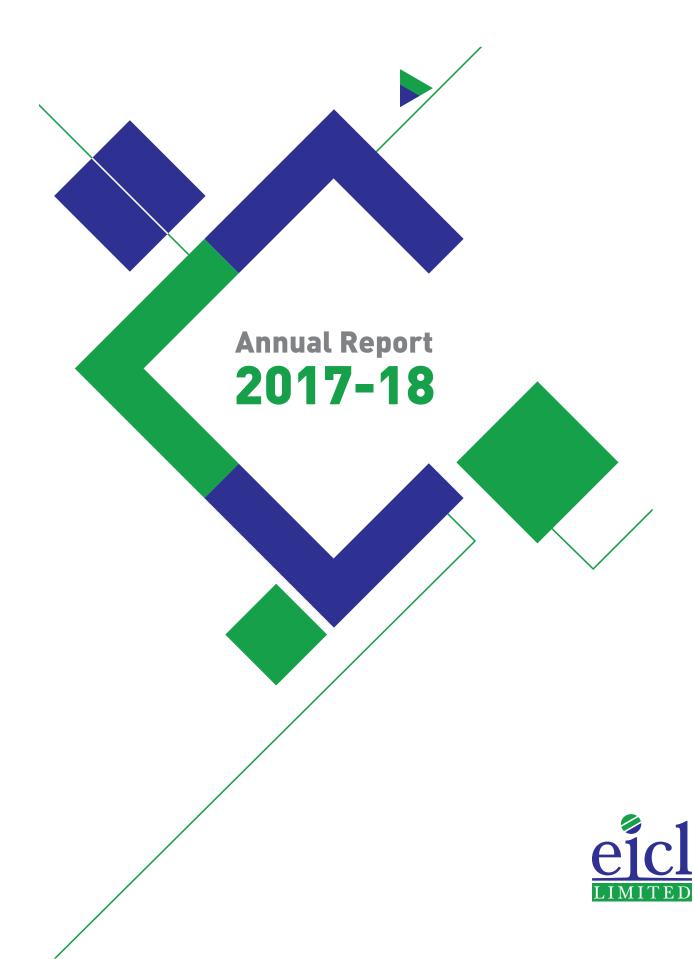
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Company Information

CIN: U26939KL1963PLC002039

Chairman Mr. Karan Thapar

Directors

Mr. Vijay Dilbagh Rai Mr. T. Balakrishnan Mr. Vijay Kishore Sharma Ms. Shivpriya Nanda Mr. Joy Kumar Jain

Executive Director Mr. Suresh Kumar Jain

Chief Financial Officer Mr. Mahendra Kumar Gupta

Company Secretary & Dy. G.M. (Corporate Legal) Mrs. Shalini Chawla

Bankers Axis Bank Limited ICICI Bank Limited HDFC Bank Limited

Registered Office TC-79/4, Veli Thiruvananthapuram – 695 021 Kerala

Head Office 5th Floor, PTI Building 16/7, Miller Tank Band Area Vasanth Nagar Bangalore – 560 052 (Karnataka) Auditors Walker Chandiok & Co. LLP Chartered Accountants

Cost Auditors A. R. Narayanan & Co. Cost Accountants

Internal Auditors T. R. Chadha & Co. Chartered Accountants

Secretarial Auditors CPA & Co. Company Secretaries

Registrar & Share Transfer Agent RCMC Share Registry Pvt. Ltd. B-25/1, Okhla Industrial Area, Phase – II New Delhi – 110 020

Corporate Office 801-803, Tower-B, 8th Floor Global Business Park, M. G. Road Gurugram – 122 002 (Haryana)

Works Thiruvananthapuram (Kerala) Shimoga (Karnataka)

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BOARD'S REPORT

To,

The Members,

Your Directors have pleasure in presenting the 54th Annual Report of the Company and the Audited Financial Statements for the Financial Year ended 31st March, 2018.

FINANCIAL SUMMARY

The Company's financial performance for the Financial Year ended 31st March, 2018 is summarized below:-

		(₹ in Crores)
Particular	31st March, 2018	31st March, 2017
Gross Profit before interest, depreciation & tax	64.84	65.98
Less : Interest	10.51	11.26
Gross Profit before Depreciation	54.33	54.72
Less: Depreciation	12.43	12.01
Profit before tax and exceptional items	41.90	42.71
Exceptional items	0.59	-1.51
Tax Expenses:		
Current Tax	21.42	13.97
Earlier year tax	0.00	0.25
Deferred Tax	-9.76	0.08
Profit after Tax	30.83	26.89
Surplus brought forward from the previous year	94.06	98.74
Balance available for appropriation	124.90	125.63
Appropriations:		
Dividend		
- Preference Shares	1.29	2.35
- Equity Shares	7.54	5.03
Tax on Dividend	1.79	1.50
Transfer to Capital Redemption Reserve	10.00	20.00
Transfer to General Reserve	0.00	2.69
Surplus carried forward to next year's account	104.27	94.06

RESERVES

The Directors of the Company propose to transfer a sum of ₹ Nil to General Reserve out of the profits for the current year.

REDEMPTION OF PREFERENCE SHARES

During the year, your Company redeemed 10,00,000 11% Cumulative Redeemable Preference Shares of ₹ 100/- each held by DBH International Pvt. Limited on 04-03-2018. After this, there is no paid up Preference Share Capital in the Company.

DIVIDEND

Your Directors are pleased to recommend a Final Dividend @ ₹ 1/- (50%) per Equity Share on 5,02,76,013 Equity Shares, face value of ₹ 2/- each, amounting to ₹ 5,02,76,013/-.

During the year, the Company had declared and paid two Interim Dividends @ ₹0.50 (25%) each per Equity Share on 5,02,76,013 Equity Shares of ₹ 2/- each, total amounting to ₹ 5,02,76,013/- and ₹ 5.50 and ₹ 2.75 per Preference Share on 11% Cumulative Redeemable Preference Shares of ₹ 100/- each, total amounting to ₹ 82,50,000/- for the year ended 31st March, 2018. During the year, the Company has redeemed 10,00,000 11% Cumulative Redeemable Preference Shares of ₹ 100/- each on 4th March, 2018 along with dividend of ₹ 18,68,493/- which was already approved by the Board of Directors of the Company.

The total outgo on account of dividend (including final dividend of ₹ 5,02,76,013/- as proposed by Board of Directors subject

to approval of shareholders) will be₹13,33,00,372/- (including dividend tax of ₹ 2,26,29,852/-) for the Financial Year ended 31st March, 2018.

PUBLIC DEPOSITS

The Company has not accepted any public deposits within the meaning of Chapter V of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

STATE OF THE COMPANY AFFAIRS/CHANGES IN THE NATURE OF BUSINESS, IF ANY.

The total Turnover of the Company for the year ended 31-03-2018 was at ₹ 443.50 Crores compared to ₹ 494.74 Crores in the previous Financial Year. The sales volume was adversely affected due to:

- i. Disruption caused due to introduction of Goods and service Tax (GST) with effect from 01-07-2017; and
- ii. Sale of Starch Business at Yamunanagar(Haryana), the turnover of which was recognised only till 31-01-2018, the date at which the business was disinvested.

However, the Company was able to maintain the profitability for the year under review at the same level as that of the previous year.

Your Company registered a gross operating profit (EBIDTA) of ₹ 64.84 Crores during the year under review as against ₹ 65.97 Crores in the previous year ended 31-03-2017. The profit after tax for the year ended 31-03-2018 is ₹ 30.83 Crores viz-a-viz ₹ 26.87 Crores in the previous year ended 31-03-2017.

During the year, the Company has divested its Starch Business at Yamunanagar vide a Business Transfer Agreement dated 21-02-2018 comprising of all the Assets, knowhow and employees relating thereto, by way of slump sale on a going concern basis with effect from 01-02-2018.

The Company has also entered into an Agreement dated 21-02-2018 for sale of certain Fixed Assets of its Starch manufacturing unit at Shimoga.

Except as stated below, there is no qualification, reservation or adverse remark or disclaimer by the Statutory Auditors which requires any explanation or comments from the Board of Directors of the Company.

The Statutory Auditors have commented in their Audit Report that 5236 Equity Shares of the Company which were due to be transferred to Investor Education and Protection Fund Authority have not been transferred by the Company till 31st March 2018. The Company had already initiated steps in this regard during the year and it is expected that such shares will be transferred to the Investor Education and Protection Fund Authority shortly. Refer section on Investor Education and Protection Fund for more details.

ENVIRONMENT, HEALTH AND SAFETY

The Company has implemented various Environment, Health and Safety measures in the Company including at its Factory Units such as: 1. Rain Harvesting Project at plant level in Kerala.

2. Annual Health Checkup of the employees.

All environment, health and safety measures are successfully implemented.

MATERIAL CHANGES EFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments occurred, affecting the financial position of the Company, between the end of the Financial Year and the date of this report. However, the Company divested its Starch Business at Yamunanagar by way of slump sale on a going concern basis during the year. The aforesaid Sale of Undertaking under Section 180(1) of the Companies Act, 2013 is approved by the Shareholders of Company via Postal Ballot on 15-02-2018, pursuant to Section 110 and other applicable provisions of the Companies Act, 2013.

There is no order passed by any Regulator or Court or Tribunal against the Company, impacting the going concern concept or future operations of the Company.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid /unclaimed for a period of seven years from the year 2011-12 has to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government of India. The unpaid/unclaimed dividend amount for the year 2010-11 has been transferred to the IEPF.

Transfer of equity shares to the Investor Education and Protection Fund

In terms of Section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, shares of the Company in respect of which dividend entitlements have remained unclaimed or unpaid for seven consecutive years or more, are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) of the Government of India.

The Company had initiated steps during the year ended 31st March, 2018, to transfer such shares to Investor Education and Protection Fund Authority including communicating to the concerned Members who had not claimed their dividend for seven consecutive years or more to provide them an opportunity to claim such dividend. The transfer of such shares to Investor Education and Protection Fund Authority is expected to be completed shortly.

COMPOSITION AND NUMBER OF MEETINGS OF THE BOARD

The Board of Directors of the Company comprises of well qualified and experienced persons having expertise in their respective areas. It has appropriate combination of Executive and Non-Executive Directors.

The Board meets at least Four times in a year. Annual calendar

for the Board Meetings for the Financial Year is fixed at the beginning of each year. If necessary, the Board Meetings are also convened beyond the four meetings. During the Financial Year 2017-18, the Directors met five times i.e., on 02nd May, 2017, 04th August, 2017, 2nd November, 2017, 15th January, 2018 and 08th February, 2018.

No Director is related to any other Director on the Board.

DISCLOSURE IN RESPECT OF SECRETARIAL STANDARD

The Company has complied all the revised Secretarial Standards in respect of Board Meetings.

A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

Pursuant to Section 149(6) of the Companies Act, 2013 each of the Independent Directors of the Company has given his declaration in 1st May, 2018 Board Meeting confirming that they meet the criteria of independence.

Majority of the Board, 5 out of 7, are Independent Directors. All the Independent Directors of the Company at the time of their first appointment to the Board and thereafter, at the first meeting of the Board in every Financial Year, give a declaration that they meet with the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013.

DIRECTORS/KEY MANAGERIAL PERSONNEL

Mr. Karan Thapar (DIN: 00004264), retires by rotation at the forthcoming Annual General Meeting, and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

Mr. T. Balakrishnan (DIN: 00052922) and Ms. Shivpriya Nanda (DIN: 01313356) were appointed as Independent Directors for a term of 3 years as approved by the Shareholders in their meeting held on 15th June, 2015 who will hold office upto the date of ensuing Annual General Meeting of the Company.

The Board recommends the appointment of Mr. T. Balakrishnan and Ms. Shivpriya Nanda for a further term of 5 (Five) years upto the conclusion of the Annual General Meeting of the Company in the Calendar Year 2023.

Their appointment is submitted for your approval.

STATEMENT ON ANNUAL EVALUATION MADE BY THE BOARD

A formal evaluation of the Board, its Committees and of the individual Director is one potential effective way to respond to the demand for greater Board's accountability and effectiveness. The effectiveness and performance of the Board, its Committees and its members are evaluated and measured, considering the following parameters: -

- 1. Performance of the Board/Committee against the performance benchmark set.
- 2. Overall value addition by the discussions taking place at the Board Meetings/Committee Meetings.
- 3. The regularity and quality of participation of the individual Director in the deliberation of the Board and its Committees, close monitoring of the various actions taken

for the implementation of the Board's decision.

The performance evaluation of Directors including Independent Directors is done by the entire Board of Directors excluding the Directors being evaluated. A questionnaire is prepared and is being circulated amongst the Directors for their comments. Review of the performance of the Chairperson of the Company is done by taking into account the views of Executive and Non-Executive Directors of the Company.

COMPOSITION OF AUDIT COMMITTEE

In compliance with the requirement of Section 177, as applicable to the Company, the Board of Directors has constituted Audit Committee. The members of the Audit Committee possess financial/accounting expertise/exposure. The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. Apart from the matters provided under Section 177(4) of the Companies Act, 2013, the Audit Committee also review the significant legal cases pending and all material developments are reported to the Board.

The Audit Committee comprised of Mr. Joy Kumar Jain (Chairman of the Committee), Ms. Shivpriya Nanda and Mr. T. Balakrishnan.

Statutory Auditors and the Internal Auditors are the permanent invitees at the Committee Meetings. Mr. Suresh Kumar Jain, Executive Director and Mr. Mahendra Kumar Gupta, Chief Financial Officer are also the permanent invitees at the Committee Meetings. Mrs. Shalini Chawla, Company Secretary is the Secretary of the Committee.

For the Financial Year 2017-18, the Audit Committee met four times i.e., on 01st May, 2017, 04th August, 2017, 2nd November, 2017 and 08th February, 2018.

The recommendations given by the Audit Committee are considered and reviewed by the members of the Board of the Company. However, there is no such case where the Board dissented or did not accept the recommendation of the Audit Committee.

A STATEMENT ON DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Strategy, Risk Review and Corporate Social Responsibility Committee comprised of Mr. Karan Thapar (Chairman of the Committee), Mr. Vijay Kishore Sharma, Mr. Joy Kumar Jain and Mr. Suresh Kumar Jain, Executive Director.

The Company periodically reviews the Company's Risk Profile under 'PESTLE' nomenclature and management's plans to mitigate /minimize the risks.

The Committee evaluates the existing as well as anticipated risks and the strategy to mitigate those risks within a defined time frame. The Company has in place a risk identification and mitigation policy. The Company continues to face a risk in the long-term sustainability of it's Clay operations at Thiruvananthapuram due to the continuing opposition to mining by a section of the population and the Government apathy. No new leases have been granted by the successive Governments in the last decade. Kaolin was reclassified as a minor mineral in the amendments carried out in the year 2014. Thus, the entire control of regulating the mining of Kaolin is vested with the Government of Kerala ever since. During the year, the Company preferred an appeal to the Hon'ble High Court of Kerala. Based on the direction of the Hon'ble High Court of Kerala, it appears that the matter of approval for mining is going into positive direction. Also, to mitigate this risk, the Company has finalized its plan to establish a Clay beneficiation plant outside Kerala. The Committee does not foresee any other material risks which may threaten the existence of the Company.

During the Financial Year 2017-18, the Strategy, Risk Review and CSR Committee met once i.e. on 08th February, 2018 under the Chairmanship of Mr. Karan Thapar.

POLICY ON CORPORATE SOCIAL RESPONSIBILITY

The details about the Corporate Social Responsibility Policy developed and implemented by the Company and the various initiatives taken during the year and other particulars are enclosed in the prescribed form as **Annexure – A**.

COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The Nomination & Remuneration Committee comprised of Mr. Vijay Kishore Sharma (Chairman of the Committee), Mr. Karan Thapar and Ms. Shivpriya Nanda.

The Committee met once in 2017-18 i.e., on 2nd May, 2017.

The Nomination & Remuneration Committee considering the requirement of the skill sets on the Board, integrity of the persons having standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions, recommend the appointment to the Board for approval.

