ORIENTAL CARBON & CHEMICALS LIMITED

[Corporate Identity Number (CIN) - L24297WB1978PLC031539]
Regd. Office : "Duncan House", 31, Netaji Subhas Road, Kolkata - 700 001
☎ : 091-033-2230-6831/6832, Fax No. : 091-033-22434772
E-mail : occlkol@gmail.com, investorfeedback@occlindia.com, Website : www.occlindia.com

July 03, 2018

The Manager
BSE Limited
Department of Corporate Services,
Floor 25, P. J. Towers,
Dalal Street
Mumbai - 400 001

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

Scrip Symbol/Code: NSE-OCCL and BSE-506579

Dear Sirs,

Sub: Annual Report of the Company for the Year ended March 31, 2018

Pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of Annual Report of the Company for the year ended March 31, 2018, which will be approved and adopted in the Annual General Meeting of the Members of the Company to be held on July 27, 2018.

This is for your reference and records.

Yours faithfully,
For **ORIENTAL CARBON & CHEMICALS LIMITED**

Pranab Kumar Maity
COMPANY SECRETARY

Encl: As above.

DIRECTORS

Mr. J.P. Goenka
Chairman

Mr. Arvind Goenka
Managing Director

Mr. Akshat Goenka
Jt. Managing Director

Mr. S.J. Khaitan

Mr. O.P. Dubey

Mr. B.B. Tandon

Mr. K. Raghuraman

Mr. H.S. Shashikumar
(Nominee of Life Insurance Corporation of India)

Mrs. Runa Mukherjee

CHIEF FINANCIAL OFFICER

Mr. Anurag Jain

COMPANY SECRETARY

Mr. Pranab Kumar Maity

STATUTORY AUDITORS

S S Kothari Mehta & Co.

SOLICITORS

Khaitan & Co.

BANKERS

State Bank of India
Export Import Bank of India
Kotak Mahindra Bank Ltd.

Corporate Identity Number (CIN)-
L24297WB1978PLC031539

WEBSITE

http://www.occlindia.com

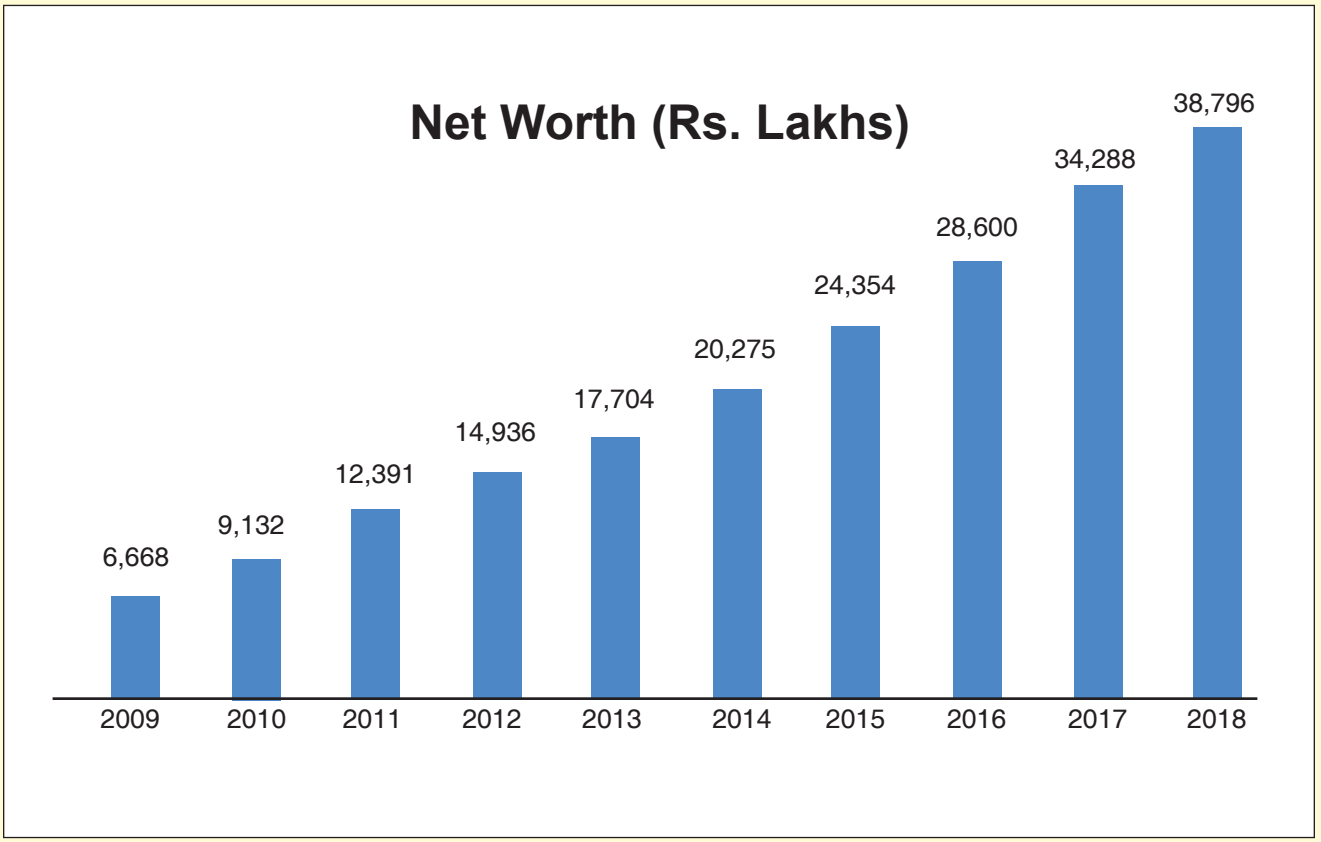
Investor Relations Email:
investorfeedback@occlindia.com

