOYEE BENEFITS

i. General Description of defined benefit plan

The Gratuity scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognized in the balance sheet.

(₹ in Lakhs)

Particulars	Gratuity (funded) 31st March, 2018	Gratuity (funded) 31st March, 2017
a. Statement of Profit and Loss		
Net employee benefit expense (recognized in Personnel Expenses in Note 16)		
Current service cost	40.26	34.17
Interest cost on benefit obligation	1.51	(3.94)
Past service cost	87.49	-
Net Benefit / Cost	129.26	30.23
b. Net employee benefit expense (recognized in Profit & Loss and other Comprehensive Income)		
Amount recognised in Satement of Profit & Loss	129.26	30.23
Amount recognised in Other Comprehensive Income	(25.93)	67.93
Total Expenses Recognized at Period End	103.33	98.16
c. Balance sheet		
Details of Provision for gratuity		
Defined benefit obligation	1,028.78	699.42
Fair value of plan assets	1,006.02	658.72
Amount Recognised in the Balance Sheet	(22.76)	(40.70)
d. Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	699.42	571.87
Interest cost	51.15	45.17
Current service cost	40.26	34.17
Benefits paid	(58.50)	(17.55)

Notes
to the financial statements for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	Gratuity (funded) 31st March, 2018	Gratuity (funded) 31st March, 2017
Actuarial (gains) / losses on obligation	(5.65)	65.76
Acquisition / Business Combination / Divestiture	214.61	-
Past service cost	87.49	-
Closing defined benefit obligation	1,028.78	699.42
e. Changes in the fair value of plan assets		
Opening fair value of plan assets	658.72	613.99
Expected return	8%	8%
Contributions by employer	49.65	49.12
Benefits paid	-	-
Actuarial gains / (losses)	20.27	(4.39)
Acquisition / Business Combination/Divestiture	277.38	-
Closing fair value of plan assets	1,006.02	658.72
f. Maturity Profile of defined benefit obligation		
Within next 12 months (next annual reporting period)	85.56	62.42
Between 2 and 5 years	398.72	284.23
Between 6 and 10 years	504.45	338.89
g. Quantitative sensitivity analysis for significant assumption		
Increase / decrease on present value of defined benefits obligation at the end of the year		
One percentage point increase in discount rate	(58.81)	(39.98)
One percentage point decrease in discount rate	63.00	42.83
One percentage point increase in rate of salary	46.08	31.33
One percentage point decrease in rate of salary	(42.17)	(28.67)

h. Sensitivity Analysis Method

Sensitivity analaysis is determined based on the expected movement in liability, if the assumptions were not proved to be true on different count.

i. The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	%	%
Discount rate	7.86	7.42
Expected rate of return on assets	7.86	7.42
Employee turnover	5	5
Salary Escalation	4	4
Mortality	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Retirement Age		60

The estimates of future salary increase, considered in actuarial valuation, taken account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Notes

to the financial statements for the year ended 31st March, 2018

35. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

The Company uses Forward Exchange Contracts to hedge its exposure in foreign currency. The Information on derivative instruments is as follows:

Particulars		31st March, 2018		31st March, 2017	
		Amount in Foreign currency US$	(₹ in Lakhs)	Amount in Foreign currency US$	(₹ in Lakhs)
i.	Forward Contracts of sale outstanding as at the balance sheet date				
	Forward currency contract	2,976,900	1,936.30	4,745,120	3,076.67
ii.	Forward Contracts of purchases outstanding as at the balance sheet date				
	Forward currency contract	859,902	559.32	-	-
iii.	Particulars of Unhedged foreign currency exposure as at the balance sheet date:				
	Amount Receivable				
	US $	1,174,020	763.63	1,531,075	992.72
	GBP	184,467	171.14	10,966	8.87
	Amount Payable				
	Import of Goods - US $	1,149,120	747.43	-	-
	Import of Goods - Euro	5,057,058	4,077.11	6,213,034	4,302.37
	Loans Payable - US $	-	-	567,142	367.73
	Loans Payable - Euro	4,685,826	3,777.82	6,024,633	4,171.91

36. EXPLANATION ON TRANSITION TO IND AS

(i) Ind AS 101 " First time adoption of Indian accounting standards" permits companies adopting Ind AS for the first time to take certain exemptions from the full retrospective application of Ind AS in the transition period. The Company, on transition to Ind AS , has availed the following key exemptions:-

(a) Property, Plant and equipment :

The Company has elected to take the carrying value of its property, Plant & Equipment and intangible assets as per previous GAAP (IGAAP) as its deemed cost for Ind AS as at 1st April, 2016.

(b) Investment in Subsidiary and associates

The Company has elected to take the carrying amount of the investments in subsidiary as at 1st April, 2016.

(c) Financial Instruments

The Company has designated its investment in equity instruments, other than investment in subsidiary and associate, as at Fair Value through Profit & Loss, based on facts and circumstances existed on the date of transition.

(ii) Exception applicable to Company

(a) De-recognition of financial assets and liabilities

The Company has elected to apply the de-recognition provisions of Ind AS 109 (Financial Instruments) prospectively from the date of transition to Ind AS.

(b) Classification and measurement of financial assets

The Company has classified the financial assets in accordance with the Ind AS 109 (Financial Instruments) on the basis of facts and circumstances that existed as at the date of transition to Ind AS.

Notes
to the financial statements for the year ended 31st March, 2018

(iii) Reconciliation between Previous GAAP and Ind AS

(a) Equity Reconciliation

(₹ in Lakhs)

Particulars	Note	As at 31st March, 2017	As at 1st April, 2016
Equity as per previous GAAP		36,252.58	26,096.47
Re-measurement			
Financial Instruments	1	9.15	6.31
Reversal of Proposed dividend and tax thereon	2	-	741.28
Others	4	(90.96)	(81.18)
Equity as per Ind AS		**36,170.77**	**26,762.88**

(b) Comprehensive Income Reconciliation

Particulars	Note	Year ended 31st March, 2017
Net Profit as per Previous GAAP		10,156.11
Employee Benefits	3	67.93
Tax on above adjustments	3	(23.51)
Others	4	(6.94)
Net Profits as Ind AS		10,193.59
Other Comprehensive Income as per Ind AS	5	(44.42)
Total Comprehensive Income as per Ind AS		**10,149.17**

Notes :

1 The Company has designated its investments, which are held for trading , at Fair value through Profit & loss Account (FVPL), impact of such fair value changes as on the date of Transition is recognised in the opening reserves and changes thereafter are recognised in Statement of Profit & Loss.

2 Proposed dividend declared by the Company is accounted for once approved in the Annual General Meeting, as opposed to the earlier practice of accounting for the same after being proposed by the Board under IGAAP.

3 The Company has recognised all actuarial gains and losses on post retirement defined benefit schemes in other Comprehensive Income. Deferred taxes pertaining to these losses has also been recognized in other Comprehensive Income.

4 Other adjustment primarily includes re-measurement of retention at fair value.

5 Other Comprehensive Income includes re-measurement gains / losses on actuarial valuation of post-employment defined benefits.

Notes
to the financial statements for the year ended 31st March, 2018

37. FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 21(4)(VIII) to the financial statements.

(a) Financial assets and liabilities:

The following table presents carrying amount and fair value of each category of financial assets and liabilities.

Particulars	Amortised Cost	Fair Value through Profit and Loss A/c	Fair Value through other Comprehensive Income	Total Carrying Value	Total Fair Value (Level 2)
As at 31st March, 2018					
Financial Assets					
Trade Receivable	13,877.11	-	-	13,877.11	13,877.11
Investment	3,885.20	5,084.09	-	8,969.29	8,969.29
Cash and bank	2,119.29	-	-	2,119.29	2,119.29
Other financial assets	576.67	-	-	576.67	576.67
Total	**20,458.27**	**5,084.09**	**-**	**25,542.36**	**25,542.36**
Financial Liabilities					
Borrowings	2,925.95	-	-	2,925.95	2,925.95
Trade Payable	14,982.99	-	-	14,982.99	14,982.99
Other financial Liabilities	6,605.02	-	-	6,605.02	6,605.02
Total	**24,513.96**	**-**	**-**	**24,513.96**	**24,513.96**
As at 31st March, 2017					
Financial Assets					
Trade Receivable	14,975.09	-	-	14,975.09	14,975.09
Investment	1,047.14	811.15	-	1,858.29	1,858.29
Cash and bank	2,976.29	-	-	2,976.29	2,976.29
Other financial assets	406.62	-	-	406.62	406.62
Total	**19,405.14**	**811.15**	**-**	**20,216.29**	**20,216.29**
Financial Liabilities					
Borrowings	6,243.72	-	-	6,243.72	6,243.72
Trade Payable	17,073.53	-	-	17,073.53	17,073.53
Other financial Liabilities	2,110.28	-	-	2,110.28	2,110.28
Total	**25,427.53**	**-**	**-**	**25,427.53**	**25,427.53**
As at 1st April, 2016					
Financial Assets					
Trade Receivable	10,880.88	-	-	10,880.88	10,880.88
Investment	31.26	8.31	-	39.57	39.57
Cash and bank	1,658.90	-	-	1,658.90	1,658.90
Other financial assets	1,372.22	-	-	1,372.22	1,372.22
Total	**13,943.26**	**8.31**	**-**	**13,951.57**	**13,951.57**
Financial Liabilities					
Borrowings	9,249.17	-	-	9,249.17	9,249.17
Trade Payable	15,254.74	-	-	15,254.74	15,254.74
Other financial Liabilities	2,524.67	-	-	2,524.67	2,524.67
Total	**27,028.58**	**-**	**-**	**27,028.58**	**27,028.58**

Notes
to the financial statements for the year ended 31st March, 2018

(b) The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to level 3, as described below :

Level-1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level-2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level-3 : Techniques which use inputs that have a significant effect on the recorded Fair Value that are not based on observable market data.

(c) Financial Risk Management Policies and objectives:

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables, payables and loans and borrowings

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowings.

Interest rate risk

The Company's exposure to interest rate risk is minimal as the Company does not have any significant interest earning asset or interest bearing liability. As such, the Company is not exposed to significant interest rate risk as at the reporting date.

Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash and cash equivalents to manage its liquidity risk.

Credit Risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company. To manage this, the Company periodically assess the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and agreeing of accounts receivables. Individual risk limit are set accordingly.

Financial assets are provided for when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for provision as per provisioning policy of the Company. Where loans or receivables have been provided, the Company continues to engage in enforcement activity to attaempt to recover the receivable due. Where recoveries are made, these are recognized in the statement of profit and loss.

Notes

to the financial statements for the year ended 31st March, 2018

(d) Foreign Currency exposure as at 31st March, 2018

(₹ in Lakhs)

Particulars	USD	EURO	GBP	Total
Trade Receivables	2,699.93	-	-	2,699.93
Loans and advances	-	-	171.14	171.14
Trade Payable	(1,306.75)	(4,077.11)	-	(5,383.86)
Loan in Foreign Currency	-	(3,777.82)	-	(3,777.82)
Net Exposure	**1,393.18**	**(7,854.93)**	**171.14**	**(6,290.61)**

Foreign Currency exposure as at 31st March, 2017

(₹ in Lakhs)

Particulars	USD	EURO	GBP	Total
Trade Receivables	4,069.39	-	-	4,069.39
Loans and advances	-	-	8.87	8.87
Trade Payable	-	(4,302.37)	-	(4,302.37)
Loan in Foreign Currency	(367.73)	(4,171.91)	-	(4,539.64)
Net Exposure	**3,701.66**	**(8,474.28)**	**8.87**	**(4,763.75)**

(e) 1% increase or decrease in foreign currency exchange rates will have the following impact on profit before tax.