The Committee has approved a policy with respect to the appointment and remuneration of the Directors and Senior Management Personnel. The objectives of this policy are:

- a) to create a transparent system of determining the appropriate level of remuneration throughout all levels of the Company;
- b) encourage people to perform to their highest level;
- c) allow the Company to compete in each relevant employment market;
- d) provide consistency in remuneration throughout the Company;
- e) align the performance of the business with the performance of key individuals and teams within the Company;

- f) long term value creation; and
- g) to attract and retain the best professionals.

The policy details the types of remuneration to be offered by the Company and factors to be considered by the Board, Nomination & Remuneration Committee and management in determining the appropriate remuneration strategy.

SHARE TRANSFER/SHAREHOLDERS' GRIEVANCE COMMITTEE

The Company has constituted a "Share Transfer/Shareholders' Grievance Committee" which consist of the following Directors:-

- 1. Mr. Vijay Dilbagh Rai, Chairman of the Committee
- 2. Mr. Karan Thapar
- 3. Mr. Joy Kumar Jain

INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

The company has adopted Accounting policies as per the Accounting Standards and other applicable provisions of Companies Act, 2013.

STATUTORY AUDITOR

M/s Walker, Chandiok & Co. LLP, Chartered Accountants, the Statutory Auditors were appointed in the 51st Annual General Meeting of the Company held on 15-06-2015 for a period of 5 (Five) years till the conclusion of the Annual General Meeting held in the Calendar Year 2020, subject to ratification by the shareholders at each Annual General Meeting.

INTERNAL AUDITOR

The Company has appointed M/s T.R. Chadha & Co., Chartered Accountants, as the Internal Auditors of the Company pursuant to Section 138 read with Rule 13 of the Companies (Accounts), Rules, 2014, for one year to conduct the internal audit for the Financial Year 2017-18.

COST AUDITOR

M/s A.R. Narayanan & Co., Cost Accountants, have been appointed as Cost Auditors for the Financial Year 2017-18 to conduct the cost audit of the accounts maintained by the Company. They have confirmed their eligibility for appointment under the provisions of Section 148 of the Companies Act, 2013. The remuneration proposed to be paid to the Cost Auditors is submitted for ratification by the Shareholders of the Company.

SECRETARIAL AUDITOR

M/s. CPA & Co., Company Secretaries in practice have been appointed as Secretarial Auditors to conduct the Secretarial Audit for the Financial Year 2017-18 of the Company. They have confirmed their eligibility for appointment under the provisions of Section 204 of the Companies Act, 2013.

SECRETARIAL AUDIT REPORT

The Secretarial Audit Report in terms of Section 204 of the

Companies Act, 2013 read with the Companies (Appointment & Remuneration of Managerial personnel) Rules, 2014, has been annexed to this report as **Annexure - B**. Except as stated below, there is no qualification, reservation or adverse remark or disclaimer by the Secretarial Auditors which requires any explanation or comments from the Board of Directors of the Company.

The Secretarial Auditors have commented in their Audit Report that 5236 equity shares of the Company which were due to be transferred to Investor Education and Protection Fund Authority have not been transferred by the Company till 31st March, 2018. The Company had already initiated steps in this regard during the year and it is expected that such shares will be transferred to the Investor Education and Protection Fund Authority shortly. Refer section on Investor Education and Protection Fund for more details.

M/s. CPA & Co., Company Secretaries in practice has conducted Secretarial Audit of the Company for the Financial Year 2017-18.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management & Administration) Rules, 2014, an extract of the Annual Return of the Company for the year ended 31st March, 2018 has been given in the prescribed Form MGT-9 as **Annexure- C**.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to section 134 (3) (c) and (5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a) the Company has followed the applicable Accounting Standards in the preparation of the Annual Accounts for the year ended 31-03-2018 and there is no material deviation from the previous year.
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2018 and of the profit for the year ended 31st March, 2018.
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and;
- d) the Directors have prepared the Annual Accounts of the Company on a going concern basis.
- e) the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

f) the Directors have laid proper internal financial control and that such financial controls are adequate and are operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Under Section 186 of the Companies Act, 2013 the Company has neither given any loan, guarantee nor provided any security in connection with a loan, directly or indirectly, to any person or other body corporate. The Company has also not made any investments by way of subscription, purchase or otherwise, in the securities of any other body corporate during the Financial Year ended 31st March, 2018.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The details of the Related Party Transactions, as per requirement of Accounting Standard-18, are disclosed in notes to the Financial Statements of the Company for the Financial Year 2017-18. All the Directors have disclosed their interest in form MBP-1 pursuant to Section 184 of the Companies Act, 2013 and as & when any changes in their interest take place, such changes are placed before the Board at its meetings. None of the transactions with any of the related parties was in conflict with the interest of the Company. A Statement in the prescribed Form AOC-2 is annexed to this report as **Annexure - D**.

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

As required under Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as follows:-

(A) Conservation of Energy

- (i) Steps taken or impact on Conservation of Energy are as under:
 - a) Reduction in specific energy consumption was achieved during the year with dedicated drive on conservation with a month-long campaign with energy saving pledge signed by all departments.
 - b) Internal energy audit done every quarter and improvement actions implemented.
 - c) Non-peak hour operation maximized and all planned maintenance of short duration planned during peak hours.
 - d) Recuperator introduced to recover waste heat.
 - e) Migration to energy efficient motors and factory lighting started.
 - f) Pneumatic conveying upgraded to next level technology to bring down energy load.
 - g) All new motors are energy efficient I2 and I3 rated.

- h) Minimised the running of RO plant by maximizing fresh water source and recharging of water sources through rain water harvesting.
- (ii) Steps taken by the Company for utilizing alternate sources of energy:

LNG (Liquified Natural Gas) is planned to be replaced with diesel/SKO/FO.

(iii) Capital investment on Energy Conservation equipment

During the current financial year, the Company has not incurred any major capital expenditure on the energy conservation equipment except maintenance capex.

(B) Technology Absorption

- Company has taken up re-engineering program. This is based on own Research & Development findings and collaborative work with leaders in process technology. This is an ongoing program.
- Technology developed internally has resulted in substantial reduction in variable cost of production of value added products.
- Portion of residue at Thonnakal plant upgraded as feed for Calcined Clay leading to conservation of resources.

(C) Research & Development activities

Your Company lays special emphasis on Research & Development activities with an objective to develop new product line for the growth of the Company. The Company's commitment and strong research orientation has played big role such as:

- R & D has been at the forefront of developing calcined clay from alternate sources. This will go commercial soon.
- New products are being worked on with less than 18 months incubation time.
- Research tie ups made with leading institutions in India.
- Joint projects with leading customers to provide customer specific solutions based on our material.

Expenditure incurred on Research & Development are as under:-

		(*)
	31 st March,	31 st March,
	2018	2017
a) Capital	1,27,75,735	75,79,897
b) Recurring	1,29,32,422	1,51,78,012
c) Total	2,57,08,158	2,27,57,909
d) Total R&D Expenditure	0.58	0.47
as a percentage of		
total turnover		

(D) Foreign Exchange earnings and outgo

The Company has recorded export earnings of ₹ 43.66 Crores, import payments of ₹ 9.44 Crores and expenses in foreign exchange of ₹ 1.84 Crore, details of which have been incorporated in the Notes to Accounts No. 35 to 39.

VIGIL MECHANISM POLICY

The company has a "Vigil Mechanism Policy" to facilitate the Directors and employees at all levels, to voice their concerns or observations to the Chairman of Audit Committee. The policy provide a framework to promote responsible and secure whistle blowing.

The Company has provided a dedicated email ID which can be accessed only by the Chairman of the Audit Committee.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has put in place an Anti-Sexual Harassment mechanism in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committees have been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company has not received any complaint of sexual harassment during the year 2017-18.

HUMAN RESOURCES

Your Company has successfully aligned human capital with business and organizational objectives. The emphasis has been on team work, skill development and development of leadership and functional capabilities of the employees.

INDUSTRIAL RELATIONS

The Board of Directors places on record the active, dedicated and valuable contribution made by employees of the Company at all levels in achieving the results in the operations of the Company. The Industrial relations remained cordial at all units of the Company.

ACKNOWLEDGEMENT

(₹)

The Board of Directors places on record their appreciation for the continued support and confidence received from Banks viz. Axis Bank Ltd., HDFC Bank Ltd., ICICI Bank Ltd., and Central and State Governments and other Government authorities.

The Directors are also thankful to all other stakeholders for their valuable sustained support to the Company.

For and on behalf of the Board

Place : Gurugram Date : May 01, 2018 Sd/-Karan Thapar Chairman DIN: 00004264

LIST OF ANNEXURES

Annexure A	:	CSR Activities
Annexure B	:	Secretarial Audit Report (Form No. MR-3)
Annexure C	:	Extract of Annual Return (Form No. MGT-9)
Annexure D	:	Contract/arrangements entered into by the Company with Related Parties (Form No. AOC-2)

Annexure – A

(Report on Corporate Social Responsibility activities)

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 and programmes:

The Committee has approved a Corporate Social Responsibility policy and the major guiding principle to attain the CSR objectives in a professional and integrated manner, are as under:-

- Undertake proactive engagement with stakeholders to actively contribute to the socio-economic development of the periphery/community in which it operates.
- Using environment friendly and safe processes in production.
- Create a positive footprint within the society by creating inclusive and enabling infrastructure/environment for livable communities.
- Ensure environmental sustainability by adopting best ecological practices and encouraging conservation/judicious use of natural resources.
- Work towards mainstreaming the marginalized segments of the society by striving towards providing equal opportunities and making meaningful difference in their lives.
- Focus on educating the girl child and the underprivileged by providing appropriate infrastructure, and groom them as future value creators.
- Assist in skill development by providing direction and technical expertise to the vulnerable thereby empowering them towards a dignified life.
- Emphasize on providing basic nutrition/health care facilities with special focus on establishing health centers for the mother and child as well as the elderly.
- Facilitate water conservation by reducing water consumption at the plants and taking up rain water harvesting projects.

The CSR projects are headed by the Executive Director of the Company and the progress in implementation of the projects are presented before the CSR Committee and the Board from time to time.

During the year 2017-18, the Company had taken the following activities:-

- 1. Rain water harvesting and supply of potable water in the nearby villages free of cost.
- 2. Painter skill training which was discontinued due to poor response.
- 3. Special intervention coaching for students of Class VI VIII.
- 4. Self-employment for women.
- 5. Other Social welfare.

2. The Composition of the CSR Committee:

The CSR Committee consists of Mr. Karan Thapar, Chairman, Mr. Vijay Kishore Sharma, Mr. Joy Kumar Jain, Independent Directors and Mr. Suresh Kumar Jain, Executive Director of the Company. Mr. Karan Thapar is the Chairman of the Committee.

3. Average net profits of the Company for the last three Financial Years:

₹41,75,50,063/-.

- Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)
 ₹ 83,51,001/-
- 5. Details of CSR spent during the Financial Year.
 - a) Total amount spent for the Financial Year: : ₹61,22,854/-
 - b) Amount unspent, if any; : ₹22,28,147/-

1	2	3	4	5	6	7	8	
S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (₹)	Amount spent on the projects or programs Sub- heads: (1) Direct expenditure on projects or programs (2) Overheads (₹)	Cumulative expenditure upto the reporting period (₹)	Amount spent : Direct or through implementing agency	
Reve	enue Expenditure							
1	Rain water harvest/ water to villagers	Social welfare	Thiruvananthapuram	65,00,000	58,11,834		Direct	
2	Coaching for Class VI & Class VII students	Education	Thiruvananthapuram	5,00,000	0		Direct	
3	Self-employment for women	Employment	Thiruvananthapuram	5,00,000	0		Direct	
4	Painter skill training	Education training	Thiruvananthapuram	NIL	0		Direct	
5	Others	Social Welfare	Thiruvananthapuram	8,51,000	3,11,020		Direct	
	TOTAL			83,51,000	61,22,854			
Сарі	tal Expenditure				•		·	
6	Water Filtration Unit			Nil	Nil		Direct	

• Give details of implementing agency: NA

- 6. During the year, the budget outlay of ₹ 83,51,000/-has been approved by the Board of Directors. As per the programme, the Company has started implementation of CSR activities. However, during the year, it was considered pragmatic to spend ₹ 61,22,854/-. The Company has a stringent process for selecting CSR projects. Only these projects that yield maximum impact are selected and supported. During the year the Company has not been able to find right projects to spend wisely and effectively on CSR. The Company is actively looking to identify additional projects to increase its CSR spending.
- 7. The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-KARAN THAPAR Chairman DIN: 00004264

Annexure – B

Form No. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 2018 [Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To, The Members, EICL LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **EICL 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 my opinion thereon.

Based on our verification of the **EICL LIMITED** 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 and has 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 **EICL LIMITED** ("the Company") for the Financial Year ended on 31st March, 2018, to the extend applicable to the Company according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (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 (Buyback of Securities) Regulations, 1998;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and Sub-clause (v) is not applicable to the Company.
- (vi) Other Laws as applicable to the Industry:
 - (a) Food Safety and Standards Act, 2006
 - (b) Mines Act, 1952

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

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

(ii) The Listing Agreements entered into by the Company with the Stock Exchange(s);

The Company is not listed on any Stock Exchange(s).

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

No specific non compliances / observations / audit qualification, reservation or adverse remarks were observed.

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the Minutes.

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.

No specific non compliances / observations / audit qualification, reservation or adverse remarks were observed.

We further report that during the audit period:

- (a) The Company has Redeemed Preference Shares worth ₹ 10,00,00,000 to DBH International Private Limited.
- (b) The Company has satisfied two Charges of ₹ 15,00,00,000 and ₹ 20,00,00,000 created in favor of IndusInd Bank Limited and created a charge of ₹ 10,00,00,000 in favor of ICICI Bank Limited during the audit period.

The loan amount of ₹ 15,00,00,00 and ₹ 10,00,00,000 in respect of charge ID 100079443 and 100139367 respectively created in favor of ICICI Bank Limited were repaid during the audit period but were satisfied by the Bank on 05/04/2018.

The Company has also modified the following charges during the audit period:

Charge ID	Charge Holder	Date of Modification	Reason for modification
100059827	HDFC Bank Limited	18/01/2018	• Vacation of 2nd pari passu charge created on Fixed Assets of the Company both present and future.
100059827	HDFC Bank Limited	19/02/2018	 Release of first pari passu charge created on the current assets of the starch business at Yamunanagar (Haryana) and Shimoga (Karnataka). Re-arrangement of working capital facilities from ₹ 2500 lacs to ₹ 750 lacs
10396092	ICICI Bank Limited	18/01/2018	• Enhancement of Working Capital Facility from₹1250 lacs to ₹2750 lacs.
10396092	ICICI Bank Limited	19/02/2018	 Release of first pari passu charge created on the current assets of the starch business at Yamunanagar (Haryana) and Shimoga (Karnataka). Re-arrangement of Working Capital Facilities from ₹ 2750 lacs to ₹ 2250 lacs
10318532	ICICI Bank Limited	24/11/2017	• Renewal of Working Capital Credit Facility upto₹2750 lacs.
10318532	ICICI Bank Limited	19/02/2018	 Release of exclusive charge created on immovable properties situated at Yamunanagar unit. Release of first charge created on existing movable fixed assets situated at Yamunanagar and Shimoga units of the Company.

Charge ID	Charge Holder	Date of Modification	Reason for modification
10318532	ICICI Bank Limited	19/02/2018	 Release of exclusive charge created on immovable properties situated at Yamunanagar unit. Release of first charge created on existing movable fixed assets situated at Yamunanagar and Shimoga units of the company.
90020935	Axis Bank Limited	18/01/2018	• Vacation of 2nd pari passu charge created on Fixed Assets of the Company both present and future.
90020935	Axis Bank Limited	19/02/2018	 Release of first pari passu charge created on the current assets of the starch business at Yamunanagar (Haryana) and Shimoga (Karnataka). Re-arrangement of working capital facilities from ₹ 3750 lacs to ₹ 3000 lacs
100079443	ICICI Bank Limited	19/02/2018	• Release of exclusive charge created on immovable properties situated at Yamunanagar unit and first charge created on existing movable fixed assets situated at Yamunanagar and Shimoga units of the Company.
100139367	ICICI Bank Limited	19/02/2018	• Release of exclusive charge created on immovable properties situated at Yamunanagar unit and first charge created on existing movable fixed assets situated at Yamunanagar and Shimoga units of the Company.