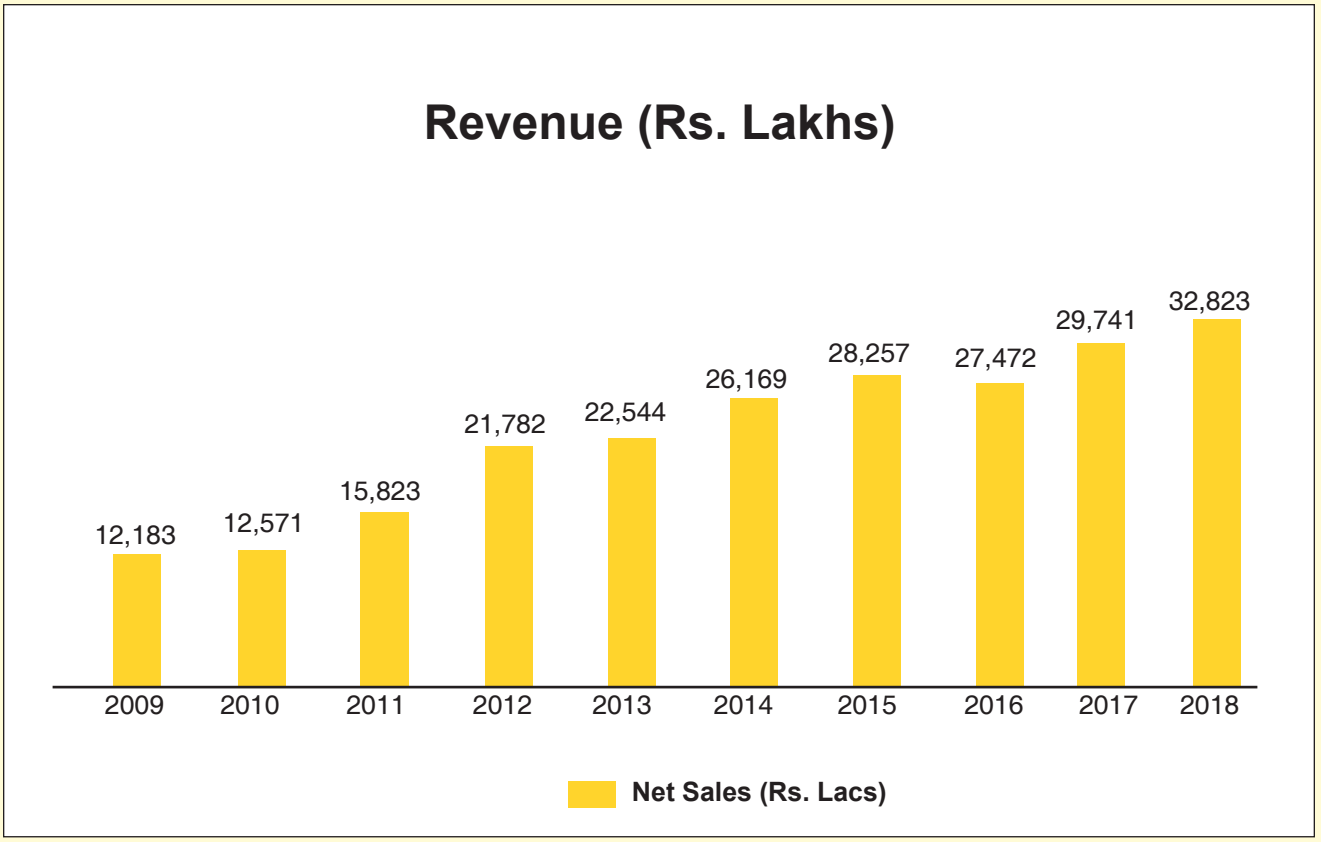
REGISTERED OFFICE