Particulars	2017-18		2016-17	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	13.93	(13.93)	37.02	(37.02)
EURO	(78.55)	78.55	(84.74)	84.74
GBP	1.71	(1.71)	0.09	(0.09)
Increase / (Decrease) in Profit	**(62.91)**	**62.91**	**(47.64)**	**47.64**

38. FIRST TIME IND AS ADOPTION RECONCILIATION

Effect of Ind AS adoption on the standalone balance sheet as at 31st March, 2017 and 1st April,2016

(₹ in Lakhs)

Particulars	As at 31st March, 2017			As at 1st April, 2016		
	Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS						
Non-Current assets						
Property, Plant and Equipment	32,484.27	(115.87)	32,368.40	32,825.54	(121.38)	32,704.16
Capital Work-In-Progress	1,121.33	-	1,121.33	441.40	-	441.40
Other Intangible Assets	17.21	-	17.21	3.89	-	3.89
	33,622.81	**(115.87)**	**33,506.94**	**33,270.83**	**(121.38)**	**33,149.45**
Financial Assets						
(i) Investments	1,849.14	9.15	1,858.29	32.95	6.31	39.26
(ii) Loans	10.35	(1.50)	8.85	125.78	(47.61)	78.17
(iii) Other Financial Assets	150.76	-	150.76	756.86	-	756.86
Non-Current Tax Assets (Net)	144.16	-	144.16	17.81	-	17.81
Other Non-Current Assets	1,342.17	-	1,342.17	1,412.38	-	1,412.38
Total Non-Current Assets	**37,119.39**	**(108.22)**	**37,011.17**	**35,616.61**	**(162.68)**	**35,453.93**

Notes

to the financial statements for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	As at 31st March, 2017			As at 1st April, 2016		
	Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
Current Assets						
Inventories	9,659.93	-	9,659.93	8,349.59	-	8,349.59
Financial Assets						
(i) Investments	-	-	-	0.31	-	0.31
(ii) Trade Receivables	14,975.09	-	14,975.09	10,880.88	-	10,880.88
(iii) Cash and Cash Equivalents	509.27	-	509.27	91.44	-	91.44
(iv) Bank Balance other than (iii) above	2,467.02	-	2,467.02	1,567.46	-	1,567.46
(v) Loans	44.46	-	44.46	43.21	-	43.21
(vi) Other Financial Assets	176.14	26.41	202.55	406.17	87.81	493.98
Other Current Assets	1,040.37	-	1,040.37	807.99	-	807.99
Total Current Assets	**28,872.28**	**26.41**	**28,898.69**	**22,147.05**	**87.81**	**22,234.86**
TOTAL	**65,991.67**	**(81.81)**	**65,909.86**	**57,763.66**	**(74.87)**	**57,688.79**
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	3,079.81	-	3,079.81	3,079.81	-	3,079.81
Other Equity	36,252.58	(81.81)	36,170.77	26,096.47	666.41	26,762.88
Total Equity	**39,332.39**	**(81.81)**	**39,250.58**	**29,176.28**	**666.41**	**29,842.69**
Liabilities						
Non-Current Liabilities						
Financial Liabilities						
Borrowings	6,003.40	-	6,003.40	9,218.11	-	9,218.11
Provisions	194.53	-	194.53	182.05	-	182.05
Deferred Tax Liabilities (Net)	199.44	-	199.44	-	-	-
Total Non-Current Liabilities	**6,397.37**	**-**	**6,397.37**	**9,400.16**	**-**	**9,400.16**
Current Liabilities						
Financial Liabilities						
Borrowings	240.32	-	240.32	31.06	-	31.06
Trade Payables	17,073.53	-	17,073.53	15,254.74	-	15,254.74
Other Financial Liabilities	2,110.28	-	2,110.28	2,524.67	-	2,524.67
Other Current Assets	752.13	-	752.13	621.03	-	621.03
Provisions	85.65	-	85.65	755.72	(741.28)	14.44
Total Current Liabilities	**20,261.91**	**-**	**20,261.91**	**19,187.22**	**(741.28)**	**18,445.94**
TOTAL	**65,991.67**	**(81.81)**	**65,909.86**	**57,763.66**	**(74.87)**	**57,688.79**

Notes
to the financial statements for the year ended 31st March, 2018

Effect of Ind AS adoption on the the Statement of Profit and Loss for the year ended 31st March, 2017

(₹ in Lakhs)

Particulars	As at 31st March, 2017		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
INCOME			
Revenue from Operations	1,13,560.69	-	1,13,560.69
Other Income	281.43	50.79	332.22
Total Income	**1,13,842.12**	**50.79**	**1,13,892.91**
EXPENSES			
Cost of Material Consumed	73,319.01	-	73,319.01
Purchases of Stock-in -Trade	218.06	-	218.06
Changes In Inventories of Finished Goods and Work -in- Progress	1,583.61	-	1,583.61
Excise Duty	9,813.16	-	9,813.16
Employees Benefits Expense	3,973.72	(67.93)	3,905.79
Finance Cost	1,804.56	19.51	1,824.07
Depreciation and Amortisation Expenses	2,117.76	(5.51)	2,112.25
Other Expenses	7,846.62	43.73	7,890.35
Total Expenses	**1,00,676.50**	**(10.20)**	**1,00,666.30**
Profit before Tax	**13,165.62**	**60.99**	**13,226.61**
Tax Expenses			
Current Tax	3,102.51	23.51	3,126.02
MAT Credit	(3,957.22)	-	(3,957.22)
Deferred Tax	3,864.22	-	3,864.22
Profit for the year	**10,156.11**	**37.48**	**10,193.59**
Other Comprehensive Income / (Expenses)			
(i) Items that will not be reclassified to profit or loss Remeasurement of Defined Benefit Plan - Gratuity	-	(67.93)	(67.93)
(ii) Income Tax relating to items that will not be reclassfied to profit or loss	-	23.51	23.51
Other Comprehensive Income For The Year	-	(44.42)	(44.42)
Total Comprehensive Income For The Year	**10,156.11**	**(6.94)**	**10,149.17**

Notes
to the financial statements for the year ended 31st March, 2018

Reconciliation of Profit and Other Equity between Ind AS and Previous GAAP

(₹ in Lakhs)

Particulars	Net Profit	Other Equity	
	Year ended 31st March, 2017	As at 31st March, 2017	As at 1st April, 2016
Net Profit / Other Equity as per Previous Indian GAAP	10,156.11	36,252.58	26,096.47
Decapitalisation of Borrowing Cost	(14.00)	(91.02)	(77.02)
Fair Valuation of Investment	2.84	9.15	6.31
Proposed Dividend Including Tax	-	-	741.28
Others	4.22	0.06	(4.16)
Profit / Other Equity as per Ind AS	10,149.17	36,170.77	26,762.88

A Upfront processing fees on loan

The Company has amortized upfront processing fees over the term loan.

B Investments

Investments in financial assets are carried at amortized cost in Ind AS compared to being carried at cost under IGAAP.

C Other financial liabilities

Security deposits are carried at amortized cost in Ind AS compared to being carried at cost under IGAAP.

D Other equity

a) Adjustments to the retained earnings have been made in accordance with Ind AS for the above mentioned items.

b) In addition, in accordance with Ind AS 19 'Employee Benefits', acturial gains and losses are recognised in other comprehensive income as compared to being recognised in Statement of Profit and Loss under IGAAP.

c) Adjustment reflected dividend (including corporate dividend tax), declared and approved post reporting period.

E Employee benefit expenses

In accordance with Ind AS 19, 'Employee Benefits' acturial gains and losses are recognised in other comprehensive income and not reclassified to profit and loss in subsequent period.

F Deferred tax

Ind AS 12, 'Income taxes', requires entities to account for deferred taxes using the balance sheet approach, which focusses on temporary differences between the carrying amount of an liability in the balance sheet and its tax base.

39. INCOME TAXES (IND AS 12)

(₹ in Lakhs)

Particulars	Year ended	
	31st March, 2018	31st March, 2017
Income tax recognised in Statement of Profit and Loss		
Current tax	7,574.52	3,126.02
Deferred tax	855.87	(93.00)
Total income tax expenses recognised in the current year	**8,430.39**	**3,033.02**
The Income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before tax	23,084.88	13,226.61

Notes

to the financial statements for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	Year ended	
	31st March, 2018	31st March, 2017
Applicable Tax Rate	34.61%	34.61%
Computed Tax Expense	7,989.22	4,577.47
Tax effect of :		
Exempted income	(52.20)	(1.24)
Expenses disallowed	259.10	69.44
Additional allowances net of MAT Credit	(621.59)	(1,519.65)
Current Tax Provision	7,574.52	3,126.02
Incremental Deferred Tax Liability on account of Property, Plant & Equipment	637.44	(93.00)
Incremental Deferred Tax Asset on account of Financial Assets and Other items	218.43	-
Deferred tax provision (Net)	855.87	(93.00)
Tax Expenses recognised in Statement of Profit and Loss	8,430.39	3,033.02
Effective Tax Rate	36.52%	22.93%

In the previous year, in view of the revised profitability projections, the MAT credit which were written down in the respective earlier years amounting to ₹ 3,957.22 lakhs had been recognized by the Company during the last year, on a reassessment by the management at the year end based on convincing evidence that the Company would pay normal income tax during the specified period and would therefore be able to utilize the MAT credit so recognized (which is in accordance with the recommendations contained in the Guidance Note issued by ICAI), the said asset was created by way of Credit to the statement of Profit and Loss account and shown as MAT credit entitlement. Deferred Tax Liability of ₹ 3,864.22 Lakhs provided during the previous year includes the deferred tax liability recalculated and provided on prudential basis on account of reduction of unabsorbed benefits of earlier years.

40. BUSINESS COMBINATION

During the year ended 31st March, 2018 the Company has acquired the manufacturing unit of M/s Mysore Petro Chemicals Limited with effect from 1st April, 2017 for a consideration of ₹ 7,448.00 lakhs on slump sale basis, as per the valuation by Haribhakti & Co. LLP. The transaction was accounted under Ind AS 103 " Business Combination " as a business combination with the purchases price being allocated to identifiable assets and liabilities at fair value as determined by an approved valuer.

Following Table present the allocation of purchase price

Particulars	(₹ in Lakhs)
Net Tangiable Assets	7,246.86
Goodwill	201.14
Total Purchase price	**7,448.00**

Goodwill arose in the acquisition of above business because the cost of combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and assembled workforce of acquired business combination. These benefits are not recognised separately from goodwill as they do not meet the recognised criteria for identifiable intangible assets. The Goodwill is expected to be deductiable for Income Tax purposes.

Notes
to the financial statements for the year ended 31st March, 2018

41. DISPUTED FOREIGN CURRENCY LIABILITY

Foreign currency liability of ₹4,077.11 lakhs (31st March, 2017 ₹3,501.89 lakhs, 1st April, 2016 ₹3,792.62 lakhs) shown under Trade Payables (Current liabilities) has been disputed. A counter claim has been made, however this liability has been converted by applying exchange rate at the close of the year as per Accounting Standard.

42. RESEARCH & DEVELOPMENT

Research & Development Expenditure of ₹ 48.07 lakhs (Previous Year ₹ 49.86 lakhs) have been accounted for in the respective heads of the Statement of Profit and Loss.

43. Revenue from operations for Current year includes excise duty which is discontinued effective 1st July, 2017 upon implementation of Goods and Service Tax (GST), In accordance with Ind AS18 GST is not included in Revenue from operations. In view of this Revenue from operations for the year are not comparable with the previous year.

44. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceeding three financial years on Corporate Social Responsibility (CSR) activities.

(a) Gross amount required to be spent by the Company during the year is ₹ 146.42 lakhs, and

(b) Amount spent during the year :

Sr. No.	Particulars	(₹ In Lakhs)
i	Construction / Acquisition of any assets	-
ii	On Purposes other than (i) above.	143.70
	Total	**143.70**

45. PREVIOUS YEAR COMPARATIVES

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. Previous years accounts has been audited by M/s ASA & Associates LLP (one of the Joint auditors) , and M/s Hariharan & Co. (Predecessor joint auditors)

As per our report of even date
For **Uday & Co.**
Chartered Accountants

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

Mumbai
28th May, 2018

For **ASA & Associates LLP**
Chartered Accountants

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

R Chandrasekaran
Chief Financial Officer

Sudhir R Singh
Company Secretary

Independent Auditors' Report

To the Members of I G Petrochemicals Limited

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of **I G Petrochemicals Limited** (hereinafter referred to as "the Holding Company"),and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (Including other comprehensive income), the Consolidated Cash Flow and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and Consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2015 as amended.

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 of the assets of the Group 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 Consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, 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 Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated state of affairs of the Group as at 31st March, 2018 and their consolidated Profit (financial performance including other comprehensive income), their consolidated cash flow and consolidated changes in the equity for the year ended on that date.

OTHER MATTERS

(a) We did not audit the financial statements of foreign subsidiary included in the consolidated year to date results, whose financial statements reflect total (net) assets of ₹ 3,851.73 Lakhs as at 31st March, 2018, total revenues of ₹ 7.95 Lakhs and net cash inflow of ₹ 42.94 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amount and disclosure included in respect of these subsidiaries, and our report in terms of Section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

(b) We draw attention to note no 44 of the consolidated Ind AS financial statements, the consolidated Ind AS financial statements also include the unaudited financial statements/ financial information of one jointly controlled entity through step down subsidiary, whose financial statements / financial information reflect total assets (net) of ₹870.76 lakhs as at 31st March, 2018, total revenue of ₹ Nil and net cash outflow of ₹184.60 lakhs for the year ended on that date. These financial statement/ financial information are unaudited and have been furnished by the Management, which are not approved by the Board of Directors of the jointly controlled entity and our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosure included in the respect of aforesaid jointly controlled entity, and our report in term of sub-section (3) and (11) of section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statement/ financial information.

(c) The Comparatives financial information of the group for the year ended 31st March, 2017 and the transition date opening balance sheet as on 1st April, 2016 included in the consolidated Ind AS financial statement, are based on the previously issued statutory consolidated financial statement of the group prepared in accordance with Companies (Accounting Standards) Rules, 2006 audited by ASA & Associates LLP, Chartered Accountants (One of the Joint Auditor) and Hariharan & Co, Chartered Accountants (Predecessor Joint auditor) for the year ended 31st March, 2017 and 31st March, 2016 whose report dated 3rd May, 2017 and 23rd May 2016, respectively expressed an unmodified opinion on these financial statement, as adjusted for the difference in the accounting principles adopted by the group on transition to the Ind AS which have been audited by us with respect to holding company and by other auditor with respect to subsidiaries and Jointly controlled entity as mentioned above.