(c) The Company had sold its business division situated at Yamunanagar, Haryana to Bluecraft Agro Private Limited by way of slump sale for a consideration of ₹ 52,50,00,000 (Rupees Fifty Two crores and Fifty Lakhs only) vide Business Transfer Agreement dated 21st February, 2018.

- (d) The Company has agreed to sell its assets situated at Shimoga, Karnataka to Bluecraft Agro Private Limited vide Asset Purchase Agreement dated 21st February, 2018 for a consideration of ₹ 5,00,00,000.
- (e) The Audit Committee and the Board of Directors have approved all the Related Party Transaction. In view of the Board, all the transactions with Related Parties are at Arm's Length Price.
- (f) The Company had sent reminders and had also initiated action to trace latest addresses of equity shareholders, who had not claimed dividend for seven consecutive years or more, pending transfer of their 5236 Equity Shares, which were required to be transfer to Investor Education and Protection Fund Authority within 3 months in accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended.

For CPA & Co.

Sd/-Hiba Jamal Partner CPA & Co. Company Secretary in Practice ACS. 52428 C.P.No.: 19744

Date: 30.04.2018 Place: Gurugram

Annexure – C

Form No.MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31st March, 2018

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN :	U26939KL1963PLC002039
ii)	Registration Date :	18 th November, 1963
iii)	Name of the Company :	EICL Limited
iv)	Category / Sub-Category of the Company :	Public Limited /Limited by shares
v)	Address of the registered office and contact details :	TC-79/4, Veli, Thiruvananthapuram–695021 (Kerala) Phone: 0471-4095111, Fax: 0471-2742233 Web: www.eicl.in, Email: sect@eicl.in
vi)	Whether Listed Company :	No
vii)	Name, Address & Contact details of Registrar and Transfer Agent, if any :	RCMC Share Registry Pvt. Ltd., B-25/1, First Floor, Okhla Industrial Area, Phase-II, New Delhi-110020 Phone: 011-26387320, Fax: 011-26387322 Web: www.rcmcdelhi.com Email: investor.services@rcmcdelhi.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SI. No.	Name and Description of Main products/ services	NIC Code of the Product / service	% to total turnover of the Company
1	Mining of Clay	08108	65%
2	Manufacture of Starch	10621	35%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

SI. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associates	% of Shares held	Applicable Section
1	D B H International Pvt. Ltd. 713, Ansals Vikasdeep Building, Laxmi Nagar District Centre, Laxmi Nagar, Delhi – 110 092	U74899DL1940PTC057209	Holding	64.99	2(46)

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

i) Category-wise Share Holding

SI. No.	Category of Shareholders	No. of Shares held at the beginning of the Year			No	o. of Shares end of th	held at the ne Year		% change during	
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	the year
Α.	Promoters									
(1)	Indian									
a)	Individual/ HUF	0	0	0	0	0	0	0	0	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.	46053825	3746	46057571	91.61	46074413	0	46074413	91.64	0.03
e)	Banks / FI	0	0	0	0	0	0	0	0	0
f)	Any Other	0	0	0	0	0	0	0	0	0
	Sub-total (A)(1):-	46053825	3746	46057571	91.61	46074413	0	46074413	91.64	0.03
(2)	Foreign									
a)	NRIs -Individuals	0	0	0	0	0	0	0	0	0
b)	Other – Individuals	0	0	0	0	0	0	0	0	0
c)	Bodies Corp.	0	0	0	0	0	0	0	0	0
d)	Banks / FI	0	0	0	0	0	0	0	0	0
e)	Any Other	0	0	0	0	0	0	0	0	0
	Sub-total (A)(2):-	0	0	0	0	0	0	0	0	0
	Total shareholding of Promoter: (A)=(A)(1)+(A)(2)	46053825	3746	46057571	91.61	46074413	0	46074413	91.64	0.03
В.	Public Shareholding									
1.	Institutions									
a)	Mutual Funds	0	0	0	0	0	0	0	0	0
b)	Banks / FI	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0
h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i)	Others (specify)	0	0	0	0	0	0	0	0	0
	Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2.	Non-Institutions									
a)	Bodies Corp.									
i)	Indian	189714	607	190321	0.38	185044	607	185651	0.37	0.01
ii)	Overseas									
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto Rs.1 lakh	3005579	77573	3083152	6.13	2998281	77573	3075854	6.12	0.01
ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	905600	0	905600	1.80	905600	0	905600	1.80	0.00

SI. No.	Category of Shareholders		No. of Shares held at the beginning of the Year			No. of Shares held at the end of the Year				% change during
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	the year
c)	Others:									
i)	Clearing Member	11057	0	11057	0.02	5148	0	5148	0.01	0.01
ii)	Non-residents	25489	2553	28042	0.05	26524	2553	29077	0.06	0.01
iii)	Trust	270	0	270	0.00	270	0	270	0.00	0.00
	Sub-total (B)(2):-	4137709	80733	4218442	8.39	4120867	80733	4201600	8.36	0.03
	Total Public Shareholding (B)= (B)(1)+ (B)(2):	4137709	80733	4218442	8.39	4120867	80733	4201600	8.36	
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	
	Grand Total(A+B+C)	50191534	84479	50276013	100	50195280	80733	50276013	100	

(ii) Shareholding of Promoters

SI. No.	Shareholder's Name	Shareholding at the beginning of the year			Sh	% change in Share-		
		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	holding during the year
1	D B H International Private Limited	32658196	64.96	0	32675038	64.99	0	0.03
2	Karun Carpets Private Limited	13399375	26.65	0	13399375	26.65	0	0
	Total	46057571	91.61	0	46074413	91.64	0	0.03

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

SI. No.	Shareholder's Name	Shareh	olding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares		% of total shares of the Company
		At the begin At the end of	ning of the year f the year	Date wise increase / decrease in Shareholding		
1.	D B H International Private Limited	<u>32658196</u> 32675038	64.96 64.99	D B H International Pvt. Ltd. Promoter of the Company has acquired the Equity Shares of the Company 1) 07-04-2017 : 185 2) 24-04-2017 : 112 3) 17-05-2017 : 200 4) 26-05-2017 : 112 5) 22-06-2017 : 562 6) 25-07-2017 : 562 8) 16-08-2017 : 315 9) 14-08-2017 : 112 10) 31-08-2017 : 90 11) 17-11-2017 : 200 12) 23-11-2017 : 78	32675038	64.99

SI. No.	Shareholder's Name	Shareh	olding			ive Shareholding ing the Year	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company	
			ning of the year	Date wise increase / decrease	1		
		At the end of	f the year	in Shareholding			
				13) 27-12-2017 : 562 14) 06-01-2018 : 100 15) 29-01-2018 : 250 16) 05-02-2018 : 150 17) 27-02-2018 : 13129 18) 28-03-2018 : 112 Total purchase : 16842			
2.	Karun Carpets Pvt. Ltd.	13399375	26.65	No Change	13399375	26.65	
		13399375	26.65				
Tota	al At the end of the year	46057571	91.61		46074413	91.64	

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

SI. No.	For each of the top 10 Shareholders		Shareholding at the Beginning of the Year		e Shareholding g the Year
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	1073515	2.13		
1.	Hitesh Ramji Javeri	500100	0.99	500100	0.99
2.	Radhabai Ramji Javeri	105100	0.21	105100	0.21
3.	Ami Hitesh Javeri	100200	0.20	100200	0.20
4.	Mitali Hitesh Javeri	100100	0.20	100100	0.20
5.	Harsha Hitesh Javeri	100100	0.20	100100	0.20
6.	Siddhivinayak Dealcom Pvt.Ltd.	56250	0.11	56250	0.11
7.	Basons Investments Pvt.Ltd.	32144	0.06	32144	0.06
8.	Alkaben Vasantbhai Vora	30125	0.06	30125	0.06
9.	Rithik Developers LLP	28125	0.06	28125	0.06
10.	Rina S Kamdar	21271	0.04	21271	0.04
	At the end of the year (or on the date of separation, if separated during the year)			1073515	2.13

(v) Shareholding of Directors and Key Managerial Personnel:

SI. No.	For Each of the Directors and KMP	Shareholdi beginning o	-	Cumulative Shareholding during the year		
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
	At the beginning of the year	12836	0.02	12836	0.02	
1)	Rai Vijay Dilbagh	12836	0.02	12836	0.02	
	At the End of the year			12836	0.02	

V. INDEBTEDNESS

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

(₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	86,53,62,733	-	-	86,53,62,733
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	86,53,62,733	-	-	86,53,62,733
Change in Indebtedness during the Financial Year				
Addition	6,33,33,333	-	-	6,33,33,333
Reduction	(-) 73,44,14,464	-	-	(-) 73,44,14,464
Net Change	(-) 67,10,81,131	-	-	(-) 67,10,81,131
Indebtedness at the end of the Financial Year				
i) Principal amount	19,42,81,602	-	-	19,42,81,602
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	19,42,81,602	-	-	19,42,81,602

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Name of MD/WTD/ Manager Sr. Particulars of Remuneration Mr. Suresh Kumar Jain Total No. (Executive Director) Amount 1. Gross salary (a) Salary as per provisions contained in 1,07,53,152 1,07,53,152 Section 17(1) of the Income Tax Act, 1961 0 0 (b) Value of perquisites u/s 17(2) Income Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) 0 0 Income Tax Act, 1961

(₹)

			(₹)
		Name of MD/WTD/ Manager	
Sr. No.	Particulars of Remuneration	Mr. Suresh Kumar Jain (Executive Director)	Total Amount
2.	Stock Option	_	—
3.	Sweat Equity	_	—
4.	Commission		
	- as % of profit	_	—
	- Others, specify	_	—
5.	Others, please specify	_	—
	Total (A)	1,07,53,152	1,07,53,152
	Ceiling as per the Act		2,25,30,714

B. Remuneration to other Directors:

SI. No.	Particulars of Remuneration		Name of Directors					
1.	Independent Directors	Vijay Dilbagh Rai	V.K. Sharma	Shivpriya Nanda	T. Balakrishnan	Joy Kumar Jain		
	Fee for attending Board/ Committee Meetings							
	Sitting Fee	3,00,000	3,20,000	3,50,000	3,50,000	4,00,000	17,20,000	
	Commission	5,43,335	3,62,224	3,62,224	3,62,224	5,43,335	21,73,342	
	Total (1)	8,43,335	6,82,224	7,12,224	7,12,224	9,43,335	38,93,342	
2.	Other Non-Executive Directors	Karan Thapar						
	Fee for attending Board/ Committee Meetings							
	Sitting fees	3,00,000					3,00,000	
	Commission	23,54,453					23,54,453	
	Total (2)	26,54,453					26,54,453	
	Total (B)=(1+2)						65,47,795	
	Total Managerial Remuneration						1,72,79,295	
	Overall Ceiling as per the Act						2,70,36,857	

(₹)

Sr.	Particulars of Remuneration	Key Managerial I	Personnel	
No.		Shalini Chawla, M.K. Gupta, Company Secretary CFO		Total
1.	Gross Salary			
	 (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 	26,34,005	71,05,000	97,39,005
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0	21,600	21,600
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
	2. Stock Option	-	-	-
	3. Sweat Equity	-	-	-
	4. Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
	5. Others, please specify	-	-	-
	Total	26,34,005	71,26,600	97,60,605

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Туре	Туре		Brief description	Details of penalty/ punishment/Compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made, if any (give details)
A. COMF	PANY					
Penal	ty	NIL	NIL	NIL	NIL	NIL
Punis	hment	NIL	NIL	NIL	NIL	NIL
Comp	oounding	NIL	NIL	NIL	NIL	NIL
B. DIREC	CTORS					
Penal	ty	NIL	NIL	NIL	NIL	NIL
Punis	hment	NIL	NIL	NIL	NIL	NIL
Comp	oounding	NIL	NIL	NIL	NIL	NIL
C. OTHE	R OFFICERS IN DEFAULT					
Penal	ty	NIL	NIL	NIL	NIL	NIL
Punis	hment	NIL	NIL	NIL	NIL	NIL
Comp	oounding	NIL	NIL	NIL	NIL	NIL

Annexure - D

Form No. AOC-2

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

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

- 1. Details of contracts or arrangements or transactions not at arm's length basis
 - (a) Name(s) of the related party and nature of relationship N.A.
 - (b) Nature of contracts/arrangements/transactions N.A.
 - (c) Duration of the contracts / arrangements/transactions N.A.
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any N.A.
 - (e) Justification for entering into such contracts or arrangements or transactions N.A.
 - (f) Date(s) of approval by the Board
 - N.A.
 - (g) Amount paid as advances, if any:
 - Nil.
 - (h) Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188
 N.A.
- 2. (a) Details of material contracts or arrangement or transactions at arm's length basis
 - i. Bharat Starch Products Pvt. Ltd.
 - ii. Premium Transmission Pvt. Ltd.
 - iii. Aravali Sports & Cultural Foundation
 - iv. DBH Consulting Ltd.
 - v. Greaves Cotton Limited
 - (b) Nature of contracts/arrangements/transactions
 - i. Bharat Starch Products Pvt. Ltd. Rent paid
 - ii. Premium Transmission Pvt. Ltd. Purchase of Store supply/sharing of corporate exp.
 - iii. Aravali Sports & Cultural Foundation Donation paid
 - iv. DBH Consulting Ltd. Advisory and Consultancy services
 - v. Greaves Cotton Limited Sharing of corporate expenses

(c) Duration of the contracts / arrangements/transactions

			Value
i.	Bharat Starch Products Pvt. Ltd.	- 01-04-2017 to 31-03-2018	₹ 21,10,500/-
ii.	Premium Transmission Pvt. Ltd.		
	- Purchase of spare parts	- 01-04-2017 to 31-03-2018	₹ 2,00,241/-
	- Service charges (common exp.)	- 01-04-2017 to 31-03-2018	₹ 1,11,33,281/-
iii.	Aravali Sports & Cultural Foundation	- 01-04-2017 to 31-03-2018	₹ 10,00,000/-
iv.	DBH Consulting Ltd.	- 01-04-2017 to 31-03-2018	₹ 21,56,820/-
٧.	Greaves Cotton Limited	- 15-11-2017 to 31-03-2018	₹ 13,86,051/-

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: The above transactions are in the ordinary course of business and at an arm's length basis.

- (e) Date(s) of approval by the Board, if any: 04-08-2017, 02-11-2017, 08-02-2018 & 01-05-2018.
- (f) Amount paid as advances, if any: Nil

Sd/-KARAN THAPAR Chairman DIN: 0004264

INDEPENDENT AUDITOR'S REPORT

To the Members of EICL Limited

Report on the Financial Statements

1. We have audited the accompanying Financial Statements of EICL Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the 2. matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

- 3. Our responsibility is to express an opinion on these Financial Statements based on our audit.
- 4. 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.
- 5. 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 these standalone financial statements are free from material misstatement.
- 6. 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 controls relevant to the Company's preparation of the Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Financial Statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these Financial Statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 10. Further to our comments in Annexure I, as required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the financial statements dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. on the basis of the written representations received

from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2018 from being appointed as a Director in terms of Section 164(2) of the Act;

- we have also audited the Internal Financial Controls over Financial Reporting (IFCoFR) of the Company as on March 31, 2018 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date and our report dated May 01, 2018 as per Annexure II expressed unmodified opinion; and
- 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in Note 40.3 to the financial statements, has disclosed the impact of pending litigations on its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor

Education and Protection Fund (IEPF) by the Company, except for 5236 number of equity share related to unclaimed dividend for which the company has initiated process to transfer the same to the IEPF in accordance with the Invester Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended; and

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from November 08, 2016 to December 30, 2016 which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandiok & Co LLP Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/per **Ashish Gupta** Partner Membership No.: 504662

Place: Gurugram Date: May 01, 2018

Annexure I to the Independent Auditor's Report of even date to the members of EICL Limited, on the financial Satements for the year ended March 31, 2018

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Financial Statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

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

verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (which are included under the head 'fixed assets') are held in the name of the Company except for the following properties:

Nature of property	Total Number of Cases	Whether leasehold /freehold	Gross block as on March 31, 2018 (₹)	Net block as on March 31, 2018 (₹)	Remarks
Unit - Veli	1	Leasehold	15,040	15,040	Lease deed is pending for renewal

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification. (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Sub-Section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records

have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
 - (b) The dues outstanding in respect of income-tax, salestax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	MODVAT claimed on lubricant and transformer oil	10,73,69,735	12,41,379	Year 2000 to 2004	Hon'ble Supreme Court of India
Central Excise Act, 1944	Demand with respect to classification of maize starch	6,11,10,974	-	Year 1997 to 2001	Hon'ble Supreme Court of India

Statement of Disputed Dues

- viii) The Company has not defaulted in repayment of loans or borrowings to any bank during the year. The Company has no loans or borrowings payable to a financial institution or government and no dues payable to debenture-holders during the year.
- ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments).In our opinion, the term loans were applied for the purposes for which the loans were obtained.
- No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed

in the financial statements etc., as required by the applicable accounting standards.

- xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- xv) In our opinion, the Company has not entered into any non-cash transactions with the Directors or persons connected with them covered under Section 192 of the Act.
- xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/per **Ashish Gupta** Partner Membership No.: 504662

Place: Gurugram Date : May 01, 2018

Annexure II

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

 In conjunction with our audit of the Financial Statements of EICL Limited ("the Company") as of and for the year ended March 31, 2018, we have audited the Internal Financial Controls over Financial Reporting (IFCoFR) of the Company as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

- 3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
- 4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.
- 5. We believe that the audit evidence we have obtained is

sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Walker Chandiok & Co LLP

Chartered Accountants Firm's Registration No.: 001076N/N500013

Sd/-

per **Ashish Gupta** Partner Membership No.: 504662

Place: Gurugram Date : May 01, 2018

			(₹)
Balance Sheet as at	Notes	March 31, 2018	March 31, 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	10,05,52,026	20,05,52,026
Reserves and surplus	3	1,94,41,57,096	1,74,20,89,274
·		2,04,47,09,122	1,94,26,41,300
Non current liabilities			
Long term borrowings	4	-	17,01,84,357
Deferred tax liabilities (net)	5	13,76,17,384	23,52,52,116
Other long term liabilities	6	15,97,195	1,62,51,520
Long term provisions	7	17,71,37,184	17,96,75,722
		31,63,51,763	60,13,63,715
Current liabilities			
Short term borrowings	8	16,75,19,202	56,34,64,354
Trade payables	9		
(a) Total outstanding dues of micro			
enterprises and small enterprises		1,52,89,144	1,05,21,664
(b) Dues of others		35,77,53,845	37,75,44,432
Other current liabilities	10	10,70,70,659	19,44,49,472
Short term provisions	11	5,77,55,793	6,58,82,723
		70,53,88,643	1,21,18,62,645
TOTAL		3,06,64,49,528	3,75,58,67,660
ASSETS			
Non current assets			
Fixed assets	12		
Tangible assets		1,73,18,97,662	2,54,81,98,676
Intangible assets		8,66,892	17,60,990
Capital work in progress		1,09,32,353	2,06,79,541
Non current investments	13	5,00,000	5,00,000
Long term loans and advances	14	7,29,82,607	3,77,03,529
Other non current assets	15	2,39,760	23,59,883
		1,81,74,19,274	2,61,12,02,619
Current assets			
Inventories	16	34,78,20,453	46,77,77,015
Trade receivables	17	47,64,72,082	57,11,67,908
Cash and bank balances	18	90,68,130	1,39,05,707
Short term loans and advances	19	15,47,16,139	7,72,29,982
Other current assets	20	26,09,53,450	1,45,84,429
		1,24,90,30,254	1,14,46,65,041
TOTAL		3,06,64,49,528	3,75,58,67,660
Summary of significant accounting policies and other explanatory information	1		
The accompanying notes are an integral part of	the Financial Statements		
This is the Balance Sheet referred to in our report of	f even date		
For Walker Chandiok & Co LLP	For and on behalf of the B	oard of Directors	
Chartered Accountants	Sd/-	Sd/-	
	Suresh Kumar Jain	Joy Kumar Jain	

Sd/-Ashish Gupta (Membership No.: 504662) Partner Place : Gurugram Date : May 01, 2018 Sd/-Suresh Kumar Jain Executive Director DIN : 00003500 Sd/-Mahendra Kumar Gupta Chief Financial Officer

Sd/-Joy Kumar Jain Director DIN : 06406359 Sd/-Shalini Chawla Company Secretary

Statement of Profit and Loss for the year ended	Notes	I	March 31, 2018	N	/larch 31, 2017
INCOME Revenue from operations (gross) Less: Excise duty	21		4,43,49,75,950 2,99,35,740		4,94,73,76,350 12,49,94,026
Revenue from operations (net) Other income	22	-	4,40,50,40,210 3,06,06,710		4,82,23,82,324 1,42,83,911
Total income		-	4,43,56,46,920		4,83,66,66,235
EXPENSES Cost of materials consumed Decrease/(Increase) in inventories of finished goods and work in progress	23	-	1,65,75,17,775 1,78,71,465		2,06,33,82,252 80,06,728
Purchase of traded goods Employee benefits expense Finance costs Depreciation and amortisation expense Other expenses	24 25 12 26		4,67,97,035 55,93,19,065 10,51,17,366 12,42,84,080 1,50,56,91,438		8,59,17,148 55,89,31,829 11,26,21,597 12,00,53,362 1,46,06,91,112
Total expenses		-	4,01,65,98,224		4,40,96,04,028
Profit before tax and exceptional items Exceptional items gain / (loss)	27	_	41,90,48,696 59,24,978		42,70,62,207 (1,51,33,588)
Profit before tax		-	42,49,73,674		41,19,28,619
Profit for the year from Continuing operations before tax Tax expense: - Current tax - Taxes for earlier years - Deferred tax		41,21,39,435 14,31,92,626 46,546 37,25,419		38,65,49,023 12,69,73,133 25,35,503 42,14,640	
Profit for the year from Continuing operations			26,51,74,844		25,28,25,747
Profit for the year from Discontinuing operations before tax		1,28,34,239		2,53,79,596	
Tax expense: - Current tax - Deferred tax		7,10,46,340 (10,13,60,151)		1,27,06,667 (34,14,262)	
Profit for the year from Discontinuing operations			4,31,48,050		1,60,87,191
Profit for the year			30,83,22,894		26,89,12,938
Earnings per share: - Basic - Diluted	28		5.89 5.89		4.72 4.72
Summary of significant accounting policies and other explanatory information	1				
The accompanying notes are an integral part of the financial	statements				

This is the Statement of Profit and Loss referred to in our report of even date

For Walker Chandiok & Co LLP	For and on behalf of the Board of Directors			
Chartered Accountants	Sd/- Suresh Kumar Jain Executive Director DIN : 00003500	Sd/- Joy Kumar Jain Director DIN : 06406359		
Sd/- Ashish Gupta (Membership No.: 504662) Partner	Sd/- Mahendra Kumar Gupta Chief Financial Officer	Sd/- Shalini Chawla Company Secretary		
Place : Gurugram Date : May 01, 2018				

			(₹)
Sta	tement of Cash Flows for the year ended	March 31, 2018	March 31, 2017
Α.	Cash flow from operating activities:		
	Net profit before tax	42,49,73,674	41,19,28,619
	Adjustments for:		
	Depreciation and amortisation	12,42,84,080	12,00,53,362
	Interest expense	9,00,11,475	10,06,90,425
	Site restoration amortisation	1,51,05,891	1,19,31,172
	Interest income	(19,27,650)	(19,54,970)
	Unrealised exchange fluctuation loss	7,41,079	27,03,650
	Loss / (Profit) on sale of fixed assets (net)	8,27,123	(12,84,002)
	Exceptional items	(59,24,978)	1,51,33,588
	Liabilities no longer required written back	(70,88,101)	(29,55,084)
	Provision for bad and doubtful debts/advances	1,56,02,721	6,63,251
	Other non operating Income	(50,00,000)	-
	Amortisation of government grant	(22,22,224)	(2,22,222)
	Operating profit before working capital changes	64,93,83,090	65,66,87,789
	Adjustments for changes in working capital :		
	- Movement in trade receivables	7,83,52,026	(1,76,07,822)
	- Movement in other receivables (current and non current)	(10,42,10,318)	(2,22,64,331)
	- Movement in inventories	9,95,67,397	(3,79,95,084)
	- Movement in trade and other payables (current and non current)	(6,17,97,340)	10,08,70,388
	Cash generated from operations	66,12,94,855	67,96,90,940
	Direct taxes paid	(13,05,57,730)	(12,58,69,359)
	Net cash generated from operating activities (A)	53,07,37,125	55,38,21,581
В.	Cash flow from investing activities:		
	Additions to fixed assets and capital work in progress	(6,69,88,820)	(15,57,14,882)
	Proceeds from sale of fixed assets	1,08,16,050	52,21,933
	Proceeds from sale of business undertaking	55,00,00,000	-
	Other non operating Income	50,00,000	-
	Direct taxes paid on sale of starch business	(7,10,46,340)	-
	(Increase) / decrease in Margin Money deposits with banks	41,23,071	(6,33,587)
	Interest received	19,27,650	21,41,470
	Net cash generated from /(used in) investing activities (B)	43,38,31,611	(14,89,85,066)

			(₹)
Sta	tement of Cash Flows for the year ended	March 31, 2018	March 31, 2017
C.	Cash flow from financing activities:		
	Proceeds from borrowings		
	- Receipts	6,33,33,333	10,00,00,000
	- Repayments	(33,85,15,662)	(11,11,24,257)
	(Repayment of) / Proceeds from cash credits/ working capital demand loan (net)	(39,59,45,152)	3,51,60,961
	Interest paid	(9,00,87,784)	(10,07,43,478)
	Redemption of preference share capital	(10,00,00,000)	(20,00,00,000)
	Dividends paid	(8,82,82,513)	(10,70,67,938)
	Dividend taxes	(1,79,72,560)	(2,18,08,644)
	Net cash used in financing activities (C)	(96,74,70,338)	(40,55,83,356)
	Net decrease in cash & cash equivalents (A+B+C)	(29,01,602)	(7,46,841)
	Cash and cash equivalents at the beginning of the year	56,84,973	64,31,814
	Cash and cash equivalents at the end of the year	27,83,371	56,84,973
	Cash and cash equivalents comprise		
	Cash	2,50,636	4,92,958
	Savings account with post office	272	272
	Balance with scheduled banks in current accounts	25,32,463	51,91,743
	Total	27,83,371	56,84,973

Note:

1. Refer note 27 with respect to the disclosure of amounts of net cash flows attributable to the operating, investing and financing activities of the discontinuing operations.

2. This is the Statement of Cash Flows referred to in our report of even date.

For Walker Chandiok & Co LLP Chartered Accountants

For and on behalf of the Board of Directors

Sd/-Suresh Kumar Jain Executive Director DIN : 00003500

Sd/-Ashish Gupta (Membership No.: 504662) Partner Place : Gurugram Date : May 01, 2018 Sd/-Mahendra Kumar Gupta Chief Financial Officer Sd/-Joy Kumar Jain Director DIN: 06406359

Sd/-Shalini Chawla Company Secretary

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Background and nature of operations

EICL Limited (formerly known as English Indian Clays Limited), a Company incorporated in India in 1963, under the Companies Act, 1956, was part of the erstwhile Thapar Group. The Company is engaged in the business of Mining of Clay (Kaolin) and manufacturing of processed clay, starch and allied products.

During the year, the Company discontinued its manufacturing operations of starch and allied products relating to Yamunanagar unit.

b) Basis of preparation

The Financial Statements have been prepared to comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The Financial Statements have been prepared under the historical cost convention on the accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

c) Use of estimates

In preparing the Company's Financial Statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the Financial Statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

d) Property, Plant and Equipment (Fixed assets)

Property, Plant and Equipment comprised of tangible fixed assets including capital spares, leasehold improvements, restoration obligation by law, technical knowhow costs and research and development assets are stated at cost and less accumulated depreciation and impairment losses, if any. Cost includes direct expenses related to acquisition, installation, restoration and interest incurred during construction period. Cost is measured at amounts incurred initially to acquire or construct tangible fixed assets and includes any cost directly attributable to bringing the assets to the location and conditions necessary for it to be capable of operating in the manner intended. Cost also includes estimates of site restoration recorded at present value of obligation. Intangible assets are recognised if it is probable that the future economic benefits attributable to the asset will flow to the enterprise and cost of the asset can be measured reliably in accordance with Accounting Standard – 26, 'Intangible assets'.

e) Depreciation/Amortisation

Tangible fixed assets

- Depreciation on fixed assets is provided as per straight line method at higher of the following:
 - a) Depreciation on original cost as specified in Schedule II to the Companies Act, 2013 or
 - b) Depreciation based on the residual / estimated useful life of the asset.*

* Since the list of the assets is too large, it is not practicable to give the individual depreciation rates for each of the assets.

In respect of additions and deletions, depreciation charge is restricted to the period of use. All assets costing ₹ 5,000 or less are fully depreciated in the year of addition.

Leasehold land and leasehold improvements are depreciated on a straight line method basis over the period of lease.

Category	Useful life (years)
Factory and other buildings	30 - 60
Plant and equipment	10 - 25
Furniture, fixtures	10
Office equipment	5
Vehicles and cycles	8

Intangible assets

Intangible assets including technical know-how/brand and computer software/ licence fee are amortised on straight line basis over their useful lives of 10 years and 5 years respectively from the date of acquisition / implementation. The amortisation period and method are reviewed at each year end.

f) Investments

Investments that are readily realisable and intended to be held for not more than one year are classified as current investments; all other investments are classified as long term investments. Long term investment is carried at cost less provision (if any) for decline in value which is other than temporary in nature. Current investments are carried at lower of cost and fair value.

g) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

h) Inventories

Inventories, including stores and spare parts (other than stores and spares accounted for as Property, Plant and Equipment), raw materials (including clay matrix-mined and purchased), work in process and finished goods, are valued at lower of cost and net realisable value. Cost includes direct expenses and is determined on the basis of weighted average method.

Total mining expenses are considered as raw material cost for clay matrix – mined.

In respect of finished goods and work in progress, cost includes raw material cost plus conversion costs and other overheads incurred to bring the goods to their present location and condition based on normal operating capacity. Cost of finished goods also includes excise duty, wherever applicable.

i) Employees benefits

Short term employee benefits

Short term employee benefits are recognised in the period during which the services have been rendered.

Long term employee benefits

Defined contribution plans (Provident Fund and Employees State Insurance Schemes)

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate of the employees' basic salary. These contributions are made to the fund administered and managed by the Government of India and by an approved trust (to the extent employees covered under the trust) for this purpose. In addition, some employees of the Company are covered under the employees' state insurance schemes, which are also defined contribution schemes recognised and administered by the Government of India.

In respect of employees, the Company makes specified monthly contribution towards the employees' provident fund to the provident fund trust administered by the Company. The minimum interest payable by the provident fund trust to the beneficiaries every year is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return on respective investments of the trust and the notified interest rate.

The contributions made to provident fund trust are charged to Statement of Profit and Loss as and when they become payable. In addition, the Company recognises liability for shortfall in the plan assets vis-à-vis the fund obligation, if any. The Guidance on implementing AS 15, Employee Benefits (revised 2005) issued by Accounting Standard Board (ASB) states that benefits involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. Pending the issuance of the guidance note from the Actuarial Society of India, the Company's actuary has expressed an inability to reliably measure provident fund liabilities. Accordingly, the Company is unable to exhibit the related information.

The Company's contributions to both these schemes are expensed in the Statement of profit and loss.

Superannuation plan - Some employees of the Company are entitled to superannuation, a defined contribution plan which is administered through Life Insurance Corporation of India ("LIC"). Superannuation benefits are recorded as an expense as incurred in the Statement of profit and loss.

Defined benefit plans (Gratuity)

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'gratuity plan') covering all employees. The gratuity plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employees' salary and years of employment with the Company. The Company has taken gratuity policy with HDFC Insurance to cover the liability. The Company provides for the gratuity plan based on actuarial valuations in accordance with Accounting Standard 15 (revised).