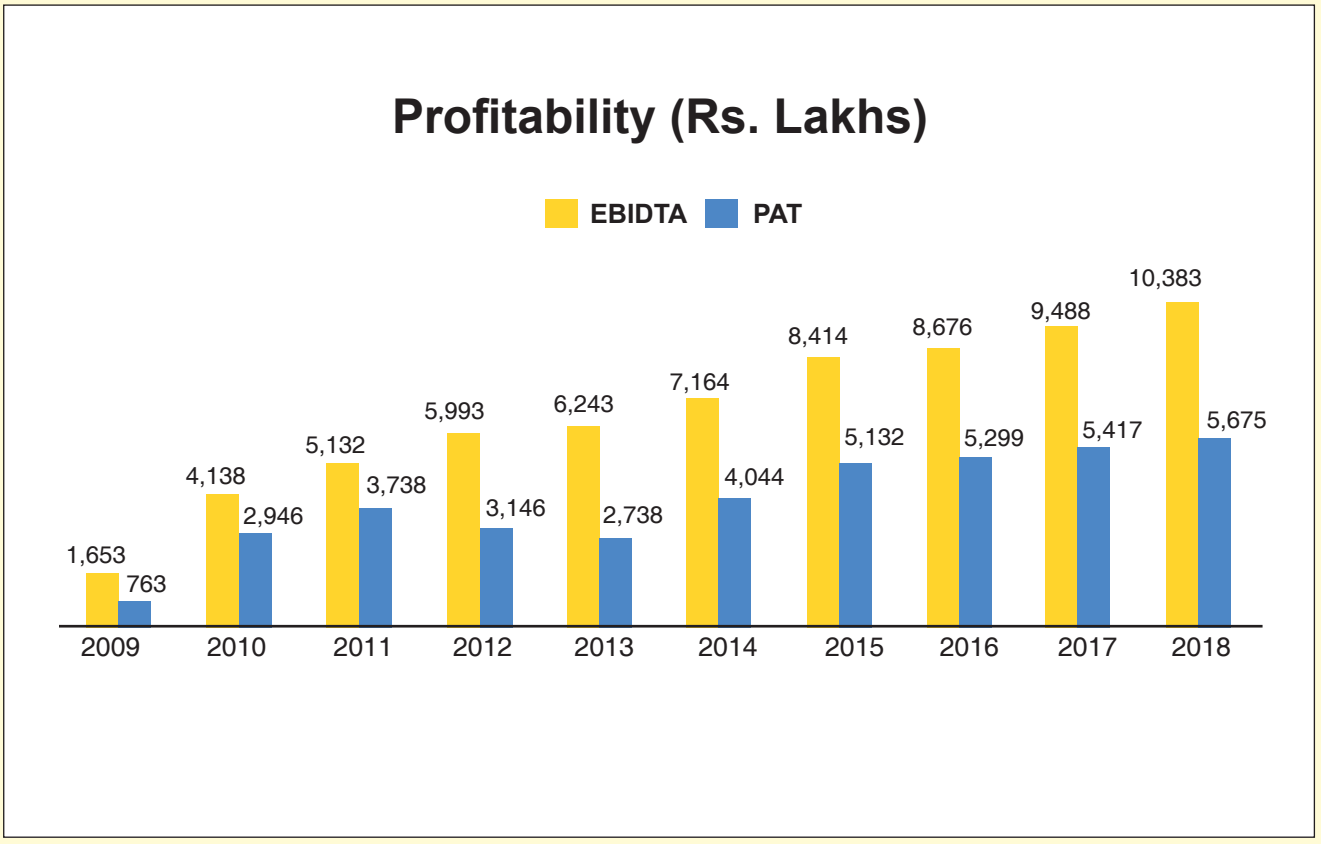
31, Netaji Subhas Road,
Kolkata - 700 001