Our opinion on the Consolidated Ind AS financial statement above, and our report on other legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditors.

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 purposes of our audit;

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors;

   c) The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated statement of cash flow and the consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

   d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.

   e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2018, taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act. The Subsidiaries are incorporated outside India and hence the requirement of section 164(2) are not applicable.

   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 standalone audit report. The Subsidiary is incorporated outside India and hence the requirements of this clause are not applicable to those entities.

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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. – Refer note no. 30 to the consolidated Ind AS financial statements;

    ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law and 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 holding Company. The subsidiary are incorporated outside India and hence the requirements of this clause are not applicable to those entities.

For Uday & Co.
Chartered Accountants
Firm Registration No: 004440S

For ASA & Associates LLP
Chartered Accountants
Firm Registration No: 009571N/N500006

K. Satyanarayanan
Partner
Membership No. 203644

Prateet Mittal
Partner
Membership No. 402631

Mumbai
28th May, 2018

Consolidated Balance Sheet
as at 31st March, 2018

(₹ in Lakhs)

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
Non-Current assets				
Property, Plant and Equipment	1	40,078.66	32,368.40	32,704.16
Capital Work-In-Progress	1	8,861.20	1,121.33	441.40
Goodwill		201.14	-	-
Other Intangible Assets	1	13.99	17.21	3.89
Intangible Assets Under Development	1	58.86	-	-
Investment in a Joint Venture		870.77	868.32	-
		50,084.62	**34,375.26**	**33,149.45**
Financial Assets				
(i) Investments	2	1,011.23	812.15	12.91
(ii) Other Financial Assets	3	321.24	150.76	756.86
Non-Current Tax Assets (Net)		656.74	144.16	17.81
Other Non-Current Assets	4	2,379.84	1,342.17	1,412.38
Total Non-Current Assets		**54,453.67**	**36,824.50**	**35,349.41**
Current Aseets				
Inventories	5	9,437.88	9,659.93	8,349.59
Financial Assets				
(i) Investments	6	4,073.86	-	0.31
(ii) Trade Receivables	7	13,877.11	14,975.09	10,880.88
(iii) Cash and Cash Equivalents	8(a)	503.44	519.62	105.66
(iv) Bank balances other than (iii) above	8(b)	1,669.14	2,467.02	1,567.46
(v) Loans	9	56.79	44.46	43.21
(vi) Other Financial Assets	10(a)	35.27	218.80	493.13
Other Current Assets	10(b)	1,857.80	1,107.45	881.95
Total Current Assets		**31,511.29**	**28,992.37**	**22,322.19**
TOTAL		**85,964.96**	**65,816.87**	**57,671.60**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	11	3,079.81	3,079.81	3,079.81
Other Equity	12	49,697.83	36,077.69	26,745.69
Total Equity		**52,777.64**	**39,157.50**	**29,825.50**
Non-Current Liabilities				
Financial Liabilities				
(i) Borrowings	13	2,923.44	6,003.40	9,218.11
(ii) Other Financial Liabilities	14	3,750.00	-	-
Provisions	15	278.63	194.53	182.05
Deferred Tax Liabilities (Net)	16	3,712.14	199.44	-
Total Non-Current Liabilities		**10,664.21**	**6,397.37**	**9,400.16**
Current Liabilities				
Financial Liabilities				
(i) Borrowings	17	3,269.04	240.32	31.06
(ii) Trade Payables	18(a)	14,983.18	17,073.62	15,254.74
(iii) Other Financial Liabilities	18(b)	2,855.02	2,110.28	2,524.67
Other Current Liabilities	19	1,331.05	752.13	621.03
Provisions	20	84.82	85.65	14.44
Total Current Liabilities		**22,523.11**	**20,262.00**	**18,445.94**
TOTAL		**85,964.96**	**65,816.87**	**57,671.60**
Significant Accounting Policies	A			
Notes on Financial Statements	1-46			

As per our report of even date

For **Uday & Co.**
Chartered Accountants

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

R Chandrasekaran
Chief Financial Officer

Sudhir R Singh
Company Secretary

Mumbai
28th May, 2018

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	Note	Year ended 31st March, 2018	Year ended 31st March, 2017
INCOME			
Revenue from Operations	21	1,17,086.88	1,13,560.69
Other Income	22	367.66	316.95
Total Income		**1,17,454.54**	**1,13,877.64**
EXPENSES			
Cost of Raw Material Consumed	23	69,815.63	73,319.01
Purchases of Stock-in -Trade		2,498.27	218.06
Changes In Inventories of Finished Goods and Work-in-Progress	24	436.45	1,583.61
Excise Duty		2,669.96	9,813.16
Employee Benefits Expense	25	5,575.11	3,905.79
Finance Cost	26	1,493.27	1,824.57
Depreciation and Amortisation Expenses	1	2,569.60	2,112.25
Other Expenses	27	9,361.03	7,900.50
Total Expenses		**94,419.32**	**1,00,676.95**
Profit before Tax and Share of profit of Joint venture		**23,035.22**	**13,200.69**
Share of profit/(loss) of Joint Venture		(1.74)	(11.07)
Profit before Tax		**23,033.48**	**13,189.62**
Tax Expenses	38		
Current Tax		7,574.52	3,126.02
MAT Credit		-	(3,957.22)
Deferred Tax		855.87	3,864.22
Profit for the year		**14,603.09**	**10,156.60**
Other Comprehensive Income / (Expenses)			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of Defined Benefit Plan - Gratuity		25.92	(67.93)
(ii) Income Tax relating to items that will not be reclassified to profit or loss		(8.97)	23.51
Other Comprehensive Income For the Year		**16.95**	**(44.42)**
Total Comprehensive Income For the Year		**14,620.04**	**10,112.18**
Earning per Equity Share:	28		
Face value of shares ₹10/- each, (Previous Year: ₹10/- each)			
Basic & Diluted - ₹		47.42	32.98
Significant Accounting Policies	A		
Notes on Financial Statements	1-46		

As per our report of even date

For **Uday & Co.**
Chartered Accountants

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

Mumbai
28th May, 2018

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

R Chandrasekaran
Chief Financial Officer

Sudhir R Singh
Company Secretary

Statement of Changes in Equity
for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	As at 31st March,2018	Asa t 31st March,2017
(A) Equity Share Capital		
Opening Balance	3,079.81	3,079.81
Changes in Equity Share Capital	-	-
Closing Balance	3,079.81	3,079.81

(B) Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus					Other Comprehensive Income	Total Other Equity
	Capital Reserve	Securities Premium Reserve	General Reserve	Foreign Currency Translation reserve on consolidation	Retained Earnings		
Balance as at 1st April, 2016	**116.25**	**2,275.00**	**1,000.00**	**0.46**	**23,353.98**	**-**	**26,745.69**
Profit for the Year	-	-	-	-	10,156.60	-	10,156.60
Other Comprehensive Income, net of tax	-	-	-	-	-	(44.42)	(44.42)
Foreign Currency Transalation reserve on consolidation	-	-	-	(38.90)	-	-	(38.90)
Transfer to General Reserve	-	-	2,000.00	-	(2,000.00)	-	-
Dividend Including Dividend - Distribution Tax	-	-	-	-	(741.28)		(741.28)
Balance as at 31st March, 2017	**116.25**	**2,275.00**	**3,000.00**	**(38.44)**	**30,769.30**	**(44.42)**	**36,077.69**
Profit for the Year	-	-	-	-	14,603.09	-	14,603.09
Other Comprehensive Income, net of tax	-	-	-	-	-	16.95	16.95
Foreign Currency Translation reserve on consolidation	-	-	-	112.02	-	-	112.02
Transfer to General Reserve	-	-	2000.00	-	(2,000.00)	-	-
Dividend Including Dividend - Distribution Tax	-	-	-	-	(1,111.92)	-	(1,111.92)
Balance as at 31st March, 2018	**116.25**	**2,275.00**	**5,000.00**	**73.58**	**42,260.47**	**(27.47)**	**49,697.83**

The nature of reserves are as follows:

1. Capital Reserve : Capital Reserve has been created to record the forfeiture of Share Warrants. It is utilised to meet Capital Lossess and issue of Bonus Shares.
2. Securities Premium Reserve : Securities premium is used to record the premium received on issue of Shares. It is utilised in accordance with the provisions of the Companies Act, 2013.
3. General Reserve : General Reserve is used from time to time to transfer profit from retained earnings for appropriation purposes.
4. Retained Earnings : The amount can be utilised by the Company to distribute as dividend to its equity shareholder.

As per our report of even date
For **Uday & Co.**
Chartered Accountants

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants

Prateet Mittal
Partner
Membership No: 402631
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For and on behalf of the Board of Directors of
I G Petrochemicals Limited

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Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

R Chandrasekaran
Chief Financial Officer

Sudhir R Singh
Company Secretary

Mumbai
28th May, 2018

Consolidated Cash Flow Statement
for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars		Year ended 31st March, 2018	Year ended 31st March, 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax and Extraordinary Items	23,033.48	13,189.62
	Non-cash Adjustment to reconcile profit before tax to net cash flow:		
	Depreciation / Amortisation Expenses	2,569.60	2,112.25
	Loss / (Profit) on Sale / Write off of Fixed Assets	(14.52)	(3.18)
	Loss / (Profit) on Sale of Investments	(7.87)	1.71
	Foreign Currency Transalation reserve on consolidation	112.02	(38.90)
	Profit on Fair Value of Investment through Profit & Loss	(115.66)	(2.84)
	Foreign Exchange Translation Difference Loss (Net)	207.04	(509.70)
	Sundry Balances / Excess Provision Written Back	47.72	254.89
	Interest Expense	1,126.13	1,058.15
	Interest Income	(183.44)	(294.66)
	Dividend Income	(12.79)	(0.39)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**26,761.71**	**15,766.95**
	Movements in Working Capital		
	Increase / (decrease) in Trade Payables / Other Current liabilities	(1,881.36)	1,712.39
	Decrease / (increase) in Trade receivables	1,361.50	(3,694.48)
	Decrease / (increase) in Inventories	222.05	(1,310.34)
	Decrease / (increase) in loans and advances	(984.64)	(192.95)
		(1,282.45)	**(3,485.38)**
	CASH GENERATED FROM OPERATIONS	**25,479.26**	**12,281.57**
	Direct Taxes Paid (Net of refunds)	(5,420.02)	(2,907.20)
	NET CASH FLOW FROM OPERATING ACTIVITIES	**20,059.24**	**9,374.37**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Purchase of Fixed Assets, including intangible assets,CWIP	(12,431.02)	(3,215.39)
	Proceeds from Sale of Fixed Assets	35.89	393.09
	Purchase of Investments	(4,151.86)	(1,666.12)
	Interest Received	177.53	333.17
	Dividend Received	12.79	0.39
	NET CASH FLOW USED IN INVESTING ACTIVITIES	**(16,356.67)**	**(4,154.86)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Proceeds / (Repayments) of Long-term borrowings (Net)	(1,233.07)	(3,240.37)
	Interest Paid	(1,179.68)	(1,062.43)
	Dividend Paid	(1,068.19)	(712.01)
	NET CASH FLOW USED IN FINANCING ACTIVITIES	**(3,480.94)**	**(5,014.81)**
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**221.63**	**204.70**
	Cash and Cash Equivalents at the beginning of the year	**279.30**	**74.60**
	Cash and Cash Equivalents at the end of the year	**500.93**	**279.30**

NOTE : Previous year figures have been regrouped / reclassified wherever applicable.

As per our report of even date
For **Uday & Co.**
Chartered Accountants

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

For **ASA & Associates LLP**
Chartered Accountants

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

Mumbai
28th May, 2018

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

R Chandrasekaran
Chief Financial Officer

Sudhir R Singh
Company Secretary

Significant Accounting Policies to the Consolidated Financial Statements

Note A :

(A) GENERAL INFORMATION

I G Petrochemicals Limited ("the Company") together with it subsidiaries, joint venture and associates collectively the group is engaged in the manufacture of Phthalic Anhydride and Maleic Anhydride. The company is a public limited Company incorporated in India with its registered office at T-10, 3rd Floor, Jairam Complex, Mala, Neugi Nagar, Panaji,Goa 403001.

(B) BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Group's consolidated financial statements up to and for the year ended 31st March, 2017 were prepared in accordance with the Companies (Accounting Standards) Rules 2006, notified under section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Previous GAAP").

As these are the Group's first consolidated financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS-101. First time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Group is provided in Note 37.

(C) PRINCIPLES OF CONSOLIDATION

i) The consolidated financial statements have been prepared under the historical cost convention, with the exception of certain assets and liabilities that are required to be carried at fair values by Ind-AS.

ii) The financial statements of the Group are consolidated on line-by-line basis, intra-group transactions, balances and any unrealized gains arising from intra-group transactions are eliminated. Unrealised losses are eliminated, but only to the extent that there is no evidence of impairment. All temporary differences that arise from the elimination of profits and losses resulting from intra group transactions are recognized as per Ind AS 12, Income Taxes.

iii) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's consolidated financial statements.

iv) The foreign operations of the Subsidiaries and jointly controlled entity are classified as non-integral based on the way in which they are financed and operated in relation to the Company.