Actuarial gains and losses arising from adjustments and changes in actuarial assumptions are charged or credited to the Statement of profit and loss in the year in which such gains or losses arise.

Other employee benefits

Leave encashment—The Company has recognised liability for short term compensated absences on full cost basis with reference to unavailed earned leaves at the year end. To the extent, the compensated absences qualify as a long term benefit, the Company has provided for the long term liability at year end as per the actuarial valuation using the Projected Unit Credit Method.

Actuarial gains and losses arising from adjustments and changes in actuarial assumptions are charged or credited to the Statement of profit and loss in the year in which such gains or losses arise.

j) Foreign currency transactions

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

As per the amendment of the Companies (Accounting Standard) Rules, 2006-'AS 11' relating to 'The Effects of Changes in Foreign Exchange Rates' exchange difference arising on conversion of long term foreign currency monetary items is recorded under the head 'Foreign Currency Monetary Item Translation Difference Account' and is amortised over period not extending beyond, earlier of March 31, 2020 or maturity date of underlying long term foreign currency monetary items.

Obligations under forward exchange contracts are translated at contracted rates of exchange and the difference between the contracted rate and the exchange rate at the date of the transaction is recognised as income or expense over the life of the contract. Further exchange difference on such contracts i.e. difference between the exchange rate at the reporting/settlement date and the exchange rate on the date of inception of contract/the last reporting date, is recognised as income/expense for the period.

k) Research & development expenses

Revenue expenditure incurred on research and development is charged to Statement of profit and loss in the year it is incurred. Capital expenditure is included in the respective heads under fixed assets and depreciation/amortisation thereon is charged to depreciation in the profit and loss account.

I) Government grant

Government grants relating to depreciable fixed assets are treated as deferred income and recognised in the Statement of profit and loss over the remaining useful life of the related assets.

m) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sales

- Revenue from sale of goods is recognised when all the significant risks and rewards of ownership are transferred to the buyer and the Company retains no effective control of the goods transferred to a degree usually associated with ownership; and
- b) No significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

n) Borrowing costs

Borrowing costs are charged to revenue except in cases where costs relate to qualifying assets in which case such costs are capitalised as a part of cost of respective assets till the date they are put to their intended use.

o) Taxation

Tax expense for the year, comprising current tax and deferred tax is included in determining the net profit for the year. Provision for the current tax is made based on liability computed in accordance with the relevant tax rates and tax laws. Provision for deferred tax is made for all temporary timing differences arising between the taxable income and accounting income at currently enacted tax rates. Deferred tax assets are recognised only if there is reasonable certainty that they will be realised substantially and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

p) Segment accounting

The accounting policies applicable to the reportable segment are the same as those used in the preparation of the financial statements as set out above.

Segment revenue and expenses include amounts which are directly identifiable to the segment or allocable on a reasonable basis.

Segment assets include all operating assets used by the segment and consist primarily of debtors, inventories and fixed assets. Segment liabilities include all operating liabilities and consist primarily of creditors and statutory liabilities.

q) Earnings per share (EPS)

The earnings considered in ascertaining the Company's basic EPS comprises net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The earnings considered in ascertaining the Company's dilutive EPS comprises net profit after tax as adjusted for expenses or income that would result from the conversion of the dilutive potential equity shares. The number of shares used in computing diluted EPS is the weighted average number of shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares.

r) Leases

Lease payments under an operating lease are recognised as an expense in the profit and loss account on a straight line basis over the lease term.

s) Provisions and contingencies

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company or where reliable estimate of the obligation cannot be made. Long term provisions are discounted to present value of future obligations wherever required.

2 SHARE CAPITAL

Particulars	As at Marc	As at March 31, 2018		h 31, 2017
	Number	₹	Number	₹
Authorised Share Capital				
Equity Shares of ₹ 2 each	9,00,00,000	18,00,00,000	9,00,00,000	18,00,00,000
Preference Shares of ₹ 100 each	30,00,000	30,00,00,000	30,00,000	30,00,00,000
		48,00,00,000		48,00,00,000
Issued, Subscribed and Fully Paid Up Share Capital				
Equity Shares of ₹ 2 each	5,02,76,013	10,05,52,026	5,02,76,013	10,05,52,026
11% Cumulative Redeemable Preference Shares	-	-	10,00,000	10,00,00,000
of ₹ 100 each				
		10,05,52,026		20,05,52,026

a) There is no movement in the equity share capital during the current year and the previous year. However, preference share to an extent of ₹ 10,00,000,000 redeemed during the year.

b) Terms and rights attached to Equity Shares

The Company has only one class of equity shares having the par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

During the year ended March 31, 2018, the amount of per share dividend recognised as distributions to equity shareholders was ₹ 1.50 per share including final divided ₹ 0.50 per share for last year (2016-17 : ₹ 1.00 per share).

Board of Directors proposed a final dividend of ₹ 1.00 per share on May 1, 2018 (2016-17 : ₹ 0.50 per share) subject to approval of share holders.

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

c) Terms and rights attached to Preference Shares

Preference Shares carried a cumulative dividend of 11% p.a.. Each holder of preference share is entitled to one vote per share only on resolutions placed before the Company which directly affect the rights attached to the cumulative preference shares. The Company declared and paid dividend in Indian Rupees.

During the year ended March 31, 2018, the amount of per share dividend recognised as distributions to preference shareholders was ₹ 8.25 and dividend paid on pro-rata basis for preference shares redeemed during the year (2016-17 : ₹ 8.25 per share and dividend paid on pro-rata basis for preference shares redeemed during the year).

11% Cumulative redeemable preference shares were redeemable at par at the option of the Company not earlier than 18 months but not later than 5 years from the date of allotment/renewal.

During the year ended March 31, 2018, 10,00,000 preference shares of ₹ 100 each redeemed at par on March 04, 2018 along with dividend on pro-rata basis.

d) Shares held by Holding Company

Equity Shares					
Particulars	As at Marc	As at March 31, 2018		As at March 31, 2017	
	Number	₹	Number	₹	
DBH International Private Limited	3,26,75,038	6,53,50,076	3,26,58,196	6,53,16,392	
11% Cumulative Redeemable Preference Shares					
Particulars	As at Marc	h 31. 2018	As at March	n 31. 2017	

Particulars	As at March 31, 2018		As at Marc	h 31, 2017
	Number	₹	Number	₹
DBH International Private Limited	-	-	10,00,000	10,00,00,000

e) Aggregate number of bonus shares, equity shares issued for considerations other than cash and shares bought back during the period of five years immediately preceding the reporting period.

Particulars	Year (aggregate number of shares)				
	2016-17	2015-16	2014-15	2013-14	2012-13
Equity Shares :					
Fully paid up by way of Bonus Shares	-	-	-	-	-

f) Details of shareholders holding more than 5% shares in the Company

ame of Shareholders As at March 31, 2018		As at March 31, 2017		
	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares				
DBH International Private Limited	3,26,75,038	64.99	3,26,58,196	64.96
Karun Carpets Private Limited	1,33,99,375	26.65	1,33,99,375	26.65
11% Cumulative Redeemable Preference Shares				
DBH International Private Limited	-	-	10,00,000	100.00

3 RESERVES AND SURPLUS

		(₹)
Particulars	As at	As at
	March 31, 2018	March 31, 2017
Capital reserves*	6,33,688	6,33,688
Capital redemption reserve		
Opening Balance	24,41,37,764	4,41,37,764
Add: Additions during the year	10,00,00,000	20,00,00,000
Balance at the end of the year	34,41,37,764	24,41,37,764
General reserve		
Balance at the beginning of the year	55,66,85,249	52,97,93,954
Add : Transferred from surplus in Statement of	-	2,68,91,294
Profit and Loss for the year		
Balance at the end of the year	55,66,85,249	55,66,85,248
Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	94,06,32,574	98,73,60,100
Add: Profit for the year	30,83,22,894	26,89,12,938
Appropriations		
Less: Final dividends relating to previous year		
- Preference shares	27,50,000	-
- Equity shares	2,51,38,007	-
Less: Interim dividends for the year		
- Preference shares	1,01,18,493	2,34,61,643
- Equity shares	5,02,76,013	5,02,76,013
Less: Corporate dividend tax	1,79,72,560	1,50,11,514
Less: Transfer to capital redemption reserve	10,00,00,000	20,00,00,000
Less: Transfer to general reserve	-	2,68,91,294
Balance at the end of the year	1,04,27,00,395	94,06,32,574
Total	1,94,41,57,096	1,74,20,89,274

* There has been no movement in capital reserves during the year

4 LONG TERM BORROWINGS

				(₹)
Particulars	As at Marc	h 31, 2018	As at Marc	h 31, 2017
	Non current	Current	Non current	Current
Secured				
Term loans				
Rupee term loans from banks	-	-	14,35,59,657	10,80,47,622
Foreign currency loan from bank (note a)	-	2,67,62,400	2,66,24,700	2,36,66,400
Total	-	2,67,62,400	17,01,84,357	13,17,14,022

Notes:

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- a) Foreign currency loan of US\$ 1,500,000 taken from ICICI Bank during the financial year 2011-12 carries interest @ Libor + 4.65% p.a (2016-17 : Libor + 4.65% p.a.). The loan is repayable in 28 quarterly instalments starting from March 08, 2012.
- b) Foreign currency loan from ICICI bank is secured by an equitable charge on Thonakkal unit properties of the Company, both present and future and are also secured by way of hypothecation of the Company's movable properties including movable plant and machinery, machinery spares, tools and accessories both present and future related to clay business.
- c) On March 13, 2018 Rupee term loan outstandings of ₹ 21,66,42,849 from ICICI bank was repaid.
- d) Current maturities of long term liabilities are disclosed under the head other current liabilities (refer note 10).

5 DEFERRED TAX LIABILITIES (NET)

		(₹)
Particulars	As at	As at
	March 31, 2018	March 31, 2017
Fixed assets: Impact of difference between tax depreciation and	16,16,93,949	27,09,80,195
depreciation charged in the books		
Gross deferred tax liabilities	16,16,93,949	27,09,80,195
Deferred tax assets		
Employee benefits	97,40,755	2,18,79,952
Provision for doubtful debts and advances	74,75,298	1,15,64,837
Site restoration obligation	68,60,512	22,83,290
Gross deferred tax assets	2,40,76,565	3,57,28,079
Deferred tax liabilities (net)	13,76,17,384	23,52,52,116
OTHER LONG TERM LIABILITIES		
		(₹)
Particulars	As at	As at
	March 31, 2018	March 31, 2017
Deferred government grants	-	20,00,002
Deposits from vendors	2,52,546	89,04,146
Deposits from customers	13,44,649	53,47,372
Total	15,97,195	1,62,51,520

7 LONG TERM PROVISIONS

		(₹)
Particulars	As at	As at
	March 31, 2018	March 31, 2017
Provision for employee benefits		
Gratuity (also refer note 30)	-	1,00,34,002
Leave encashment (refer note 30)	57,60,348	1,02,64,884
Site restoration obligation [Note (a)]	17,13,76,836	15,93,76,836
Total	17,71,37,184	17,96,75,722
Notes :		
(a) Site restoration obligation w.r.t. mining land of clay business is		
recognised on April 01, 2016 in view of the requirement of AS 10 read with AS 29. The details are given below		
Opening present value of obligation	15,93,76,836	15,54,46,056
Less : Amount paid during the year	(31,05,891)	(80,00,392)
Add : Finance charge during the year	1,51,05,891	1,19,31,172
Closing present value of obligation	17,13,76,836	15,93,76,836

The Ministry of Corporate Affairs (MCA) vide its notification in the Official Gazette dated March 30, 2016 notified the rules to amend the Companies (Accounting Standards) Rules, 2006 prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. Pursuant to revised Accounting Standards (AS) 29 - Provisions, Contingent Liabilities and Contingent Assets and Accounting Standard (AS) 10 - Property, Plant & Equipment, the Company has created obligation on site restoration of ₹ 15,54,46,056 as of April 01, 2016 with a corresponding addition to the cost of land.

8 SHORT TERM BORROWINGS

		(₹)
Particulars	As at	As at
	March 31, 2018	March 31, 2017
Secured		
Loans repayable on demand		
From banks		
Cash credit account with scheduled banks (note a and b)	11,75,19,202	21,34,64,354
Working capital demand loans (note a and b)	5,00,00,000	35,00,00,000
Total	16,75,19,202	56,34,64,354

Notes:

- a) Cash credit and working capital demand loans along with bank guarantees and letters of credit facilities given by the banks are secured by hypothecation of finished goods, semi-finished goods, consumable stores and spares, raw material and book debts related to clay business.
- b) Cash credit and working capital demand loans from the bank comprises of the following:
 - (i) Cash credit of ₹ 25,00,00,000 sanctioned by Axis Bank is repayable on demand and carries interest @ 3 months MCLR + 0.50% p.a. (2016-17 : 3 months MCLR + 0.50% p.a).
 - (ii) Cash credit/working capital demand loan of ₹ 5,00,00,000 from HDFC Bank is repayable on demand and carries interest @ 1 year MCLR + 0.35% p.a (2016-17 : 1 year MCLR + 0.35% p.a).
 - (iii) Cash credit/working capital demand loan of ₹ 20,00,00,000 sanctioned by ICICI Bank is repayable on demand and carries interest @ 6 months MCLR + 0.50% p.a. (2016-17 : @ 6 months MCLR + 0.50% p.a). Working capital demand loan of ₹ 5,00,00,000 carries interest @ 3 months MCLR + 0.20% p.a. (2016-17 : 3 months MCLR + 0.20% p.a.).

9 TRADE PAYABLES

		(₹)
Particulars	As at March 31, 2018	As at March 31, 2017
Dues to Micro, Small and Medium Enterprises (refer note below)	1,52,89,144	1,05,21,664
Dues to others	16,56,89,253	18,45,45,576
Creditors for expenses	19,20,64,592	19,29,98,856
Total	37,30,42,989	38,80,66,096

Note:

Dues to micro, small and medium enterprises pursuant to Section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006

Particulars	As at March 31, 2018	As at March 31, 2017
Principal amount remaining unpaid	1,52,89,144	1,05,21,664
Interest due thereon	-	-
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of payment made to the suppliers and service providers beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid as at Balance Sheet date.		
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.		-
	1,52,89,144	1,05,21,664

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMEDA'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at Balance Sheet date has been made in the financial statements based on the information received and available with the Company.

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10 OTHER CURRENT LIABILITIES

Particulars	As at	(₹) As at
	March 31, 2018	March 31, 2017
Current maturities of long term borrowings (also refer note 4)	2,67,62,400	13,17,14,022
Interest accrued but not due on long term borrowings	1,08,872	1,85,181
Unpaid dividends	18,78,516	18,11,543
Employee related payables	1,98,96,031	2,40,45,133
Capital creditors	22,08,872	66,49,294
Advance from customers	83,56,725	50,51,848
Deferred government grants	-	2,22,222
Statutory dues		
Excise duty / GST / Sales tax payable	40,48,671	1,00,28,937
Provident fund payable	32,79,848	40,94,077
Tax deducted at source payable	35,25,155	39,97,466
Employee state insurance payable	31,863	2,51,350
Service tax and other statutory dues	7,331	52,96,316
Other liabilities		
Other payables*	3,69,66,375	11,02,083
Total	10,70,70,659	19,44,49,472

* Other payables includes ₹ 3,65,00,000 received towards sale of assets at Shimoga unit (refer note 27).