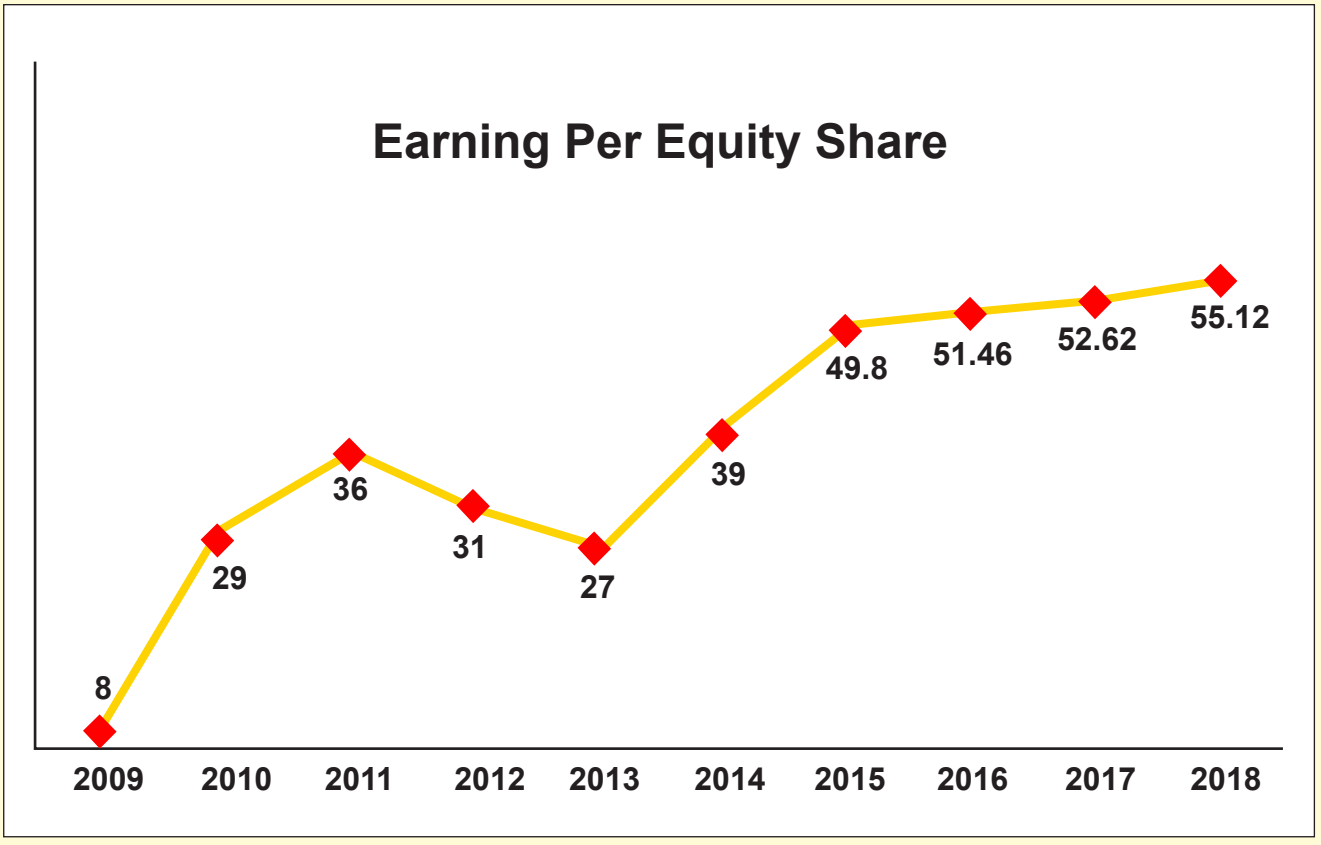
PLANTS

1. Plot 3 & 4, Dharuhera Industrial Estate,
   P.O. Dharuhera,
   Distt. Rewari - 123 106, Haryana
2. Survey No.141, Paiki of Mouje,
   SEZ Mundra, Taluka Mundra,
   Distt. Kutch-370 421, Gujarat.


Net Worth (Rs. Lakhs)
6,668
9,132
12,391
14,936
17,704
20,275
24,354
28,600
34,288
38,796
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018


Revenue (Rs. Lakhs)
12,183
12,571
15,823
21,782
22,544
26,169
28,257
27,472
29,741
32,823
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
Net Sales (Rs. Lacs)


Profitability (Rs. Lakhs)
EBIDTA
PAT
1,653
763
4,138
2,946
5,132
3,738
5,993
3,146
6,243
2,738
7,164
4,044
8,414
5,132
8,676
5,299
9,488
5,417
10,383
5,675
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018


Earning Per Equity Share
8
29
36
31
27
39
49.8
51.46
52.62
55.12
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018

Financial Summary for Last 10 Years

(Rs. Lakhs)

Particulars	**2017-18***	2016-17*	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