Consequently, translation of the financial statement of such non integral foreign operation is effected as under:

1) Income and expenses are translated at the average exchange rate prevailing during the year.

2) All assets and liabilities both monetary and non-monetary are translated at the exchange rate prevalent at the date of Balance Sheet.

3) The resulting net exchange differences are recognized as foreign currency translation reserve as part of Reserve and Surplus.

(D) THE LIST OF SUBSIDIARY COMPANIES, JOINTLY CONTROLLED ENTITY AND COMPANY'S HOLDINGS THEREUNDER:

Name of the Company	Country of incorporation	Ownership in % either Directly or through Subsidiaries		
		2017-18	2016-17	2015-16
Foreign subsidiaries				
IGPL International Limited	UAE	100%	100%	Nil
IGPL (FZE) (step down subsidiary)	UAE	100%	100%	100%
Jointly Controlled Entity (through step down subsidiary)				
ENOC-IG Petrochemicals LLC	UAE	30%	30%	Nil

Significant Accounting Policies

(E) USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material their effects are disclosed in the notes to the consolidated financial statements.

(F) FUNCTIONAL AND PRESENTATION CURRENCY

These consolidated financial statements are presented in Indian rupees (INR), which is also the functional currency of the parent Company. All amounts have been rounded off to the nearest million, unless otherwise indicated in respect of subsidiaries and associates whose operations are self-contained and integrated. The functional currency has been determined to be currency of the primary economic environment in which the entity operates.

(G) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:

- Depreciation on property, plant and equipment acquired from Mysore Petro Chemicals Limited is provided based on the useful life determined by the valuer which is as follows :

Asset	Useful life as per valuer	Useful life as per Schedule II
Building	20 to 30 years	30 years
Furniture & fixtures	5 years	10 years
Vehicles	5 to 6 years	8 years
Plant & Equipment	20 years	8 to 20 years
Road	10 years	10 years

Cost of catalyst has been amortized from the date, the same has been issued in the production process in 3 years as against 8 to 20 years defined in schedule II.

Freehold land is not depreciated.

Leasehold land is amortized over the period of lease.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

Upon first-time adoption of Ind AS, the Company has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1st April, 2016.

(H) INTANGIBLE ASSETS

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Significant Accounting Policies

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Computer software : 4 years

Goodwill is initially recognised based on the accounting policy for business combinations These assets are not amortised but are tested for impairment annually.

Upon first-time adoption of Ind AS, the Company has elected to measure its intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1st April, 2016.

(I) INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURE

Investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries and joint ventures at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1st April, 2016.

(J) INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

(K) CASH AND CASH EQUIVALENTS

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(L) FINANCIAL INSTRUMENTS

Financial Assets:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognized in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- amortized cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI)

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade Receivables and Loans:

Trade receivables are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Debt Instruments:

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash

Significant Accounting Policies

flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Financial Liabilities:

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Significant Accounting Policies

(M) PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events. It is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(N) REVENUE RECOGNITION

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract. There is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, etc.

Income from export incentives such as duty drawback and premium on sale of import licenses are recognised on accrual basis.

Income from services rendered is recognised based on agreements/ arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably.

Interest income is recognized using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.

(O) EXPENDITURE

Expenses are accounted on accrual basis.

(P) EMPLOYEE BENEFITS: DEFINED CONTRIBUTION PLANS

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

Company's provident fund contribution, in respect of certain employees, is made to an irrevocable trust set up by the company and contribution to pension fund deposited with the Regional Provident Fund Commissioner and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plans

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation. The Company also provides for retirement/post-retirement benefits in the form of gratuity and leave pay.

For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement

Significant Accounting Policies

of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/ future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

The defined benefit plan surplus or deficit on the Balance Sheet comprises the total for each plan of the fair value of plan assets less the present value of the defined benefit liabilities (using a discount rate by reference to market yields on government bonds at the end of the reporting period).

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

Termination benefits

Termination benefits, in the nature of voluntary retirement benefits or termination benefits arising from restructuring, are recognised in the Statement of Profit and Loss. The Company recognises termination benefits at the earlier of the following dates:

(a) when the Company can no longer withdraw the offer of those benefits; or

(b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(Q) IMPAIRMENT

(i) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss on following:

- Financial assets measured at amortised cost; and
- Financial assets measured at FVOCI – debt investments

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected losses for all other financial assets, ECL are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to statement of profit and loss and recognised in OCI.

ii) Impairment of non-financial assets

The Company assess at each reporting date whether there is any indication that the carrying amount may not be recoverable if any such indication exists, then the assets recoverable amount is estimated and an impairment loss is recognised if the carrying amount of an asset or CGL exceeds its estimated recoverable amount in the statement of profit and loss.

Goodwill is tested annually for impairment for the purpose of impairment testing goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The Company's non-financial assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment, if any, indication exists then the asset's recoverable amount is estimated.

Significant Accounting Policies

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Impairment loss recognised in respect of a CGUs is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of other assets of the CGU (or groups of CGUs) on a pro rata basis.

Impairment loss recognised in respect of goodwill is not subsequently reversed in respect of other assets for which impairment loss has been recognised in prior periods. The Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(R) INCOME TAXES

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date and any adjustment to taxes in respect of previous years. Interest income/ expenses and penalties, if any, related to income tax are included in current tax expense.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

(S) FOREIGN CURRENCIES

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

(T) EARNINGS PER SHARE

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable

Significant Accounting Policies

to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(U) BUSINESS COMBINATION

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

In accordance with Ind AS 101 provisions related to first time adoption, the Company has elected to apply Ind AS accounting for business combinations prospectively from 1st April 2016. As such, Previous GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward as at the date of transition to Ind AS.

FIRST TIME ADOPTION OF IND AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016. These financial statements for the year ended 31st March, 2017 are the first financial statements the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2017 , the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended 31st March, 2018, together with the comparative information as at and for the year ended 31st March, 2017 and the opening Ind AS Balance Sheet as at 1st April, 2016, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at 1st April, 2016 and the financial statements as at and for the year ended 31st March, 2017.

A. Optional Exemptions from retrospective application

Ind AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The Company has elected to apply the following optional exemptions from retrospective application:

(i) Business combinations

Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, or of interests in associates and joint ventures and transactions which are considered businesses for Ind AS, that occurred before 1st April, 2016. The carrying amounts of assets and liabilities in accordance with Previous GAAP are considered as their deemed cost at the date of acquisition. After the date of the acquisition, measurement is in accordance with Ind AS. The carrying amount of goodwill in the opening Ind AS Balance Sheet is its

Significant Accounting Policies

carrying amount in accordance with the Previous GAAP.

(ii) Deemed cost for property, plant and equipment and intangible assets

The Company has elected to measure all its property, plant and equipment and intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

The Company has elected to continue to capitalize foreign exchange loss as permitted by Companies (Accounting) Rules, 2006 by notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs and exemption allowed vide para D13AA of Ind AS-101 first time adoption of Ind AS.

(iii) Investments in subsidiaries and joint ventures

The Company has elected to measure its investments in subsidiaries and joint ventures at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

B. Mandatory Exceptions from retrospective application

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101:

(i) Estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

(ii) Classification and measurement of financial assets

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

C. Transition to Ind AS - Reconciliations

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Equity as at 1st April, 2016

II. a. Reconciliation of Equity as at 31st March, 2017

b. Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2017

III. Adjustments to Statement of Cash Flows for the year ended 31st March, 2017

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

1. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Equipments	Office Equipments	Furniture & Fixtures	Vehicles	Catalyst	Total	Intangible Assets (Computer - Software)	Intangible Assets under Development	Capital work-in- progress (Refer Note-2)
Gross Carrying Amount												
As at 1st April, 2016	**233.87**	**1,752.19**	**2,598.64**	**64,707.26**	**302.98**	**468.15**	**520.39**	**1,760.77**	**72,344.25**	**48.49**	**-**	**441.40**
Additions	-	89.45	-	801.38	78.86	466.29	139.91	586.85	2,162.74	16.98	-	2,092.03
Disposal	-	-	-	(381.57)	-	-	(45.25)	-	(426.82)	-	-	(1,412.10)
As at 31st March, 2017	**233.87**	**1,841.64**	**2,598.64**	**65,127.07**	**381.84**	**934.44**	**615.05**	**2,347.62**	**74,080.17**	**65.47**	**-**	**1,121.33**
Additions	-	2,683.20	306.45	6,495.85	18.49	23.70	203.37	564.55	10,295.61	2.40	58.86	8,690.84
Disposal	-	-	-	(12.41)	-	-	(173.63)	-	(186.04)	-	-	(950.97)
As at 31st March, 2018	**233.87**	**4,524.84**	**2,905.09**	**71,610.51**	**400.33**	**958.14**	**644.79**	**2,912.17**	**84,189.74**	**67.87**	**58.86**	**8,861.20**
Accumulated Depreciation												
As at 1st April, 2016	**-**	**96.61**	**1,103.21**	**36,442.08**	**253.42**	**324.42**	**265.65**	**1,154.70**	**39,640.09**	**44.60**	**-**	**-**
Depreciation for the year	-	18.61	118.95	1,447.69	18.96	34.87	70.45	399.06	2,108.59	3.66	-	-
Disposal	-	-	-	-	-	-	(36.91)	-	(36.91)	-	-	-
As at 31st March, 2017	**-**	**115.22**	**1,222.16**	**37,889.77**	**272.38**	**359.29**	**299.19**	**1,553.76**	**41,711.77**	**48.26**	**-**	**-**
Depreciation for the year	-	64.75	101.89	1,880.58	38.55	62.99	59.27	355.95	2,563.98	5.62	-	-
Disposal	-	-	-	(10.33)	-	-	(154.34)	-	(164.67)	-	-	-
As at 31st March, 2018	**-**	**179.97**	**1,324.05**	**39,760.02**	**310.93**	**422.28**	**204.12**	**1,909.71**	**44,111.08**	**53.88**	**-**	**-**
Net Carrying Amount												
As at 1st April, 2016	**233.87**	**1,655.58**	**1,495.43**	**28,265.18**	**49.56**	**143.73**	**254.74**	**606.07**	**32,704.16**	**3.89**	**-**	**441.40**
As at 31st March, 2017	**233.87**	**1,726.42**	**1,376.48**	**27,237.30**	**109.46**	**575.15**	**315.86**	**793.86**	**32,368.40**	**17.21**	**-**	**1,121.33**
As at 31st March, 2018	**233.87**	**4,344.87**	**1,581.04**	**31,850.49**	**89.40**	**535.86**	**440.67**	**1,002.46**	**40,078.66**	**13.99**	**58.86**	**8,861.20**

Notes :

1. Buildings include ₹ 250/- (Previous year ₹ 250/-) for shares in office premises in a co-operative society.
2. Capital work in Progress includes Plant & Machinery under construction ₹ 1,769.94 lakhs (31st March, 2017 - ₹ 256.59 lakhs & 1st April, 2016 - ₹ 288.77 lakhs), Machinery Spares Stock ₹ 513.01 lakhs (31st March, 2017 - ₹ 499.69 lakhs & 1st April, 2016 Nil),Building under construction ₹ 6,292.60 lakhs (31st March,2017 Nil & April 1 2016 Nil) and preoperative expenses incurred during the year in the form of Employee Benifits expense of ₹ 108.97 lakhs (31st March, 2017 Nil & 1st April, 2016 ₹ 50.84 lakhs), and Rates & Taxes ₹ 6.32 lakhs (31st March, 2017 Nil, & 1st April, 2016 - ₹ 1.50 lakhs).
3. Pursuant to the amendment to the Companies (Accounting Standard) Rules, 2006 by notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs and exemption allowed vide para D13AA of Ind AS-101 first time adoption of Ind AS, the Company continues to exercise the option in terms of Para 46A inserted in the Standard for long term foreign currency monetary assets and liabilities. Consequently the Loss of foreign exchange of ₹ 656.73 lakhs for the year and loss of foreign exchange ₹ 1,017.49 lakhs as on 31st March, 2018 has been capitalised.
4. During the year w.e.f. 1st April,2017 Company had acquired the business of Maleic Anhydride manufacturing unit of M/s Mysore Petro Chemicals Limited located at Taloja , Maharashtra and assets so acquired is included under respective assets at the value determined by the valuer.