11 SHORT TERM PROVISIONS

		(₹)
Particulars	As at	As at
	March 31, 2018	March 31, 2017
Provision for employee benefits		
Gratuity payable (refer note 30)	-	1,64,90,212
Leave encashment payable (refer note 30)	2,21,14,979	2,64,33,139
Others		
Provision for taxes, net of advance taxes paid including tax deducted at source ₹ 60,08,42,302 (2016-17: ₹ 40,07,80,049)	3,56,40,814	2,29,59,372
Total	5,77,55,793	6,58,82,723

			Groce block	lock					6	Journalistion	1 amorticatio				Not block	Jock
			GL055 L					- I		hepreciation					Iner	
	Upto March 31, 2017	Additions during the year	Sale/ adjustments	Transferred to Asset held for sale	Assets transferred on Business sale	Upto March 31, 2018	Upto March 31, 2017	For the year Contiuing Operations	For the year Discontinued Operations	Sale/ adjustments	Impairment of Assets	Transferred to Asset held for sale	Assets transferred on Business sale	Upto March 31, 2018	As at March 31, 2018	As at March 31, 2017
Tangible assets Land & site development	L OLO					010 010	1							15 040		
Leasenoid Freehold	15,040 08 35 80 867	- 20 31 510	• •	- 6 07 17 074	- 950 80 000	15,040 82 02 20 208	15,040				• •	•		15,040 21 203	23 03 08 005	- 08 35 68 560
Factory and other buildings	57,55,18,685	2,52,21,416		17,25,21,702	7,41,31,486	35,40,86,913	18,61,88,788	1,43,22,563	1,01,96,674		19,80,125	3,64,94,600	3,28,55,698	14,33,37,852	21,07,49,061	38,93,29,897
Plant and equipment	2,42,01,78,492	2,64,62,784	2,64,62,784 14,69,49,278	29,76,32,111	39,54,34,951	1,60,66,24,936	1,27,66,71,681	6,88,93,265	2,39,56,236	6,48,44,201	10,73,26,465	24,76,32,110	22,35,49,863	94,08,21,473	66,58,03,463	1,14,35,06,811
Furniture, fixtures	2,20,89,629	2,87,903			6,33,354	2,02,41,180	1,33,13,926	12,73,245	1,90,076		5,54,029	14,94,598	5,83,091	1,32,45,189	69,95,991	
Office equipment	3,56,16,549	14,70,475	5,40,906	49,51,653	60,44,713	2,55,49,752	2,80,87,894	16,34,299	2,23,574	1,95,281	5,21,330	49,51,655	50,16,241	2,03,03,920	52,45,832	
Leasenoid improvements Vehicles and cycles	62,53,228	17,45,471	- 2,84,653	7,77,841	- 25,81,395	62,54,810 2,06,54,810	73,25,291	- 24,50,666	3,18,793	1,90,243		6,47,995	11,35,908	59,88,896 81,20,604	2,61,104 1,25,34,206	2,61,104 1,52,27,937
Total tangible assets	4,06,58,11,485	5,72,19,559	5.72,19,559 14,77,83,237	53,75,89,979	57,39,05,899	2,86,37,51,929	1,51,76,12,809	8,85,74,038	3,48,85,353	6,52,38,123	11,03,81,949	29,12,20,958	26,31,40,801	1,13,18,54,267	1,73,18,97,662	2,54,81,98,676
Intangible assets Technical know-how / brand	6,71,18,471	, ,		2,23,72,824	4,47,45,647		6,71,18,471	, , ,				2,23,72,825	4,47,45,646			
Computer software / licence fees	2,48,78,450	65,000		3,50,000	1,60,715	2,44,32,735	2,31,17,460	7,18,426	1,06,263			3,49,999	26,307	2,35,65,843	8,66,892	17,60,990
Total intangible assets	9,19,96,921	65,000		2,27,22,824	4,49,06,362	2,44,32,735	9,02,35,931	7,18,426	1,06,263			2,27,22,824	4,47,71,953	2,35,65,843	8,66,892	17,60,990
Total	4,15,78,08,406	5,72,84,559	5,72,84,559 14,77,83,237	56,03,12,803	61,88,12,261	2,88,81,84,664	1,60,78,48,740	8,92,92,464	3,49,91,616	6,52,38,123	11,03,81,949	31,39,43,782	30,79,12,754	1,15,54,20,110	1,73,27,64,554	2,54,99,59,666
capital work in progress For the year ended March 31,	March 31	l, 2017													1,09,32,353 (A	3 2,06,79,541 (Amount in ₹)
Particulars			Gross block	lock						Depreciation	Depreciation/ amortisation	uc			Net block	slock
	Upto	Additions	Sale/ Trans	Transferred to	Assets	Upto	Upto	For the vear	For the vear	Sale/	Impairment	Transferred	Adjusted to	Upto	As at	As at
	March 31, 2016	during the year	adjust	Asset held for sale	transferred on Business sale	March 31, 2017	March 31, 2016	Contiuing Operations	Discontinued Operations	adjustr		to Asset held for sale	the opening reserves	March 31, 2017	March 31, 2017	March 31, 2016
Tangible assets Land and site development Leasehold	15,040					15,040	15,040							15,040		
Freehold	79,82,64,692	18,63,69,056	10,43,886			98,35,89,862	21,293							21,293		79,82,43,399
Factory and other buildings	55,63,73,243	1,95,03,880	3,58,438			57,55,18,685	16,38,47,876	1,48,12,893	75,28,019					18,61,88,788	38,93,29,897	39,25,25,367
Plant and equipment Furniture fixtures	2, 20, 37, 449	797, 02, 02, 01 66, 680	14 500			2,42,UL,/8,492 2,20,89,629	1,18,64,45,783	0,11,/3,143 12,56,624	2,92,38,477 198,283	1,85,00/ 7 764	• •	• •		1,2/,00,/1,081 1,33,13,926	1,14,35,06,811 87_75_703	1,12,8/,89,/78 1,01,70,666
Office equipment	3,21,77,592	35,46,773	1,07,816			3,56,16,549	2,52,73,817	25,18,846	4,03,045	1				2,80,87,894	75,28,655	
Leasehold improvements	62,50,000					62,50,000	59,88,896							59,88,896	2,61,104	2,61,104
venicies and cycles	L/28/95/053	1,13,62/	40,/1,033	'		822,656,62,2	cUU(34,81	8,55,549	0AC'ST'S	FC0, F8, 11				15,62,61	1,52,12,25,1	970'TC'6/
Total tangible assets	3,74,62,52,555	32,65,08,915	69,49,985	·		4,06,58,11,485	1,40,14,07,438	8,06,14,855	3,76,81,420	20,90,904	·	·		1,51,76,12,809	2,54,81,98,676	2,34,48,45,117
Intangible assets Technical know-how / brand Computer software / licence fees	6,71,18,471 2,42,26,104	- 6,52,346				6,71,18,471 2,48,78,450	6,71,18,471 2,13,60,373	- 16,32,124	1, 24, 963					6,71,18,471 2,31,17,460	- 17,60,990	- 28,65,731
Total intangible assets	9,13,44,575	6,52,346				9,19,96,921	8,84,78,844	16,32,124	1,24,963					9,02,35,931	17,60,990	28,65,731
Total	3,83,75,97,130	32,71,61,261	69,49,985			4,15,78,08,406	1,48,98,86,282	8.22.46.979	3.78.06.383	20.90.904				1.60.78.48.740	2.54.99.59.666	2.34.77.10.848

Land includes provision for site restoration w.r.t. mining land used by the Company for day business amounting to ₹15,54,46,056 (2016-17: ₹15,54,46,056) in view of amendment in A510 issued by ICAI. The value of the obligation was assessed based on the present value of future obligation as on April 1, 2016. Additions to plant and machinery include additions to research and development assets amounting to ₹1,27,57,35 (2016-17: ₹15,79,897) and depreciation charge for the year includes ₹6,601,436 (2016-17: ₹63,36,148) on account of research and development assets. e) q

Additions to plant and machinery include additions to Corporate Social Responsibilities (CSR) assets amounting to 7 Nil (2016-17; 7 Nil) and depreciation charge for the year includes 7 34,093 (2016-17; 7 37,294).

Fixed assets held for sale i.e. land and buildings of goss book value ₹1,50,53,337 (2016-17: ₹1,50,53,397) and net book value ₹1,45,84,429 located at kollam unit are transferred back to fixed assets since management has decided to use the same for mining purposes

8) + 6)

Additions / (Deletions) to factory and other buildings includes 7 13,83 (2016-17 7 (3,58,438)) and additions to plant and machinery includes 7 23,314 (2016-17 7 (5,52,712)) on account of capitalisation of foreign exchange fluctuation of long term borrowings. Additions / (Deletions) to factory and other buildings includes 7 (3,58,438)) and additions to plant and machinery includes 7 (3,62,712) on account of capitalisation of foreign exchange fluctuation of long term borrowings. During the year, Namunagar starch business undertaking order on slump sate basis on allowant. The assets transfered on account of the sate allowant was a solard solar of order and the above schedule. (Refer note 27) The starch business undertaking at Simogas basen operating interactive and account between bolk was and account of more allowant account between bolk was and account of a stars far and a factory and the interactive and account of the sate starbas factors a per Assets Transfer Agreement dated february 21, 2018, where the physical transfer large even or before Lure 30, 2018, the stars far and the account of the sate stars then and assisted as assets head for a super four a per factor and account of the sate and building at the unit, which is not a part of Assets Transfer Agreement decided to sate and account of a sate and building at the unit, which is not a part of Assets Transfer Agreement to basets and account of a baset factors and building at the unit, which is not a part of Assets Transfer Agreement account of the sate and account of a baset factors and building at the unit, which is not a part of Assets Transfer Agreement. Therefore, the assets account of a baset factor account of a baset factors and building at the unit which is not a part of Assets Transfer Agreement. Therefore, the assets a baset transfer and account of the sate and account of a baset factors and account of the sate and account of thes assets along with the assets to be sold as per Asset Transfer Agreement has been classified as assets held for sale under other current assets.

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13 NON CURRENT INVESTMENT

					(₹)
Particulars			As at		As at
			March 31, 2018	Mar	ch 31, 2017
Trade investments (valued at cost un	less otherwise stated)				
Investment in equity			5,00,000		5,00,000
Total			5,00,000		5,00,000
Details of trade investments (unquot	ed)				
Name of the body corporate	Number of shares	Face	value Partly paid/	Amount	Amount

			(₹)	Fully paid	(₹)	(₹)
1	2	2	3	4	5	6
	As at March 31, 2018	As at March 31, 2017			As at March 31, 2018	As at March 31, 2017
Equity Kerala Enviro Infrastructures Limited	50,000	50,000	10	Fully paid	5,00,000	5,00,000
					5,00,000	5,00,000

14 LONG TERM LOANS AND ADVANCES

Particulars	As at	As at
	March 31, 2018	March 31, 2017
Unsecured, considered good		
Capital advances	1,75,12,376	24,54,999
Security deposits	2,18,49,817	3,09,27,988
Loans and advances to related parties (note a)	2,00,000	2,00,000
Other loans and advances		
- Duty / taxes paid under protest recoverable (also refer note 40.3)	22,49,962	22,49,962
- Others (refer note d)	3,11,70,452	18,70,580
Unsecured, considered doubtful		
Duty paid under protest	-	3,04,86,255
Less: Provision for doubtful advances (note b & c)	-	(3,04,86,255)
Total	7,29,82,607	3,77,03,529

- a) Amounts due from related parties:
 - Bharat Starch Products Private Limited 2,00,000 2,00,000
- b) Provision for doubtful advances of ₹ Nil (FY 2016-17 : ₹ 1,51,33,588) shown as exceptional item.
- c) Duty paid under protest has been written off during this year.
- d) Other loans and advances includes the excess of plan asset over present value of gratuity obligation of ₹ 3,11,64,034 (FY 2016-17 : ₹ Nil).

15 OTHER NON CURRENT ASSETS

		(र)
Particulars	As at	As at
	March 31, 2018	March 31, 2017
Margin money deposits (note a)	2,39,760	23,59,883
Total	2,39,760	23,59,883

Note:

a) Margin money deposits are under lien with banks for issuance of bank guarantee and letter of credits.

16 INVENTORIES

		(₹)
Particulars	As at March 31, 2018	
Raw materials	8,00,98,707	14,40,03,364
Work in progress	99,00,566	1,66,29,958
Finished goods*	17,55,84,029	20,04,92,939
Stores and spares	8,22,37,151	10,66,50,754
Total	34,78,20,453	46,77,77,015

* Including by product of ₹ 16,08,578 (2016-17 ₹ 98,69,803) and traded goods of Clay products of ₹ 23,31,363 (2016-17 ₹ 1,72,00,366)

17 TRADE RECEIVABLES

		(₹)
Particulars	As at	As at
	March 31, 2018	March 31, 2017
Trade receivables outstanding for a period less than six months		
from the date they are due for payment		
Secured, considered good	35,75,919	48,16,654
Unsecured, considered good	46,88,09,248	56,06,39,246
Unsecured, considered doubtful	96,45,420	-
Less: Provision for doubtful debts	(96,45,420)	-
	47,23,85,167	56,54,55,900
Trade receivables outstanding for a period exceeding six months		
from the date they are due for payment		
Secured, considered good	-	7,50,012
Unsecured, considered good	40,86,915	49,61,996
Unsecured, considered doubtful	1,17,46,801	1,80,63,991
Less: Provision for doubtful debts (note a)	(1,17,46,801)	(1,80,63,991)
	40,86,915	57,12,008
Total	47,64,72,082	57,11,67,908

Note:

a) Out of this ₹ 1,80,63,991, ₹ 1,22,74,491 (2016-17 : ₹ 14,12,456) have been written off against the provision and realised ₹ Nil (2016-17 : ₹ 29,55,084) during the year.

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18 CASH AND BANK BALANCES

		(₹)
Particulars	As at	As at
	March 31, 2018	March 31, 2017
Cash and cash equivalents		
Cash on hand	2,50,636	4,92,958
Post office savings deposits	272	272
Bank balances		
- in current accounts	25,32,463	51,91,743
	27,83,371	56,84,973
Other bank balances		
Margin money deposits (note a)	44,06,242	64,09,190
Unpaid dividend accounts	18,78,517	18,11,544
	62,84,759	82,20,734
Total	90,68,130	1,39,05,707

Notes:

a) Margin money deposits are under lien with banks for issuance of bank guarantee and letter of credits.

19 SHORT TERM LOANS AND ADVANCES

		(7)
Particulars	As at	As at
	March 31, 2018	March 31, 2017
Unsecured, considered good		
Advances to vendors	89,80,347	2,20,43,796
Loans and advances to related parties	15,39,557	-
- Deposits with excise and other tax authorities	12,61,93,947	4,05,97,803
- Prepaid expenses	80,42,965	91,14,829
- Others	99,59,323	54,73,554
Total	15,47,16,139	7,72,29,982

20 OTHER CURRENT ASSETS

		(₹)
Particulars	As at	As at
	March 31, 2018	March 31, 2017
Unsecured, considered good		
Fixed assets held for sale (at lower of cost and net		
realisable value) (note a & b)	26,09,53,450	1,45,84,429
Total	26,09,53,450	1,45,84,429

Note:

- a) Fixed assets held for sale i.e. land and buildings of gross book value ₹ 1,50,53,397 (2016-17: ₹ 1,50,53,397) and net book value ₹ 1,45,84,429 (2016-17: ₹ 1,45,84,429) located at Kollam unit are transferred to fixed assets (Schedule No. 12) since management has decided to use the same for mining purposes.
- b) During the year the Company entered into an agreement to sell movable assets at Shimoga unit. These assets are still in operation, however, the Company expects the sale to be completed by June 30, 2018. Accordingly, the Company has classified the assets to be taken over as assets held for sale having a net realizable value of ₹ 5,00,00,000. Further, the Land and Building held at Shimoga unit would retire from use from the date of sale of these assets and therefore to be classified as assets held for sale with a written down value of ₹ 21,09,53,450 and also refer a note 27.