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

2. NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Investment at Cost			
Unquoted			
Investment in Equity Instruments (Fully Paid- up)			
Nil (31st March, 2017 - Nil, 1st April, 2016 1,200) shares of ₹ 100 each in Blue Circle Fine Chem Pvt. Ltd.	-	-	3.60
1,000 (31st March, 2017 - 1000, 1st April, 2016 - 1000) shares of ₹ 100 each in Cosmos Cooperative Bank	1.00	1.00	1.00
Total Non-Current Investment at Cost	**1.00**	**1.00**	**4.60**
Investment measued at fair value through Profit & Loss			
Investment in Mutual Funds (Fully Paid up)			
40,537.392 (31st March, 2017 - 40,537.392, 1st April, 2016 - 40,537.392) units of ₹ 10 each in Principal Mutual Fund	8.82	10.63	8.31
Investment in Debentures (Fully Paid up)			
Nil (31st March, 2017 - 800, 1st April, 2016- Nil) Units of Edelweiss Finvest Private Limited of ₹ 1,00,000 each.	-	800.52	-
100 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of JM Financial Products of ₹1,00,000 each.	1,001.41	-	-
Total Non Current Investment measured at Fair Value through Profit & Loss	**1,010.23**	**811.15**	**8.31**
Total Non Current Investments	**1,011.23**	**812.15**	**12.91**
Aggreagte amount of quoted Investments and market value thereof	-	-	-
Aggreagte amount of unquoted Investments	1,011.23	812.15	12.91
Aggreagte amount of impairment in the value of Investments	-	-	-

3. NON- CURRENT FINANCIAL ASSETS

OTHER FINANCIAL ASSETS			
Deposits – Others	113.60	63.50	54.57
Loans to Employees	108.16	58.01	48.04
Fixed Deposits with Bank with a maturity period of above 12 months	29.25	29.25	29.25
Security Deposit – Related Party (Refer Note No. 32)	70.23	-	625.00
	321.24	**150.76**	**756.86**

4. OTHER NON CURRENT ASSETS

OTHER FINANCIAL ASSETS			
Capital Advances for Purchase of Property, Plant and Equipment	1,529.16	5.19	72.08
Other Advances (Deposit with Government Authorities etc.)	850.68	1,336.98	1,340.30
	2,379.84	**1,342.17**	**1,412.38**

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

5. INVENTORIES (at lower of cost and net realisable value)

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Raw Material	4,163.40	4,491.62	1,098.00
Raw Material in transit	1,098.24	521.21	787.18
Stores and Spares	2,768.83	2,652.40	2,743.20
Work - in- Progress	397.21	482.80	767.51
Finished Goods	1,010.20	1,497.97	2,855.92
Finished Goods in transit	-	13.93	97.78
	9,437.88	**9,659.93**	**8,349.59**

6. CURRENT INVESTMENTS

Investment at Cost			
Unquoted			
Investment in Government Securities			
Six years National Saving Certificates of the face value of ₹ 31,000 (Nil, 31st March, 2017 - Nil, 1st April, 2016 ₹ 31,000) lodged as security with Government Departments	-	-	0.31
Total Current Investment at Cost	**-**	**-**	**0.31**
Investment measured at Fair Value through Profit & Loss			
Investment in Mutual Funds (Fully Paid -up)			
1,53,895.370 (31st March, 2017 - Nil , 1st April, 2016 - Nil) Units of Aditya Birla Sunlife Cash Plus of ₹100 each	154.20	-	-
31.885 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of HDFC Liquid Fund of ₹ 3418.5354 each	1.09	-	-
Investment in Debentures (Fully Paid -up)			
9 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of Arm Infra & Utilities Pvt. Ltd. of ₹10,00,000 each	104.36	-	-
800 (31st March, 2017 - Nil, 1st April, 2016- Nil) Units of Edelweiss Finvest Private Limited of ₹1,00,000 each	865.54	-	-
976 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of Edelweiss Finvest Private Limited of ₹ 1,00,000 each	1,011.62	-	-
9 (31st March, 2017 - Nil,1st April, 2016 - Nil) Units of JM Financial Products Ltd. of ₹10,00,000 each	98.00	-	-
200 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of ECAP Equities Ltd. of ₹1,00,000 each	214.92	-	-
88 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of ECL Finance Ltd. of ₹1,00,000 each	101.75	-	-
Investment in Alternate Investment Fund (Fully Paid -up)			
50,000 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of Edelweiss Alpha Fund of ₹ 1,000 each .	500.00	-	-
50,000 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of Avendus Absolute Return Fund ₹ 1,000 each	520.48	-	-
5,00,000 (31st March, 2017 - Nil, 1st April, 2016 - Nil) Units of DSP BlackRock India of ₹100 each.	501.90		
Total Current Investment measured at Fair Value through Profit & Loss	**4,073.86**	**-**	**-**
Total Current Investment	**4,073.86**	**-**	0.31
Aggreagte amount of quoted Investments and market value thereof	-	-	-
Aggreagte amount of unquoted Investments	4,073.86	-	0.31
Aggreagte amount of impairment in the value of Investments	-	-	-

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

7. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, Considered Good	13,877.11	14,975.09	10,880.88
	13,877.11	**14,975.09**	**10,880.88**

8. CASH AND CASH EQUIVALENTS

(a)	Cash in hand	2.92	2.89	9.63
	Balance with Scheduled Banks			
	In Current Accounts	500.52	516.73	96.03
		503.44	**519.62**	**105.66**
(b)	Other Bank Balances			
	In Fixed Deposits (Held with Scheduled Banks as Margin)	1,037.18	1,207.18	1,543.63
	In Deposits with Maturity of less than 12 Months	542.84	1,208.64	-
	In Fixed Deposits (Held with Government Department as Security)	0.97	1.22	1.22
	In Margin Money Accounts	-	5.56	7.46
	In Unpaid Dividend Account	88.15	44.42	15.15
		1,669.14	**2,467.02**	**1,567.46**
		2,172.58	**2,986.64**	**1,673.12**

9 CURRENT FINANCIAL ASSETS - LOANS

Loan to Employees	56.79	44.46	43.21
	56.79	**44.46**	**43.21**

10. a) CURRENT ASSETS - OTHERS FINANCIAL ASSETS

Advances recoverable in cash or kind or for value to be received			
-Considered Good	35.27	196.81	452.56
Balance with Custom, Excise Authorities	-	21.99	40.57
	35.27	**218.80**	**493.13**

10. b) CURRENT ASSETS - OTHERS

Prepayment	1,228.54	453.30	545.64
Export Incentive Receivable	366.44	375.96	230.54
Balance with Statutory / Government Authorities	-	38.71	37.37
Advances to Suppliers	262.82	239.48	68.40
	1,857.80	**1,107.45**	**881.95**

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

11. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Authorised			
4,00,00,000 (31st March, 2017 - 4,00,00,000, 1st April, 2016 - 4,00,00,000) Equity Shares of ₹ 10/- each	4,000.00	4,000.00	4,000.00
10,00,000 (31st March, 2017- 10,00,000,1st April, 2016 -10,00,000) Preference Share of ₹ 100/- each	1,000.00	1,000.00	1,000.00
	5,000.00	**5,000.00**	**5,000.00**
Issued			
3,08,01,350 (31st March, 2017 - 3,08,01,350, 1st April, 2016 - 3,08,01,350) Equity Shares of ₹ 10/- each	3,080.14	3,080.14	3,080.14
Subscribed and Paid up			
3,07,94,850 (31st March, 2017- 3,07,94,850, 1st April, 2016 - 3,07,94,850) Equity Shares of ₹ 10/- each	3,079.49	3,079.49	3,079.49
Add: Amount paid up on 6,500 shares forfeited	0.32	0.32	0.32
	3,079.81	**3,079.81**	**3,079.81**

The reconciliation of the number of shares outstanding is set out below

Particulars	No. of Shares	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	30,794,850	30,794,850	30,794,850
Add : Shares Issued during the year	-	-	-
Equity Shares at the end of the year	**30,794,850**	**30,794,850**	**30,794,850**

The Details of Shareholders holding more than 5% Shares in the company

Name of the Shareholder	As at 31st March,2018		As at 31st March,2017		As at 1st April, 2016	
	No. of Shares	% Held	No. of Shares	% Held	No. of Shares	% Held
Gembel Trade Enterprises Ltd.	27,17,491	8.82%	2,717,491	8.82%	2,717,491	8.82%
Kamrup Enterprises Ltd.	33,21,401	10.79%	3,321,401	10.79%	1,894,884	6.15%
Mysore Petro Chemicals Ltd.	40,75,000	13.23%	4,075,000	13.23%	4,075,000	13.23%
Savita Investment Company Ltd.	19,33,414	6.28%	1,933,414	6.28%	1,933,414	6.28%
Shekhavati Investment Corporation Ltd.	41,22,210	13.39%	4,122,210	13.39%	4,122,210	13.39%
Vincent (India) Ltd.	48,89,927	15.88%	4,889,927	15.88%	2,634,294	8.55%

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

12. OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Capital Reserve			
Balance as per last Balance Sheet	**116.25**	**116.25**	**116.25**
Securities Premium Reserve			
Balance as per last Balance Sheet	**2,275.00**	**2,275.00**	**2,275.00**
General Reserve			
Balance as per last Balance Sheet	3,000.00	1,000.00	500.00
Add : Transferred from Surplus in Profit & Loss	2,000.00	2,000.00	500.00
Foreign Currency Transalation reserve on consolidation	73.58	(38.44)	0.46
Retained Earning			
Opening Balance at the beginning of the year	30,769.30	23,353.98	17,910.04
Add : Profit for the year	14,603.09	10,156.60	6,018.81
	45,372.39	**33,510.58**	**23,928.85**
Less : Appropriation			
Transferred to General Reserve	2,000.00	2,000.00	500.00
Equity dividend	923.85	615.90	-
Tax on Dividend distributed	188.07	125.38	-
Adjustment in Retained earning as on 31st March, 2016	-	-	74.87
	42,260.47	**30,769.30**	**23,353.98**
Other Comprehensive Income (OCI)			
As per Last Balance Sheet	(44.42)	(44.42)	-
Add : Movement in OCI (Net) during the year	16.95	-	-
	(27.47)	**(44.42)**	**-**
Total Other Equity	**49,697.83**	**36,077.69**	**26,745.69**

13. NON-CURRENT FINANCIAL LIABILITIES- BORROWINGS

Secured Loans			
Term Loan - Rupee Term Loan from Banks	-	-	1,033.11
- Foreign Currency Loan from Bank	-	-	628.86
External Commercial Borrowing	2,698.44	3,244.82	4,524.23
Loan against Cars	-	52.53	55.86
	2,698.44	**3,297.35**	**6,242.06**
Unsecured Loans			
From Bodies Corporate	225.00	2,706.05	2,976.05
	2,923.44	**6,003.40**	**9,218.11**

i. The External Commercial Borrowings (ECB) is secured by Hypothecation of Fixed and movable properties (other than current assets) and registered mortgage on immovable properties of the Company on first pari passu basis with Term Loan lender. The ECB is payable in 17 equal semi annual installments from 15th September, 2013.

ii. Car loans are secured by the assets acquired through such finance.

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

14. NON-CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Due to Related Party (Refer Note No.32)	3,750.00		
	3,750.00	**-**	**-**

15. LONG TERM PROVISIONS

Provision for Leave Encashment	278.63	194.53	182.05
	278.63	**194.53**	**182.05**

16. DEFERRED TAX LIABILITIES (Net)

Deferred Tax Assets :			
MAT Credit Entitlement	753.92	3,665.00	-
Provision allowed under tax on payment basis	143.48	67.83	-
	897.40	3,732.83	-
Deferred Tax Liabilities :			
Property, Plant & Equipment	4,569.52	3,932.27	
Financial Assets	40.02	-	
	4,609.54	3,932.27	-
Deferred Tax Liability (Net)	**3,712.14**	**199.44**	-

Deferred Tax benefits are recognised on assets to the extent that it is probable that taxable profit will be available against which the deductible temporary differences will be utilised against which the asset can be utilised.

The movement on the deferred Tax account is as under:

At the beginning of the year	199.44	-	-
Charged to statement of Profit & Loss (Net)	855.87	93.00	-
Adjustment to MAT (Net)	2,656.83	106.44	-
At the end of the year	**3,712.14**	**199.44**	**-**

17. CURRENT FINANCIAL LIABILITIES - BORROWINGS

Secured			
Bank Borrowings	3,269.04	240.32	31.06
	3,269.04	**240.32**	**31.06**

i. Bank borrowings of ₹ 2.51 Lakhs are secured by Hypothecation of current assets of the company i.e. stock of raw materials, stock in process, finished goods, stores & spares and book debts on first pari passu basis amongst Working Capital lenders under consortium banking arrangement. It is further secured by hypothecation of Fixed and movable properties and registered mortgage of immovable properties of the Company on second charge basis.

The above Bank borrowimgs are further secured by Personal Guarantee of two Directors of the company.

ii Bank borrowings of ₹ 3266.53 Lakhs of Subsidiary is secured by mortage of residential property of the Subsidiary.

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

18. a) CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Dues of Micro, Medium and Small Enterprises	118.99	166.75	141.92
Dues of creditors other than Micro, Medium and Small Enterprises	14,864.19	16,906.87	15,112.82
	14,983.18	17,073.62	**15,254.74**

Dues to parties covered under the Micro, Small and Medium Enterprises as per MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditor.

18. b) CURRENT FINANCIAL LIABILITIES - OTHER

Unpaid Dividend (shall be credited to Investor Education and Protection Fund as and when due)	88.15	44.42	15.15
Security Deposits	249.58	3.50	3.50
Current maturities of long term Secured debts			
- Rupee Term Loan from Banks	-	600.00	1,102.85
- Foreign Currency Term Loan from Bank	-	367.73	197.15
- External Commercial Borrowing	1,079.38	927.09	1,005.38
- Loan Against Cars	52.53	83.74	52.76
- Due to Related Party (Refer Note No. 32)	1,350.00	-	-
Interest Accrued But not Due on Loans	30.25	83.80	88.08
Other Liabilities	5.13	-	59.80
	2,855.02	**2,110.28**	**2,524.67**

19. OTHER CURRENT LIABILITIES

Advance from Customers	7.91	73.94	34.63
Book Overdraft	889.96	-	157.31
Statutory Dues & Taxes payable	433.18	678.19	429.09
	1,331.05	**752.13**	**621.03**

20. SHORT TERM PROVISIONS

Provision for Leave Encashment	62.06	44.95	14.44
Provision for Gratuity	22.76	40.70	-
	84.82	**85.65**	**14.44**

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

21. REVENUE FROM OPERATIONS (Gross)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Sale of products		
Finished Goods	1,13,977.03	1,12,738.19
Traded Goods	2,573.47	239.46
Other Operating Revenues	536.38	583.04
	1,17,086.88	**1,13,560.69**

22. OTHER INCOME

Interest		
Bank Deposits	152.78	112.83
Others	30.66	181.83
Profit on Fair Value of Investment through Profit & Loss	115.66	2.84
Profit on Sale of Fixed Assets	14.52	3.18
Profit on Sale of Investments	7.87	-
Dividend Received	12.79	0.39
Other Non Operating Income	33.38	15.88
	367.66	**316.95**

23. COST OF RAW MATERIAL CONSUMED

Orthoxylene		
Opening Stock	4,491.62	1,098.00
Add: Purchases (Net)	69,487.41	76,712.63
	73,979.03	77,810.63
Less: Closing Stock	4,163.40	4,491.62
	69,815.63	**73,319.01**

24. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK -IN-PROGRESS

Opening Inventories		
Work - in- Progress	482.80	767.51
Finished Goods	1,511.90	2,953.70
Stock on acquisition of MA Unit	66.25	-
Closing Inventories		
Work - in- Progress	397.21	482.80
Finished Goods	1,010.20	1,511.90
	653.54	1,726.51
Differential Excise duty	(217.09)	(142.90)
	436.45	**1,583.61**

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

25. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Salaries , Wages and Bonus	4,489.64	3,111.00
Contribution to Provident and Other Funds	223.29	191.78
Gratuity Expenses	129.26	30.23
Staff Welfare Expenses	732.92	572.78
	5,575.11	**3,905.79**

26. FINANCE COST

Interest		
- on Term Loans	330.42	755.40
- on Others	795.71	302.75
Bills Discounting and Bank Charges	367.14	766.42
	1,493.27	**1,824.57**

27. OTHER EXPENSES

Consumption of Stores, Spares and Consumables	258.19	320.04
Consumption of Packing Materials	589.48	554.18
Power, Fuel and Water charges	2,186.74	2,053.39
Repairs and Maintenance		
Plant and Equipments	1,312.83	1,128.25
Buildings	9.14	23.05
Others	82.80	39.68
Insurance Premium	245.74	216.85
Rent	126.22	133.51
Rates and Taxes	192.13	171.18
Selling Expenses		
Brokerage and Commission	41.56	103.10
Freight outward	2,157.19	1,869.71
Port charges	123.01	141.63
Other selling expenses	116.62	122.32
Loss on Sale of Investment	-	1.71
Directors' Sitting Fees & Commission	255.62	150.83
Payment to Auditors (Refer Note 27.1)	16.05	15.89
Travelling & Conveyance	556.60	417.94
Legal & Professional Fees	306.44	368.28
Foreign Exchange Translation Difference	207.04	(507.75)
Communication Cost	40.40	41.30
CSR Expenditure (Refer Note 43)	143.70	26.01
Donations and Contributions to Charitable Institutions	-	10.67
Miscellaneous Expenses	393.53	498.73
	9,361.03	**7,900.50**

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

27.1 PAYMENTS TO AUDITORS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Audit Fees	15.09	15.09
Reimbursement of Expenses	0.96	0.80
	16.05	**15.89**

28. EARNING PER SHARE OF ₹ 10 EACH (EPS)

Profit after tax as per Statement of Profit & Loss	14,603.09	10,156.60
Weighted average No. of outstanding Shares in calculating basic and diluted EPS	3,07,94,850	3,07,94,850
Earning per Share		
Basic & Diluted - ₹	47.42	32.98

29. CAPITAL COMMITMENT

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances.	13,982.74	88.17

30. CONTINGENT LIABILITIES

	Contingent Liabilities not provided for			
a.	Bills of Exchange Discounted - With Banks		-	1,142.83
b.	Excise matters			
	i)	Cases decided in favour of the Company which are taken further in appeal before the appellate authorities by the department. (Deposit under Protest ₹ 36.32 lakhs, (31st March, 2017 ₹ 36.32 lakhs).	3,054.41	2,647.45
	ii)	Other Matters for which the Company is in appeal. (Deposits paid under protest ₹ 794.57 lakhs (31st March, 2017 ₹ 794.57 lakhs)	794.57	1,222.27
	iii)	Show Cause Notices received (Deposits paid under protest ₹19.61 lakhs (31st March, 2017 ₹ 506.09 lakhs)	602.01	1,472.77
c.	Claim against the Company not acknowledged as Debt		377.81	467.58
d.	Custom Duty on Raw Material under Advance Licence pending Export Obligation. (Including Cenvat Credit available ₹ 1,647.75 lakhs (31st March, 2017 ₹ 2,713.63 lakhs).		1647.75	2,773.43
e.	Electricity Duty Disputed, writ petion has been filed before the Bombay High Court through Captive Power Producers Association and stay has been granted.		1,001.62	701.92

The Management is confident that the matters will be in favour of the company as per legal opinions obtained / legal precedents.

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

f. Income Tax Matters

The Income Tax Assessment have been completed upto Assessment year 2015-16. While completing the Income tax Assessments, the Income Tax department had disallowed certain claims of the Company which resulted in reduction of carried forward benefits available to the Company as per the Income Tax Act 1961. Due to this the additional liability remains to be provided as on date amounts to ₹ 2,302.20 Lakhs (Previous Year ₹ 5,209 Lakhs). These matters are under Appeal before the Hon'ble Karnataka High Court and with other Appellate Authorities, based on the favourable decisions in similar cases/legal opinions taken by the Company/discussions with solicitors etc. the management is confident that matters will be in favour of the company hence no provision has been made in the accounts.

Future cash outflows in respect of item b, c, e, and f above are determinable only on receipt of judgments / decisions pending at various forums / authorities.

g. The Board at its meeting held on 28th May, 2018 considered and recommended a dividend @ 40% i.e. ₹ 4/- per share of ₹ 10/- each for the financial year 2017-18 (Previous Year @ 30% i.e. ₹ 3/- per Share taken as deduction under Reserves & Surplus) subject to approval of the members of the company.

(₹ in Lakhs)

Particulars	As at 31st March, 2018
Proposed equity dividend	1,231.79
Tax on proposed dividend	253.20

h. Workmen's Union Demand of the Company at Taloja with effect from 1st June, 2017 is under negotiation, amount presently not ascertainable.

31. SEGMENT INFORMATION

Primary Business Segment

The Company is exclusively engaged in a single business segment of manufacture and sale of organic chemicals and accordingly this is the only primary reportable segment.

Geographical Segments

Secondary segmental reporting is based on the geographical location of customer. The geographical segments have been disclosed based on revenues within India (sales to Customers within India) and revenues outside India (sales to customers located outside India). Secondary segment assets and liabilities are based on the location of such asset / liability.

Information about Secondary Geographical Segments

(₹ in Lakhs)

Segment Information	Year ended 31st March, 2018			Year ended 31st March, 2017		
	India	Outside India	Total	India	Outside India	Total
Revenue (Including Excise duty)	97,224.71	19,862.17	1,17,086.88	92,153.93	21,406.76	1,13,560.69
Carrying amount of segment assets	75,983.20	9,981.76	85,964.96	60,690.07	5,126.80	65,816.87
Carrying amount of segment liabilities	24,025.65	9,161.68	33,187.32	18,089.47	8,569.90	26,659.37
Additions to fixed assets	10,298.01	-	10,298.01	1,444.64	735.08	2,179.72

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

32. RELATED PARTY DISCLOSURE

i.	Names of related parties where control exists irrespective of whether transactions have occurred or not		
	Individuals owning, directly or indirectly, an interest in the voting power that gives them control or significant influence		—
ii.	Names of other related parties with whom transactions have taken place during the year		
	a.	Key Managerial Personnel	Shri Nikunj Dhanuka - Managing Director & CEO Shri R Chandrarsekaran - Chief Financial Officer Shri Sudhir R Singh - Company Secretary
	b.	Relatives of key managerial personnel	Shri Umang Dhanuka – Brother of Managing Director & CEO. Smt. Raj Kumari Dhanuka – Mother of Managing Director & CEO.
	c.	Enterprises Over which Key Managerial personnel and their relatives can exercise control	Mysore Petro Chemicals Limited

Transactions carried out and year end balances with related parties referred in above, in ordinary course of business are as under:

(₹ in Lakhs)

Sr. No.	Nature of Transaction	Related parties referred to in		
		ii(a) above	ii(b) above	ii(c) above
1.	**Income**			
	Sale of Goods (Including Taxes)	-	-	**203.00**
		(-)	(-)	(228.73)
2.	**Purchases**			
	Goods (Including Taxes)	-	-	**111.47**
		(-)	(-)	(208.36)
	MA Unit on Slump sale basis	-	-	**7,448.00**
		(-)	(-)	(-)
3.	**Expenses**			
	Remuneration	**537.29**	**72.12**	-
		(334.66)	(57.12)	-
	Interest	-	-	**629.85**
		(-)	(-)	(-)
	Rent	-	**5.40**	**88.29**
		(-)	(3.00)	(-)
4.	**Amount Payable at year end**			
	Against Purchase of MA Unit	-	-	5,100.00
	31st March, 2017	(-)	(-)	(-)
	1st April, 2016	(-)	(-)	(-)
5.	**Amount Receivable at year end**			
	Security Deposit	-	1.20	69.02
	31st March, 2017	(-)	(-)	(-)
	1st April, 2016	(-)	(-)	(625.00)
	Other Receivable	-	-	-
	31st March, 2017	(-)	(-)	(9.81)
	1st April, 2016	(-)	(-)	(-)

Note: Amount in bracket represents figures for previous years.

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

33. EMPLOYEE BENEFITS

i. General Description of defined benefit plan

The Gratuity scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognized in the balance sheet.

(₹ in Lakhs)

	Particulars	Gratuity (funded) 31st March, 2018	Gratuity (funded) 31st March, 2017
a.	**Statement of Profit and Loss**		
	Net employee benefit expense (recognized in Personnel Expenses in Note 25)		
	Current service cost	40.26	34.17
	Interest cost on benefit obligation	1.51	(3.94)
	Past service cost	87.49	-
	Net Benefit / Cost	129.26	30.23
b.	**Net employee benefit expense (recognized in Statement of Profit & Loss and other Comprehensive Income)**		
	Amount recognised in Statement of Profit & Loss	129.26	30.23
	Amount recognised in Other Comprehensive Income	(25.93)	67.93
	Total Expenses Recognized at Period End	103.33	98.16
c.	**Balance sheet**		
	Details of Provision for gratuity		
	Defined benefit obligation	1,028.78	699.42
	Fair value of plan assets	1,006.02	658.72
	Amount Recognised in the Balance Sheet	(22.76)	(40.70)
d.	**Changes in the present value of the defined benefit obligation are as follows**		
	Opening defined benefit obligation	699.42	571.87
	Interest cost	51.15	45.17
	Current service cost	40.26	34.17
	Benefits paid	(58.50)	(17.55)
	Actuarial (gains) / losses on obligation	(5.65)	65.76
	Acquisition / Business Combination / Divestiture	214.61	-
	Past service cost	87.49	-
	Closing defined benefit obligation	1,028.78	699.42
e.	**Changes in the fair value of plan assets are as follows**		
	Opening fair value of plan assets	658.71	613.99
	Expected return	8%	8%
	Contributions by employer	49.65	49.11
	Benefits paid	-	-
	Actuarial gains / (losses)	20.27	(4.39)
	Acquisition / Business Combination / Divestiture	277.38	-
	Closing fair value of plan assets	1,006.01	658.71

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

(₹ in Lakhs)

	Particulars	Gratuity (funded) 31st March, 2018	Gratuity (funded) 31st March, 2017
f.	**Maturity Profile of defined benefit obligation**		
	Within next 12 months (next annual reporting period)	85.56	62.42
	Between 2 and 5 years	398.72	284.23
	Between 6 and 10 years	504.45	338.89
g.	**Quantitative sensitivity analysis for significant assumption is as below**		
	Increase / decrease on present value of defined benefits obligation at the end of the year		
	One percentage point increase in discount rate	(58.81)	(39.98)
	One percentage point decrease in discount rate	63.00	42.83
	One percentage point increase in rate of salary	46.08	31.33
	One percentage point decrease in rate of salary	(42.17)	(28.67)
h.	**Sensitivity Analysis Method**		
	Sensitivity analaysis is determined based on the expected movement in liability, if the assumptions were not proved to be true on different count		
i.	**The principal assumptions used in determining gratuity obligations for the Company's plans are shown below**		
		%	%
	Discount rate	7.86	7.42
	Expected rate of return on assets	7.86	7.42
	Employee turnover	5	5
	Salary Escalation	4	4
	Mortality	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
	Retirement Age		60

The estimates of future salary increase, considered in actuarial valuation, taken account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

34. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

The Company uses Forward Exchange Contracts to hedge its exposure in foreign currency. The Information on derivative instruments is as follows:

Particulars		31st March, 2018		31st March, 2017	
		Amount in Foreign currency US$	(₹ in Lakhs)	Amount in Foreign currency US$	(₹ in Lakhs)
i.	Forward Contracts of sale outstanding as at the balance sheet date				
	Forward currency contract	2,976,900	1,936.30	4,745,120	3,076.67
ii.	Forward Contracts of purchases outstanding as at the balance sheet date				
	Forward currency contract	859,902	559.32	-	-
iii.	Particulars of Unhedged foreign currency exposure as at the balance sheet date:				
	Amount Receivable				
	US $	1,174,020	763.63	1,531,075	992.72
	Amount Payable				
	Import of Goods - US $	1,149,120	747.43	-	-
	Import of Goods - Euro	50,57,058	4,077.11	6,213,034	4,302.37
	Loans Payable - US $	-	-	567,142	367.73
	Loans Payable - Euro	4,685,826	3,777.82	6,024,633	4,171.91
	Loans Payable - GBP	3,576,000	3,266.53	-	-

35. EXPLANATION ON TRANSITION TO IND AS

(i) Ind AS 101 " First time adoption of Indian accounting standards" permits companies adopting Ind AS for the first time to take certain exemptions from the full retrospective application of Ind AS in the transition period. The Company, on transition to Ind AS , has availed the following key exemptions:-

(a) Property, Plant and equipment :

The Company has elected to take the carrying value of its property, Plant & Equipment and intangible assets as per previous GAAP (IGAAP) as its deemed cost for Ind AS as at 1st April, 2016.