21 REVENUE FROM OPERATIONS

		(₹)
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Sale of products	4,42,35,37,978	4,93,44,17,186
Other operating revenues		
- Sale of scrap	1,14,37,972	1,29,59,164
Total	4,43,49,75,950	4,94,73,76,350

Details of products sold

			(₹)
Particulars	Year March 3	r ended 1, 2018	Year ended March 31, 2017
Clay products	2,79,78	,70,574	2,85,75,67,242
Starch and allied products	1,25,27	,65,470	1,64,56,54,929
By products and others	38,43	,39,906	44,41,54,179
Total	4,43,49	,75,950	4,94,73,76,350

22 OTHER INCOME

		(₹)
Particulars	Year ended	Year ended
	March 31, 2018	March 31, 2017
Government grants	22,22,224	2,22,222
Liabilities no longer required written back	70,88,101	29,55,084
Net gain on sale of fixed assets	-	12,84,002
Interest on deposits (gross) [tax deducted at source of ₹ 2,62,720 (2016-17: ₹ 1,92,713)]	19,27,650	19,54,970
Miscellaneous income	1,93,68,735	78,67,633
Total	3,06,06,710	1,42,83,911

23 DECREASE / (INCREASE) IN INVENTORY OF FINISHED GOODS AND WORK IN PROGRESS

		(₹)
Particulars	Year ended	Year ended
	March 31, 2018	March 31, 2017
Opening stock		
Finished goods	20,04,92,939	21,19,15,643
Work in progress	1,66,29,958	1,32,13,982
Total	21,71,22,897	22,51,29,625
Closing stock		
Finished goods	17,55,84,029	20,04,92,939
Work in progress	99,00,566	1,66,29,958
Total	18,54,84,595	21,71,22,897
Less : Stock transferred on sale of starch business undertaking		
Finished goods	(1,16,03,676)	-
Work in progress	(21,63,161)	-
Decrease/(Increase) in inventory of finished goods and work in progress	1,78,71,465	80,06,728

NOTES

Details of inventory:

		(₹)
Particulars	As at	As at
	March 31, 2018	March 31, 2017
Finished goods		
Clay products	15,34,25,355	17,36,44,938
Starch and allied products	2,05,50,096	1,69,78,198
By products and others	16,08,578	98,69,803
Total	17,55,84,029	20,04,92,939
Work in progress		
Clay products	93,31,354	94,77,406
Starch and allied products	-	66,98,567
By products and others	5,69,212	4,53,985
Total	99,00,566	1,66,29,958

24 EMPLOYEE BENEFITS EXPENSE

		(マ)
Particulars	Year ended	Year ended
	March 31, 2018	March 31, 2017
Salaries, wages and bonus	48,70,89,667	49,01,07,785
Contribution to provident and other funds	2,22,73,684	2,28,15,151
Gratuity expense (note a)	1,67,11,935	1,52,57,853
Staff welfare expenses	3,32,43,779	3,07,51,040
Total	55,93,19,065	55,89,31,829

Notes:

a) Net of amount recovered from related parties ₹ 35,649 (2016-17: ₹ 70,407).

b) Employee benefit expenses includes research and development expenses (also refer note 41).

25 FINANCE COSTS

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest expense		
- On fixed period loans	5,34,41,776	6,32,54,131
- Others (Note a)	5,16,75,590	4,93,67,466
	10,51,17,366	11,26,21,597

Notes:

a. Includes ₹ 1,51,05,891 (2016-17: ₹ 1,19,31,172) towards finance charges for the year on the site restoration cost provided based on present value of future obligation on April 1, 2016.

26 OTHER EXPENSES

[7]		
Particulars	Year ended	Year ended
	March 31, 2018	March 31, 2017
Manufacturing expenses		
Stores consumed	5,82,41,420	6,13,38,490
Power and fuel	81,23,66,689	75,52,19,898
Repairs and maintenance		
- Plant and machinery	10,33,01,727	10,61,40,680
 Factory buildings 	2,30,00,357	1,94,90,371
- Others	1,93,79,379	1,72,69,513
Other manufacturing expenses	7,84,27,692	9,73,68,919
Less : Amount adjusted against site restoration obligation	(31,05,891)	(80,00,392)
Royalty	2,57,82,596	3,04,81,901
(Decrease)/ Increase in excise duty on finished goods	(14,11,802)	(26,41,214)
Total (A)	1,11,59,82,167	1,07,66,68,166
Administration expenses		
Rent	3,16,18,220	3,83,16,929
Rates and taxes	92,35,934	99,15,373
Insurance	50,29,793	43,70,144
Exchange fluctuation (net)	8,55,034	25,66,507
Directors' sitting fees	20,20,000	16,95,000
Office and other expenses (note a)	8,90,55,861	7,98,92,550
Payment to auditors (note 29)	44,38,593	49,15,000
Travelling and conveyance	2,75,77,469	2,89,46,607
Charity and donation	19,40,300	23,81,500
Provisions for doubtful debts/advances	1,56,02,721	6,63,251
Other financing charges	51,83,356	55,08,961
Loss on sale/write off of fixed assets	8,27,123	-
Corporate Social Responsibility (CSR) Expenses (note b)	61,22,854	54,58,135
Total (B)	19,95,07,258	18,46,29,957
Selling and distribution expenses		
Packing and forwarding expenses	13,01,17,793	13,42,93,844
Commission to selling agents and others	96,40,769	1,60,90,147
Rebates and discount	1,05,14,091	98,76,346
Other selling expenses	3,99,29,360	3,91,32,652
Total (C)	19,02,02,013	19,93,92,989
Total (A + B + C)	1,50,56,91,438	1,46,06,91,112

Note:

- a) Office and other expenses includes research and development expenses (note 41).
- b) As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas of CSR activities are rain water harvesting, supply of water and promoting education to villagers. The funds were primarily allocated and utilised for the activities which are specified in Schedule VII of the Companies Act, 2013. The amount required to be spent ₹ 83,51,001 against which an amount of ₹ 61,22,854 incurred during the year.

Particulars	Year ended N	Year ended March 31, 2018	
	In Cash (₹)	Yet to be paid in cash (₹)	
(i) Construction / acquisition of any asset	-	-	
(ii) On purposes other than (i) above	61,22,854	-	
Total of (i) and (ii)	61,22,854	-	

Particulars Year ended M		Narch 31, 2017	
	In Cash (₹)	Yet to be paid in cash (₹)	
(i) Construction / acquisition of any asset	-	-	
(ii) On purposes other than (i) above	54,58,135	-	
Total of (i) and (ii)	54,58,135	-	

27 EXCEPTIONAL ITEMS

- a) During the year Yamunanangar starch business undertaking was sold as going concern on slump sale basis with effective from January 31, 2018 at a lump sum sale consideration of ₹ 52,50,00,000, which has been arrived at without values being assigned to individual assets and value of net current assets relating to the division. Consequently gain of ₹ 18,72,08,868 has been recorded under exceptional items.
- b) During the year some of the assets of starch business were discarded and sold to the extent of book value of ₹8,11,37,058, which has resulted into a loss of ₹7,09,01,941.
- c) The starch business undertaking at Shimoga has been operating intermittently and due to non viability management decided to sell certain assets of the undertaking to a Company. Hence, management decided to sell the certain assets of the undertaking to a Company as per Assets Transfer Agreement dated February 21, 2018, where the physical transfer will take place on or before June 30, 2018 and the difference between book value and realisable value of ₹ 11,03,81,949 is considered as impairment loss.

The aggregate of a b and c above amounting to ₹ 59,24,978 shown as exceptional item in Profit & Loss account for the year ended March 31, 2018.

d) Exceptional items for the year ended March 31, 2017 relates to the provisions made for the Entry Tax levied by the Government of Kerala on Special Kerosene Oil, the Company had paid amount under protest ₹ 1,51,33,588 in view of the order of Hon'ble Supreme Court of India dated November 11, 2016 authorising the State Government to charge Entry Tax.

	Continuing	Operations	Discontinuing	Operations	Total	_
Particulars	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
INCOME						
Revenue from operations (gross)	2,90,17,16,088	2,92,25,62,646	1,53,32,59,862	2,02,48,13,704	4,43,49,75,950	4,94,73,76,350
Less: Excise duty	I	I	2,99,35,740	12,49,94,026	2,99,35,740	12,49,94,026
Revenue from operations (net)	2,90,17,16,088	2,92,25,62,646	1,50,33,24,122	1,89,98,19,678	4,40,50,40,210	4,82,23,82,324
Other income	1,16,43,726	90,40,385	1,89,62,984	52,43,526	3,06,06,710	1,42,83,911
Total income	2,91,33,59,814	2,93,16,03,031	1,52,22,87,106	1,90,50,63,204	4,43,56,46,920	4,83,66,66,235
EXPENSES						
Cost of materials consumed	61,44,31,259	71,77,58,448	1,04,30,86,516	1,34,56,23,804	1,65,75,17,775	2,06,33,82,252
Decrease/(Increase) in inventories of finished	2,07,31,133	(2,59,20,139)	(28,59,668)	3,39,26,867	1,78,71,465	80,06,728
goods and work in progress						
Purchase of traded goods	1,87,65,906	8,50,07,820	2,80,31,128	9,09,328	4,67,97,034	8,59,17,148
Employee benefits expense	44,98,75,716	43,17,12,143	10,94,43,349	12,72,19,686	55,93,19,065	55,89,31,829
Finance costs	7,60,55,979	7,80,65,407	2,90,61,387	3,45,56,190	10,51,17,366	11,26,21,597
Depreciation and amortisation expense	8,92,92,464	8,22,46,979	3,49,91,616	3,78,06,383	12,42,84,080	12,00,53,362
Other expenses	1,23,20,67,922	1,16,10,49,762	27,36,23,517	29,96,41,350	1,50,56,91,439	1,46,06,91,112
Total expenses	2,50,12,20,379	2,52,99,20,420	1,51,53,77,845	1,87,96,83,608	4,01,65,98,224	4,40,96,04,028
Profit before tax and exceptional items	41,21,39,435	40,16,82,611	69,09,261	2,53,79,596	41,90,48,696	42,70,62,207
Exceptional items	I	(1,51,33,588)	59,24,978	I	59,24,978	(1, 51, 33, 588)
Profit before tax	41,21,39,435	38,65,49,023	1,28,34,239	2,53,79,596	42,49,73,674	41,19,28,619
Tax expense:						
- Current tax	14,31,92,626	12,69,73,133	7,10,46,340	1,27,06,667	21,42,38,966	13,96,79,800
- Taxes for earlier years	46,546	25,35,503	1	1	46,546	25,35,503
- Deferred tax	37,25,419	42,14,640	(10, 13, 60, 151)	(34,14,262)	(9,76,34,732)	8,00,378
Profit for the year	26,51,74,844	25,28,25,747	4,31,48,050	1,60,87,191	30,83,22,894	26,89,12,938

NOTES

The following statement shows the assets and liabilities of discontinuing operations	(₹)
Statement of assets and liabilities	March 31, 2018
Current assets	
Inventories	3,79,69,965
Trade receivables	8,31,11,028
Cash and bank balances	3,03,400
Short term loans and advances	48,72,594
Other current assets (fixed assets held for sale)	26,09,53,450
A. Total current assets	38,72,10,437
Current liabilities	
Trade payables	
(a) total outstanding dues of micro	
enterprises and small enterprises	1,37,20,802
(b) dues of others	4,74,08,198
Other current liabilities	3,98,60,277
Short term provisions	6,73,491
B. Current liabilities	10,16,62,768
Net Assets (A-B)	28,55,47,669
Cash flow statement of discontinuing operations.	(₹)
Statement of Cash Flows for the year ended	March 31, 2018
A. Cash flow from operating activities	24,16,35,387
B. Cash flow from investing activities	44,10,09,973
C. Cash flow from financing activities	(2,90,61,387)
Net cash and cash equivalent generated from discontinuing operations	65,35,83,973

28 EARNINGS PER SHARE

			(₹)
Par	ticulars	Year ended March 31, 2018	Year ended March 31, 2017
a)	Weighted average number of equity shares	Widi (11 51, 2016	
aj	Number of equity shares at the beginning of the year	5,02,76,013	5,02,76,013
	Net profit after tax	30,83,22,894	26,89,12,938
	Less : Dividend on 11% cumulative redeemable preference shares (including tax)	1,21,78,416	3,15,47,810
	Net profit after tax available to equity shareholders	29,61,44,478	23,73,65,128
b)	Potential number of equity shares at the end of the year Total number of equity shares as per (a) above	5,02,76,013	5,02,76,013
	Potential dilutive shares	5,02,76,013	5,02,76,013
c)	Net profit after tax available for potential equity shareholders		
-	Net profit after tax available to equity shareholders	29,61,44,478	23,73,65,128
		29,61,44,478	23,73,65,128
d)	Basic EPS (₹)	5.89	4.72
e)	Diluted EPS (₹)	5.89	4.72
f)	Nominal value of equity share (₹)	2	2

29 AMOUNT PAID TO AUDITORS

		(₹)
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
For audit	34,00,000	34,00,000
For tax audit	3,00,000	3,00,000
For Internal financials controls over financials reporting	4,00,000	4,00,000
For certification	54,097	2,95,000
For expenses	2,84,496	5,20,000
Total	44,38,593	49,15,000

30 EMPLOYEE BENEFITS

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

Defined contribution plans		(₹)
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Employer's contribution to provident fund *	2,22,73,684	2,28,15,151
Employer's contribution to ESI**	17,70,398	13,08,536

* Included in contribution to provident fund

** Included in welfare expenses

Defined benefit plans

Company has defined benefit plan in terms of gratuity.

Particulars	Year ended	Year ended
	March 31, 2018	March 31, 2017
Discount rate	7.56%	6.82%
Expected rate of increase in compensation levels	8.00%	7.00%
Rate of return on plan assets	7.56%	6.82%
Reconciliation of opening and closing balances of benefit obligat	ions:	(₹)
Particulars	Year ended	Year ended
	March 31, 2018	March 31, 2017
Projected benefit obligation at the beginning of the year	14,98,33,781	13,21,52,153
Current service cost	84,38,386	76,10,457
Interest cost	1,02,18,664	1,03,21,083
Benefits paid	(99,58,809)	(66,81,787)
Amount transferred to buyer of starch business	(5,44,35,832)	-
Actuarial (gain) / loss	66,01,284	64,31,875
Projected benefit obligation at the end of the year	11,06,97,474	14,98,33,781
Reconciliation of fair value of assets:		(₹)
Particulars	Year ended	Year ended
	March 31, 2018	March 31, 2017
Fair value of plan assets at the beginning of the year	12,33,09,567	10,59,56,199
Expected return on plan assets	84,09,712	82,75,179
Contributions	2,00,00,000	1,50,00,000
Benefits paid	(99,58,809)	(66,81,787)
Actuarial (loss) / gain on plan assets	1,01,038	7,59,976
Fair value of plan assets at the end of the year	14,18,61,508	12,33,09,567

d. Gratuity expense recognised in the Statement of Profit and Loss: (₹) Year ended Year ended **Particulars** March 31, 2018 March 31, 2017 Current service cost 84,38,386 76,10,457 Expected return on plan assets (84,09,712)(82, 75, 179)Interest cost 1,02,18,664 1,03,21,083 65,00,246 Actuarial (gain) / loss 56,71,899 Total (also refer note 24 (a)) 1,67,47,584 1,53,28,260

e. Amounts for the current and previous years are as follows:

Particulars	2017-18 (₹)	2016-17 (₹)	2015-16 (₹)	2014-15 (₹)	2013-14 (₹)
Defined benefit plan-Gratuity					
Defined benefit obligation	(11,06,97,474)	(14,98,33,781)	(13,21,52,153)	(11,56,11,586)	(10,13,92,624)
Plan assets*	14,18,61,508	12,33,09,567	10,59,56,199	9,07,75,700	7,92,98,833
Surplus / (deficit)	3,11,64,034	(2,65,24,214)	(2,61,95,954)	(2,48,35,886)	(2,20,93,791)
Experience adjustment on plan liabilities	(4,95,12,530)	(32,13,644)	24,71,852	15,61,650	1,45,26,067
Experience adjustment on plan assets	1,01,038	7,59,976	5,88,197	5,76,964	(8,69,065)

* Plan assets are maintained with insurance companies in debt and traditional funds.

31 LEASE COMMITMENTS:

The Company has entered into leasing arrangements for office buildings and godown for storage of inventory that are cancellable at the option of the Company. Rent expense on account of cancellable leases for the year ended March 31, 2018 amounts to ₹ 3,16,18,220 (2016-17 : ₹ 3,83,16,929).

The Company has entered into leasing arrangements for Bangalore office on July 01, 2013 for the period of 9 years, out of which the minimum commitment is for 5 years, thereafter the lease can be cancelled at the option of lessee.