(b) Investment in Subsidiary and associates

The Company has elected to take the carrying amount of the investments in subsidiary as at 1st April, 2016.

(c) Financial Instruments

The Company has designated its investment in equity instruments, other than investment in subsidiary and associate, as at Fair Value through Profit & Loss, based on facts and circumstances existed on the date of transition.

(ii) Exception applicable to Company

(a) De-recognition of financial assets and liabilities

The Company has elected to apply the de-recognition provisions of Ind AS 109 (Financial Instruments) prospectively from the date of transition to Ind AS.

(b) Classification and measurement of financial assets

The Company has classified the financial assets in accordance with the Ind AS 109 (Financial Instruments) on the basis of facts and circumstances that existed as at the date of transition to Ind AS.

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

(iii) Reconciliation between Previous GAAP and Ind AS

(a) Equity Reconciliation

Particulars	Note	As at 31st March, 2017	As at 1st April, 2016
Equity as per previous GAAP		36,159.50	26,079.28
Re-measurement			
Financial Instruments	1	9.15	6.31
Reversal of Proposed dividend and tax thereon	2	-	741.28
Others	4	(90.96)	(81.18)
Equity as per Ind AS		**36,077.69**	**26,745.69**

(b) Comprehensive Income Reconciliation

Particulars	Note	Year ended 31st March, 2017
Net Profit as per Previous GAAP		10,119.12
Employee Benefits	3	67.93
Tax on above adjustments	3	(23.51)
Others	4	(6.94)
Net Profits as per Ind AS		10,156.60
Other Comprehensive Income as per Ind AS	5	(44.42)
Total Comprehensive Income as per Ind AS		**10,112.18**

Notes :

1 The Company has designated its investments, which are held for trading , at Fair value through Profit & Loss Account (FVPL), impact of such fair value changes as on the date of Transition is recognised in the opening reserves and changes thereafter are recognised in Statement of Profit & Loss.

2 Proposed dividend declared by the Company is accounted for once approved in the Annual General Meeting, as opposed to the earlier practice of accounting for the same after being proposed by the Board under IGAAP.

3 The Company has recognised all actuarial gains and losses on post retirement defined benefit schemes in other Comprehensive Income. Deferred taxes pertaining to these losses has also been recognized in other Comprehensive Income.

4 Other adjustment primarily includes re-measurement of retention at fair value.

5. Other Comprehensive Income includes re-measurement gain / losses on actuarial valuation of post-employment defined benefits.

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

36. FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criterial for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 21(4)(VIII) to the financial statements.

(a) Financial assets and liabilities:

The following table Presents carrying amount and fair Value of each category of financial assets and liabilities.

(₹ in Lakhs)

Particulars	Amortised Cost	Fair Value through Profit and Loss A/c	Fair Value through other Comprehensive Income	Total Carrying Value	Total Fair Value (Level 2)
As at 31st March,2018					
Financial Assets					
Trade Receivables	13,877.11	-	-	13,877.11	13,877.11
Investment	1,011.23	4,073.86	-	5,085.09	5,085.09
Cash and bank	2,172.58	-	-	2,172.58	2,172.58
Other financial assets	413.30	-	-	413.30	413.30
Total	**17,474.22**	**4,073.86**	**-**	**21,548.08**	**21,548.08**
Financial Liabilities					
Borrowings	6,192.48	-	-	6,192.48	6,192.48
Trade Payable	14,983.18	-	-	14,983.18	14,983.18
Other financial Liabilities	6,605.02	-	-	6,605.02	6,605.02
Total	**27,780.68**	**-**	**-**	**27,780.68**	**27,780.68**
As at 31st March,2017					
Financial Assets					
Trade Receivable	14,975.09	-	-	14,975.09	14,975.09
Investment	812.15	-	-	812.15	812.15
Cash and bank	2,986.64	-	-	2,986.64	2,986.64
Other financial assets	414.02	-	-	414.02	414.02
Total	**19,187.90**	**-**	**-**	**19,187.90**	**19,187.90**
Financial Liabilities					
Borrowings	6,243.72	-	-	6,243.72	6,243.72
Trade Payable	17,073.62	-	-	17,073.62	17,073.62
Other financial Liabilities	2,110.28	-	-	2,110.28	2,110.28
Total	**25,427.62**	**-**	**-**	**25,427.62**	**25,427.62**
As at 1st April,2016					
Financial Assets					
Trade Receivable	10,880.88	-	-	10,880.88	10,880.88
Investment	4.91	8.31	-	13.22	13.22
Cash and bank	1,673.12	-	-	1,673.12	1,673.12
Other financial assets	1,293.20	-	-	1,293.20	1,293.20
Total	**13,852.11**	**8.31**	**-**	**13,860.42**	**13,860.42**
Financial Liabilities					
Borrowings	9,249.17	-		9,249.17	9,249.17
Trade Payable	15,254.74	-		15,254.74	15,254.74
Other financial Liabilities	2,524.67	-		2,524.67	2,524.67
Total	**27,028.58**	**-**	**-**	**27,028.58**	**27,028.58**

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

(b) The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to level 3, as described below :

Level-1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level-2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level-3 : Techniques which use inputs that have a significant effect on the recorded Fair Value that are not based on observable market data.

(c) Financial Risk Management Policies and objectives:

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency recivables, payables and loans and borrowings

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowings.

Interest rate risk

The Company's exposure to interest rate risk is minimal as the Company does not have any significant interest earning asset or interest bearing liability. As such, the Company is not exposed to significant interest rate risk as at the reporting date.

Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash and cash equivalents to manage its liquidity risk.

Credit Risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company. To manage this, the Company periodically assess the financial reliability of customers, taking into account the financial condition., current economic trends, analysis of historical bad debts and agreeing of accounts receivables. Individual risk limit are set accordingly.

Financial assets are provided for when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for provision as per provisioning policy of the Company. Where loans or receivables have been provided, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in the statement of profit and loss.

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

(d) Foreign Currency exposure as at 31st March,2018

(₹ in Lakhs)

Particulars	USD	EURO	GBP	Total
Trade Receivables	2,699.93	-	-	2,699.93
Loans and advances	-	-	171.14	171.14
Trade Payable	(1,306.75)	(4,077.11)	-	(5,383.86)
Loan in Foreign Currency	-	(3,777.82)	(3,266.53)	(7,044.35)
Net Exposure	**1,393.18**	**(7,854.93)**	**(3,095.39)**	**(9,557.14)**

Foreign Currency exposure as at 31st March,2017 (₹ in Lakhs)

Particulars	USD	EURO	GBP	Total
Trade Receivables	4,069.39	-	-	4,069.39
Loans and advances	-	-	8.87	8.87
Trade Payable	-	(4,302.37)	-	(4,302.37)
Loan in Foreign Currency	(367.73)	(4,171.91)	-	(4,539.64)
Net Exposure	**3,701.66**	**(8,474.28)**	**8.87**	**(4,763.75)**

(e) 1% increase or decrease in foreign currency exchange rates will have the following impact on profit before tax.

Particulars	2017-18		2016-17	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	13.93	(13.93)	37.02	(37.02)
EURO	(78.55)	78.55	(84.74)	84.74
GBP	(30.95)	30.95	0.09	(0.09)
Increase / (Decrease) in Profit	**(95.57)**	**95.57**	**(47.64)**	**47.64**

37. FIRST TIME IND AS ADOPTION RECONCILIATIONS

Effect of Ind AS adoption on the consolidated balance sheet as at 31st March, 2017 and 1st April,2016

(₹ in Lakhs)

Particulars	As at 31st March, 2017			As at 1st April, 2016		
	Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS						
Non-Current assets						
Property, Plant and Equipment	32,484.27	(115.87)	32,368.40	32,825.54	(121.38)	32,704.16
Capital Work-In-Progress	1,121.33	-	1,121.33	441.40	-	441.40
Other Intangible Assets	17.21	-	17.21	3.89	-	3.89
Investment in a Joint Venture	868.32	-	868.32	-	-	-
	34,491.13	(115.87)	34,375.26	33,270.83	(121.38)	33,149.45
Financial Assets						
(i) Investments	803.00	9.15	812.15	6.60	6.31	12.91
(ii) Loans	1.50	(1.50)	-	47.61	(47.61)	-
(iii) Other Financial Assets	150.76		150.76	756.86	-	756.86
Non-Current Tax Assets(Net)	144.16		144.16	17.81	-	17.81
Other Non-Current Assets	1,342.17	-	1,342.17	1,412.38	-	1,412.38
Total Non Current Assets	**36,932.72**	**(108.22)**	**36,824.50**	**35,512.09**	**(162.68)**	**35,349.41**

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	As at 31st March, 2017			As at 1st April, 2016		
	Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
Current Aseets						
Inventories	9,659.93	-	9,659.93	8,349.59	-	8,349.59
Financial Assets						
(i) Investments	-	-	-	0.31	-	0.31
(ii) Trade Receivables	14,975.09	-	14,975.09	10,880.88	-	10,880.88
(iii) Cash and Cash Equivalents	519.62	-	519.62	105.66	-	105.66
(iv) Bank Balance other than (iii) above	2,467.02	-	2,467.02	1,567.46	-	1,567.46
(v) Loans	44.46	-	44.46	43.21	-	43.21
(vi) Other Financial Assets	192.39	26.41	218.80	405.32	87.81	493.13
Other Current Assets	1,107.45	-	1,107.45	881.95	-	881.95
Total Current Assets	**28,965.96**	**26.41**	**28,992.37**	**22,234.38**	**87.81**	**22,322.19**
TOTAL	**65,898.68**	**(81.81)**	**65,816.87**	**57,746.47**	**(74.87)**	**57,671.60**
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	3,079.81	-	3,079.81	3,079.81	-	3,079.81
Other Equity	36,159.50	(81.81)	36,077.69	26,079.28	666.41	26,745.69
Total Equity	**39,239.31**	**(81.81)**	**39,157.50**	**29,159.09**	**666.41**	**29,825.50**
Liabilities						
Non-Current Liabilities						
Financial Liabilities						
Borrowings	6,003.40	-	6,003.40	9,218.11	-	9,218.11
Provisions	194.53	-	194.53	182.05	-	182.05
Deferred Tax Liabilities (Net)	199.44	-	199.44	-	-	-
Total Non-Current Liabilities	6,397.37	-	6,397.37	9,400.16	-	9,400.16
Current Liabilities						
Financial Liabilities						
Borrowings	240.32	-	240.32	31.06	-	31.06
Trade Payables	17,073.62	-	17,073.62	15,254.74	-	15,254.74
Other Financial Liabilities	2,110.28	-	2,110.28	2,524.67	-	2,524.67
Other Current Assets	752.13	-	752.13	621.03	-	621.03
Provisions	85.65	-	85.65	755.72	(741.28)	14.44
Total Current Liabilities	**20,262.00**	**-**	**20,262.00**	**19,187.22**	**(741.28)**	**18,445.94**
TOTAL	**65,898.68**	**(81.81)**	**65,816.87**	**57,746.47**	**(74.87)**	**57,671.60**

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

Effect of Ind AS adoption on the the Consolidated Statement of Profit and Loss for the year ended 31st March, 2017

(₹ in Lakhs)

Particulars	As at 31st March, 2017		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
INCOME			
Revenue from Operations	1,13,560.69	-	1,13,560.69
Other Income	266.16	50.79	316.95
Total Income	**1,13,826.85**	**50.79**	**1,13,877.64**
EXPENSES			
Cost of Material Consumed	73,319.01	-	73,319.01
Purchases of Stock-in -Trade	218.06	-	218.06
Changes In Inventories of Finished Goods and Work -in-Progress	1,583.61	-	1,583.61
Excise Duty	9,813.16	-	9,813.16
Employees Benefits Expense	3,973.72	(67.93)	3,905.79
Finance Cost	1,805.06	19.51	1,824.57
Depreciation and Amortisation Expenses	2,117.76	(5.51)	2,112.25
Other Expenses	7,856.77	43.73	7,900.50
Total Expenses	**1,00,687.15**	**(10.20)**	**1,00,676.95**
Profit before Tax & Share of Profit of Joint Venture	**13,139.70**	**60.99**	**13,200.69**
Share of Profit/ (Loss) of Joint Venture	(11.07)	-	(11.07)
Profit before Tax	**13,128.63**	**60.99**	**13,189.62**
Current Tax	3,102.51	23.51	3,126.02
MAT Credit	(3,957.22)	-	(3,957.22)
Deferred Tax	3,864.22	-	3,864.22
Profit for the year	**10,119.12**	**37.48**	**10,156.60**
Other Comprehensive Income / (Expenses)			
(i) Items that will not be reclassified to profit or loss Remeasurement of Defined Benefit Plan - Gratuity	-	(67.93)	(67.93)
(ii) Income Tax relating to items that will not be reclassfied to profit or loss	-	23.51	23.51
Other Comprehensive Income For The Year	-	(44.42)	(44.42)
Total Comprehensive Income For The Year	**10,119.12**	**(6.94)**	**10,112.18**

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

Reconciliation of Profit and Other Equity between Ind AS and Previous GAAP

Particulars	Net Profit	Other Equity	
	Year ended 31st March,2017	As at 31st March,2017	As at 1st April,2016
Net Profit / Other Equity as per Previous Indian GAAP	10,119.12	36,159.50	26,079.28
Decapitalisation of Borrowing Cost	(14.00)	(91.02)	(77.02)
Fair Valuation of Investment	2.84	9.15	6.31
Proposed Dividend Including Tax	-	-	741.28
Others	4.22	0.06	(4.16)
Profit / Other Equity as per Ind AS	10,112.18	36,077.69	26,745.69

A Upfront processing fees on loan

The Company has amortized upfront processing fees over the term loan.

B Investments

Investments in financial assets are carried at amortized cost in Ind AS compared to being carried at cost under IGAAP.

C Other financial liabilities

Security deposits are carried at amortized cost in Ind AS compared to being carried at cost under IGAAP.

D Other equity

a) Adjustments to the retained earnings have been made in accordance with Ind AS for the above mentioned items.

b) In addition, in accordance with Ind AS 19 'Employee Benefits', acturial gains and losses are recognised in other comprehensive income as compared to being recognised in Statement of Prodit and Loss under IGAAP.

c) Adjustment reflected dividend (including corporate dividend tax), declared and approved post reporting period.

E Employee benefit expenses

In accordance with Ind AS 19, 'Employee Benefits' acturial gains and losses are recognised in other comprehensive income and not reclassified to profit and loss in subsequent period.

F Deferred tax

Ind AS 12, 'Income taxes', requires entities to account for deferred taxes using the balance sheet approach, which focusses on temporary differences between the carrying amount of an liability in the balance sheet and its tax base.

38. INCOME TAXES (IND AS 12)

(₹ in Lakhs)

Particulars	Year ended	
	31st March, 2018	31st March, 2017
Income tax recognised in Statement of Profit and Loss		
Current tax	7,574.52	3,126.02
Deferred tax	855.87	(93.00)
Total income tax expenses recognised in the current year	**8,430.39**	**3,033.02**
The Income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before tax	23,084.88	13,226.61
Applicable Tax Rate	34.61%	34.61%
Computed Tax Expense	7,989.22	4,577.47

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	Year ended	
	31st March, 2018	31st March, 2017
Tax effect of :		
Exempted income	(52.20)	(1.24)
Expenses disallowed	259.10	69.44
Additional allowances net of MAT Credit	(621.59)	(1,519.65)
Current Tax Provision	7,574.52	3,126.02
Incremental Deferred Tax Liability on account of Property, Plant & Equipment	637.44	(93.00)
Incremental Deferred Tax Asset on account of Financial Assets and Other items	218.43	-
Deferred tax provision (Net)	855.87	(93.00)
Tax Expenses recognised in Statement of Profit and Loss	8,430.39	3,033.02
Effective Tax Rate	36.52%	22.93%

In the previous year in view of the revised profitability projections, the MAT credit which were written down in the respective earlier years amounting to ₹ 3,957.22 lakhs has been recognized by the Company during the last year, on a reassessment by the management at the year end based on convincing evidence that the Company would pay normal income tax during the specified period and would therefore be able to utilize the MAT credit so recognized (which is in accordance with the recommendations contained in the Guidance Note issued by ICAI), the said asset was created by way of Credit to the statement of Profit and Loss and shown as MAT credit entitlement.Deferred Tax Liability of ₹ 3,864.22 Lakhs provided during the previous year includes the deferred tax liability recalculated and provided on prudential basis on account of reduction of unabsorbed benefits of earlier years.

39. BUSINESS COMBINATION

During the year ended 31st March, 2018 the Company has acquired the manufacturing unit of M/s Mysore Petro Chemicals Limited with effect from 1st April, 2017 for a consideration of ₹ 7,448.00 lakhs on slump sale basis, as per the valuation by Haribhakti & Co. LLP. The transaction was accounted under Ind AS 103 " Business Combination " as a business combination with the purchases price being allocated to identifiable assets and liabilities at fair value as determined by an approved valuer.

Following Table present the allocation of purchase price

Particulars	(₹ in Lakhs)
Net Tangible Assets	7,246.86
Goodwill	201.14
Total Purchase price	**7,448.00**

Goodwill arose in the acquisition of above business because the cost of combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and assembled workforce of acquired business combination. These benefits are not recognised separately from goodwill as they do not meet the recognised criteria for identifiable intangible assets. The Goodwill is expected to be deductible for Income Tax purposes.

40. DISPUTED FOREIGN CURRENCY LIABILITY

Foreign currency liability of ₹ 4,077.11 lakhs (31st March, 2017 ₹ 3,501.89 lakhs,1st April, 2016 ₹ 3,792.62 lakhs) shown under Trade Payables (Current liabilities) has been disputed, a counter claim has been made. However this liability has been converted by applying exchange rate at the close of the year as per Accounting Standard.

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

41. RESEARCH & DEVELOPMENT

Research & Development Expenditure of ₹ 48.07 lakhs (Previous Year ₹ 49.86 lakhs) have been accounted for in the respective heads of the Statement of Profit and Loss.

42. Revenue from operations for Current year includes excise duty which is discontinued effective 1st July, 2017 upon implementation of Goods and Service Tax (GST), in accordance with Ind AS 18, GST is not included in Revenue from operations. In view of this Revenue from operations for the year are not comparable with the previous year.

43. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend atleast 2% of its average net profit for the immediately preceeding three financial years on Corporate Social Responsibility (CSR) activities.

(a) Gross amount required to be spent by the Company during the year is ₹ 146.42 lakhs, and

(b) Amount spent during the year :

Sr. No.	Particulars	(₹ In Lakhs)
i	Construction / Acquisition of any assets	-
ii	On Purposes other than (i) above.	143.70
	Total	**143.70**

44. CONSOLIDATION OF JOINT VENTURE

The Consolidated Financial Statement also includes the unaudited accounts of one jointly controlled entity through its step down subsidiary and financial impact of which are not material for the Group.

45. ADDITIONAL INFORMATION AS PER PART II OF SCHEDULE III, OF COMPANIES ACT, 2013

Name of the Entity	Net Assets		Share of Profit or Loss	
	As % of Consolidated Net Assets	Amount ₹ In Lakhs	As % of Consolidated Profit & Loss	Amount ₹ In Lakhs
I G Petrochemicals Limited - Parent	100.06	52,810.10	100.35	14,654.49
IGPL International Ltd. - Subsidiary	(0.06)	(32.46)	(0.35)	(51.40)
Total	**100.00**	**52,777.64**	**100.00**	**14,603.09**

Name of the Entity	Share in other Comprehensive Income		Share in total Comprehensive Income	
	As % of Consolidated Comprehensive Income	Amount ₹ In Lakhs	As % of Total Comprehensive Income	Amount ₹ In Lakhs
I G Petrochemicals Limited - Parent	100.00	16.95	100.35	14,671.44
IGPL International Ltd. - Subsidiary	0.00	0.00	(0.35)	(51.40)
Total	**100.00**	**16.95**	**100.00**	**14,620.04**

Notes to the Consolidated
financial statements for the year ended 31st March, 2018

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

Name of the Subsidiary	Reporting Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/(Loss) Before Taxation	Profit/(Loss) After Taxation	Proposed Dividend	% of Shareholding
IGPL International Ltd.	31st March, 2018	GBP	91.3458	44,78,101	(53,831)	81,87,139	81,87,139	32,739	-	(53,369)	(53,369)	-	100
IGPL (FZE)	31st March, 2018	AED	17.7442	150,000	(248,127)	54,07,188	54,07,188	49,80,000	-	(5,918)	(5,918)	-	100

46. PREVIOUS YEAR COMPARATIVES

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. Previous years accounts has been audited by M/s ASA & Associates LLP (one of the Joint auditors) , and M/s Hariharan & Co. (Predecessor joint auditors)

As per our report of even date
For **Uday & Co.**
Chartered Accountants

K. Sathyanarayanan
Partner
Membership No: 203644
Firm's Registration No: 004440S

Mumbai
28th May, 2018

For **ASA & Associates LLP**
Chartered Accountants

Prateet Mittal
Partner
Membership No: 402631
Firm's Registration No: 009571N\N500006

For and on behalf of the Board of Directors of
I G Petrochemicals Limited

Nikunj Dhanuka
Managing Director & CEO
DIN 00193499

Rajesh R Muni
Independent Director
DIN 00193527

R Chandrasekaran
Chief Financial Officer

Sudhir R Singh
Company Secretary

I G PETROCHEMICALS LIMITED

CIN: L51496GA1988PLC00915

Registered Office: T-10, 3rd Floor, Jairam Complex, Mala, Neugi Nagar, Panaji, Goa - 403 001

Corporate Office: 401-404, Raheja Centre, 214, Nariman Point, Mumbai - 400 021

Tel. No.: 022 30286100 • Fax: 022 22040747 • Email: igpl@igpetro.com

ATTENDANCE SLIP

(Please complete this attendance slip and handover at the entrance)

I/We hereby record my/our presence at the 29th Annual General Meeting of the Company at Hotel Mandovi, D B Bandodkar Road, Panaji, Goa-403 001 on Monday, 27th August, 2018 at 3.00 p.m.

Folio No.____________________ DP ID No.____________________ Client ID No ____________________

Name of the Member ____________________________________ Signature ____________________

Name of the Proxy holder ____________________________________ Signature ____________________

1. Only Member / Proxy holder can attend the Meeting.
2. Member / Proxy holder should bring his / her copy of the Annual Report for reference at the Meeting.

TEAR HERE

I G PETROCHEMICALS LIMITED

CIN: L51496GA1988PLC00915

Registered Office: T-10, 3rd Floor, Jairam Complex, Mala, Neugi Nagar, Panaji, Goa - 403 001

Corporate Office: 401-404, Raheja Centre, 214, Nariman Point, Mumbai - 400 021

Tel. No.: 022 30286100 • Fax: 022 22040747 • Email: igpl@igpetro.com

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 read with Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s)	:	
Registered Address	:	
E-Mail Id	:	
Folio No./Client ID	:	
DP ID	:	

I/We the member(s) of I G Petrochemicals Limited holding ____________________________ shares hereby appoint:

(1) Name: ____________________________ E-Mail Id. ____________________________

Address. ____

____

____________________________ Signature ________________________or failing him;

(2) Name: ____________________________ E-Mail Id. ____________________________

Address. ____

____

____________________________ Signature ________________________or failing him

(3) Name: ____________________________ E-Mail Id. ____________________________

Address. ____

____

____________________________________ Signature ____________________

ROUTE MAP TO THE VENUE OF THE AGM

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company at Hotel Mandovi, D B Bandodkar Road, Panaji, Goa-403 001 on Monday, 27th August, 2018 at 3.00 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	RESOLUTIONS	Type of Resolution	For	Against
	Ordinary Business			
1.	To consider and adopt the standalone and consolidated audited financial statements of the Company for the financial year ended 31st March, 2018 and the Report of the Board of Directors and the Auditors' thereon	Ordinary		
2.	To declare Dividend.	Ordinary		
3.	To appoint a Director in place of Shri J K Saboo who retires by rotation and being eligible offers himself for re-appointment.	Ordinary		
	Special Business			
4.	Ratification of remuneration of Cost Auditor.	Special		

Signed this ____________ day of ________________ 2018

Signature of the Member ______________________

Affix Revenue Stamp

Signature of the proxy holder

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.