The details of lease commitments in terms of minimum lease payments within the non-cancellable period are as follows:

Payments falling due:	As at March 31, 2018	As at March 31, 2017
Payable not later than 1 year	10,67,417	42,69,666
Payable later than 1 year not later than five years	-	10,67,417
	10,67,417	53,37,083

32 SEGMENT INFORMATION

Primary Segment reporting (by business segments)

i. Composition of Business segments

The Company's business segments are organised as under:

- a) Clay products: Segment manufactures and supplies the clay products to various industries like paper, paint, rubber and fibreglass etc.,
- **b) Starch products:** Segment comprising starch/ speciality starch, syrups and modified starch, manufactures and supplies the starch products to various industries like paper, textile, food and pharma etc.,

Primary segment						(≩)
	5	CLAY	STARCH	Б	TOTAL	L.
Particulars	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
- Segment revenue Gross sales to external customers	2,90,17,16,088	2,92,25,62,646	1,53,32,59,862	2,02,48,13,704	4,43,49,75,950	4,94,73,76,350
Other income	27,77,317	73,78,517	1,89,62,984	52,43,526	2,17,40,301	1,26,22,043
 Segment result (Operating profit) Un-allocated other income 	50,13,12,123	49,41,60,726	3,59,70,648	5,99,35,786	4,45,6/,16,26 53,72,82,771 88,66,409	4,99,98,393 55,40,96,512 16,61,868
Un-allocated expenses Interest expense Exceptional items gain / (loss) Income taxes (net)					(2,19,83,118) (10,51,17,366) 59,24,978 (11,66,50,780)	(1,60,74,576) (11,26,21,597) (1,51,33,588) (14,30,15,681)
Net profit as per Statement of Profit and Loss					30,83,22,894	26,89,12,938
 Total carrying amount of segment asset Un-allocated 	2,57,26,16,485	2,54,22,39,750	38,72,10,439	1,16,19,06,249	2,95,98,26,924 10,66,22,604	3,70,41,45,999 5,17,21,661
					3,06,64,49,528	3,75,58,67,660
- Segment liabilities Un-allocated	51,72,69,493	49,73,83,603	10,16,62,768	16,47,95,227	61,89,32,261 40,28,08,145	66,21,78,830 1,15,10,47,530
					1,02,17,40,406	1,81,32,26,360
 Capital expenditure during the year Un-allocated 	1,82,37,543	12,06,95,823	2,86,30,175	2,75,12,178	4,68,67,718 6,23,304 4 74 91 077	14,82,08,001 86,70,458 15,68,78,450
- Depreciation/Amortisation Un-allocated	8,45,20,384	7,71,61,118	3,49,91,616	3,78,06,383	11,95,12,000 47,72,080	11,49,67,501 50,85,861
					12,42,84,080	12,00,53,362
Does not includes site restoration provision of ₹ 15,54,46,056 created during the year pursuant to Accounting Standard (AS) 29 - Provisions, Contingent Liabilities and Contingent Assets and Accounting Standard (AS) 10 - Property, Plant & Equipment.	,54,46,056 created during the year p \S) 10 - Property, Plant & Equipment.	l during the year p ant & Equipment.	ursuant to Account	ting Standard (AS) 2	29 - Provisions, Con	tingent Liabilities
B. Secondary Segment						(Amount in ₹)
	Ē	India	Outside India*	ndia*	Total	

March 31, 2017 4,94,73,76,350 March 31, 2018 4,43,49,75,950 March 31, 2017 50,23,45,337 March 31, 2017 March 31, 2018 43,66,37,858 4,44,50,31,013 March 31, 2018 3,99,83,38,092 - Revenue Particulars

* Represents exports to Japan, Australia, United Kingdom, Nepal, Bangladesh, Egypt, Kenya, Mauritius, U.A.E, Yemen, Oman, Saudi Arabia, Iran, Jordan, Bahrain, Sri

Lanka, Malaysia, Indonesia, Thailand, Philippines, Turkey, Germany, Italy, Greece, Kuwait, Singapore, Sweden and Malta.

3,75,58,67,660 15,68,78,459

3,06,64,49,528 4,74,91,022

6,74,76,842

8,22,17,650

3,68,83,90,818 15,68,78,459

2,98,42,31,878 4,74,91,022

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Capital expenditure during the year

Total assets

33 RELATED PARTY TRANSACTIONS

A. Holding Company

DBH International Private Limited

- B. Associates
 - **Enterprises which have significant influence over the Company:**

Karun Carpets Private Limited

C. Enterprises over which substantial shareholders of the Company and their relatives have significant influence:

Greaves Cotton Limited

- Premium Transmission Private Limited
- Pembrill Industrial & Engineering Co. Limited
- Greaves Leasing Finance Limited
- Dee Greaves Limited
- Bharat Starch Products Private Limited
- Aravali Sports & Cultural Foundation
- **DBH Consulting Limited**
- DBH Investments Pvt. Limited
- **Greaves Auto Limited**

D. Key management personnel and their relatives

- Mr. Karan Thapar Chairman
- Ms. Devika Thapar (Daughter of Mr. Karan Thapar)
- Mr. Karam Thapar (Son of Mr. Karan Thapar)
- Mr. B. M. Thapar (Father of Mr. Karan Thapar) (demised on September 12, 2016)
- Mr. Vijay Kishore Sharma Director
- Mr. T. Balakrishnan Director
- Mr. Vijay Dilbagh Rai Director
- Ms. Shivpriya Nanda Director
- Mr. Joy Kumar Jain Director
- Mr. Suresh Kumar Jain Executive Director
- Mr. Mahendra Kumar Gupta Chief Financial Officer
- Mr. P. S. Saini Company Secretary (demised on April 11, 2016)
- Ms. Shalini Chawla Company Secretary (from November 2, 2016)

Particulars	Holding	ing Company	Enterprise which has significant influence over the company	which has luence over ıpany	Enterprises over which substantial shareholders and their relatives have significant influence	wer which Iareholders atives have influence	Key management personnel and their relatives	gement inel elatives	Total	tal
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Purchase of goods										
Premium Transmission Private Limited	I	ı	1	I	2,00,241	40,605		1	2,00,241	40,605
Purchase of capital goods										
DBH International Private Limited	I	1,60,000	I	1	1	1	I		1	1,60,000
Reimbursement of expenses received										
Premium Transmission Private Limited	I		1	I	1,11,33,281	96,48,937	I		1,11,33,281	96,48,937
Greaves Cotton Limited	1	1	1	1	13,86,051	1	I	'	13,86,051	
Bharat Starch Products Private Limited	1	1	1	1	1	7,788	1	1	1	7,788
Karun Carpets Private Limited	1	1	1	23,494	1	1	1	1	1	23,494
DBH International Private Limited	1	30,361	1	1	1	1	1		1	30,361
Receiving of services										
DBH Consulting Limited	I	1	1	I	1	I	21,56,820	20,59,666	21,56,820	20,59,666
Rent paid										
Bharat Starch Products Private Limited	1	1	1		21,10,500	20,68,500	1	1	21,10,500	20,68,500
Dividend paid on preference shares										
DBH International Private Limited	1,28,68,493	3,17,11,644	1	1	1	I	I		1,28,68,493	3,17,11,644
Redemption of preference share capital										
DBH International Private Limited	10,00,00,000	20,00,00,000	1	1	1	I	I		10,00,00,000	20,00,00,000
Dividend paid on equity shares										
DBH International Private Limited	4,89,90,530	4,89,69,774	1	1	1	1	1	1	4,89,90,530	4,89,69,774
Karun Carpets Private Limited	1		2,00,99,063	2,00,99,063	1	1	1		2,00,99,063	2,00,99,063
Director's commission										
Mr. Karan Thapar	1	1	1		1	1	23,54,453	25,69,250	23,54,453	25,69,250
Mr. Vijay Kishore Sharma	1		1		1	1	3,62,224	3,54,380	3,62,224	3,54,380
Mr. T. Balakrishnan	1	1	1	1	1	T	3,62,224	3,54,380	3,62,224	3,54,380
Mr. Vijay Dilbagh Rai	1	1	1	1	1	1	5,43,335	4,42,975	5,43,335	4,42,975
Ms. Shivpriya Nanda	I	1	1	1	I	1	3,62,224	3,54,380	3,62,224	3,54,380
Mr. Joy Kumar Jain	1	1	1	1	1	1	5,43,335	3,54,380	5,43,335	3,54,380
Director's sitting fees										
Mr. Karan Thapar	1		1	'	1	1	3,00,000	2,95,000	3,00,000	2,95,000
Mr. Vijay Kishore Sharma	1		1		1	1	3,20,000	3,60,000	3,20,000	3,60,000
Mr. T. Balakrishnan	1		1	1	1	1	3,50,000	1,90,000	3,50,000	1,90,000
Mr. Vijay Dilbagh Rai	I	1	1	I	1	1	3,00,000	3,35,000	3,00,000	3,35,000
Ms. Shivpriya Nanda	1		1	1	1	1	3,50,000	2,30,000	3,50,000	2,30,000
Mr. Joy Kumar Jain	ľ	1	1	1	1	I	4,00,000	2,85,000	4,00,000	2,85,000
Remuneration										
Mr. Suresh Kumar Jain	1	1	1	1	1	1	1,07,53,152	97,43,804	1,07,53,152	97,43,804
Mr. Mahendra Kumar Gupta	1		1	'	1	1	71,26,600	64,53,478	71,26,600	64,53,478
Mr. P.S. Saini	1		1	1	1	1	1	2,78,415	1	2,78,415
Ms. Shalini Chawla	1	1	1		1	1	26,34,005	9,04,142	26,34,005	9,04,142
Other expenses										

NOTES

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b) Outstanding balances:

			(₹)
Pa	rticulars	As at	As at
		March 31, 2018	March 31, 2017
1.	Enterprises over which substantial shareholders and their relatives have significant influence		
	Bharat Starch Products Private Limited	2,00,000	2,00,000
	Premium Transmission Private Limited	12,29,953	-
	Greaves Cotton Limited	3,09,604	-

34 DETAILS OF RAW MATERIAL AND COMPONENTS CONSUMED

		(₹)
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Clay matrix (note a)	20,73,66,116	19,11,46,490
Maize	82,10,04,880	1,13,57,01,731
Maize starch	7,23,05,606	6,92,17,654
Tapioca starch	99,80,810	53,40,789
Others (note b)	54,68,60,363	66,19,75,588
Total	1,65,75,17,775	2,06,33,82,252

Note:

a) Clay matrix cost is inclusive of clay mining expenses.

b) Others includes chemicals and packing materials etc.

35 VALUE OF IMPORTS ON C.I.F BASIS :

Particulars	Year ended	Year ended
	March 31, 2018	March 31, 2017
Raw material	9,14,71,348	13,20,43,300
Stores and spare parts	29,64,806	9,72,556
Capital goods	-	39,65,692
Total	9,44,36,154	13,69,81,548

36 EARNINGS IN FOREIGN EXCHANGE CALCULATED ON F.O.B. BASIS:

Particulars		Year ended March 31, 2018	Year ended March 31, 2017
Export of:	Clay products	27,31,46,215	33,21,70,971
	Starch and allied products	16,34,91,643	17,01,74,366
		43,66,37,858	50,23,45,337

37 EXPENDITURE IN FOREIGN CURRENCY

			(₹)
Particulars		Year ended March 31, 2018	Year ended March 31, 2017
Commission		38,35,380	37,99,684
Travelling		21,47,717	10,69,007
Consultancy		96,78,511	20,59,666
Interest		25,56,852	34,56,085
Others		2,08,783	4,62,777
		1,84,27,243	1,08,47,219

38.1 PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURE:

Particulars	As at Marc	As at March 31, 2018		As at March 31, 2017	
	Amount(US\$)	Amount(₹)	Amount(US\$)	Amount(₹)	
- Trade receivables	6,79,453	4,36,61,650	4,43,977	2,83,79,010	
- Trade payables	(36,335)	(24,01,017)	(46,411)	(30,51,041)	
 Foreign currency loans 	(4,05,000)	(2,67,62,400)	(7,65,000)	(5,02,91,100)	
	2,38,118	14,498,233	(3,67,434)	(2,49,63,131)	

38.2 PARTICULARS OF HEDGED FOREIGN CURRENCY EXPOSURE:

Particulars	As at March 31, 2018		As at March 31, 2017	
	Amount(US\$)	Amount(₹)	Amount(US\$)	Amount(₹)
- Forward contracts against sundry debtors	6,00,000	3,85,56,000	6,00,000	3,83,52,000
	6,00,000	3,85,56,000	6,00,000	3,83,52,000

39 INDIGENOUS AND IMPORTED CONSUMPTION:

Particulars	Indigen	ous	Import	ed	Total
	Value		Value		Value
	Amount (₹)	%	Amount (₹)	%	Amount (₹)
Raw material(s)					
2017-18	1,57,26,19,121	94.88%	8,48,98,654	5.12%	1,65,75,17,775
2016-17	1,88,03,50,713	91.13%	18,30,31,539	8.87%	2,06,33,82,252
Consumables					
2017-18	5,52,76,614	94.91%	29,64,806	5.09%	5,82,41,420
2016-17	6,04,09,047	98.48%	9,29,443	1.52%	6,13,38,490

40.1 CONTINGENT LIABILITIES

There are no contingent liabilities as on March 31, 2018 (FY 2016-17 : ₹ Nil)

40.2 COMMITMENTS

Estimated amounts of contracts remaining to be executed on capital account (net of advances) ₹ 25,60,935 (March 31, 2017 : ₹ 49,00,641).

40.3 LITIGATION

- i) Excise matters:
 - a) Demands aggregating to ₹ 10,73,69,735 for the year 2000 to 2004 with respect to using of lubricating oil and transformer oil in the plant and machinery used for manufacture of excisable and as well as exempted goods and cenvat credit of service tax, which was subsequently quashed by the Central Excise and Service Tax Appellate Tribunal (CESTAT), referring the matter back for fresh assessment. The Commissioner, Central Excise, Panchkula instead of fresh adjudication, went into appeal before the Hon'ble High Court at Chandigarh which was dismissed by the Hon'ble High Court. The Commissioner, Panchkula filed a Special Leave Petition before the Hon'ble Supreme Court of India, where the matter is pending for adjudication. Consequently amount deposited under protest amounting to ₹ 12,41,379 have been considered good and recoverable and no provision for the same has been considered necessary. Further, till the time demands are received by the Company amounts of contingent liabilities, if any, is not ascertainable.
 - b) With respect to classification of maize starch for excise purposes, the Commissioner, Excise raised a demand of ₹ 6,11,10,974, which was set aside by CESTAT. The Commissioner filed an appeal before the Hon'ble Supreme Court of India against the order of CESTAT, where the matter is pending for adjudication.
- ii) With respect to a dispute of lease charges of ₹ 12,04,59,737 on the lease land at Veli, the Company approached the Hon'ble High Court of Kerala and the Hon'ble High Court has directed the Principal Secretary (Revenue) to make fresh assessment in this matter. The Principal Secretary (Revenue) convened a meeting in March 2017 and heared our explanations and arguements. Final order from Principal Secretary (Revenue) is awaited.

40.4 SHOW CAUSE NOTICE ON CLASSIFICATION OF PRODUCTS

The Company had received a show cause notice on April 9, 2015 from Directorate General of Central Excise Intelligence (DGCEI) dated March 31, 2015 on mis classification of clay products for which the Company has represented and filed the reply with the authority and a favourable order was passed by the Commissioner of Central Excise and Customs Trivandrum. Subsequently, the department has filed an appeal against the order of Commissioner, which is pending for hearing.

41 RESEARCH AND DEVELOPMENT EXPENSES :

		(₹)
Particulars	Year ended	Year ended
	March 31, 2018	March 31, 2017
Employee benefit expenses	1,13,25,889	97,08,052
Office and other expenses	16,06,533	54,69,960

42 PREVIOUS YEAR FIGURES

Previous year figures have been re-grouped/reclassified, wherever necessary to conform the current year classification.

This is the Summary of significant accounting policies and other explanatory information as referred to in our report of even date.

For Walker Chandiok & Co LLP	For and on behalf of the Board of Directors		
Chartered Accountants	Sd/- Suresh Kumar Jain Executive Director DIN : 00003500	Sd/- Joy Kumar Jain Director DIN : 06406359	
Sd/- Ashish Gupta (Membership No.: 504662) Partner	Sd/- Mahendra Kumar Gupta Chief Financial Officer	Sd/- Shalini Chawla Company Secretary	
Place : Gurugram Date : May 01, 2018			





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