Gross Sales	**33,203**	31,058	28,817	29,506	27,283	23,548	22,508	16,419	12,944	12,898
Net Sales	**32,823**	29,741	27,472	28,257	26,169	22,544	21,782	15,823	12,571	12,183
PBIDT	**10,383**	9,488	8,676	8,414	7,164	6,243	5,993	5,132	4,138	1,653
Interest	**785**	501	635	810	1,105	1,278	831	269	242	393
PBDT	**9,597**	8,987	8,041	7,604	6,059	4,965	5,162	4,863	3,896	1,260
Profit Before Tax	**7,963**	7,472	6,476	6,296	5,015	4,004	4,449	4,361	3,427	813
Profit After Tax	**5,675**	5,417	5,299	5,132	4,044	2,738	3,146	3,738	2,946	763
Dividend %**	**100**	100	85	85	70	50	50	40	40	15
Fob Value of Export	**18,361**	18,101	16,278	18,058	17,639	14,269	14,006	9,515	7,657	6,430
Gross Fixed Assets (Including Capital Work in Progress)	**47,741**	42,388	32,498	27,990	27,354	25,977	24,505	17,515	12,172	10,105
Net Fixed Assets	**34,870**	30,862	22,233	19,175	19,570	19,080	18,464	11,806	7,326	5,721
Share Capital	**1,031**	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031
Reserves & Surplus***	**37,750**	33,257	27,569	23,323	19,244	16,043	13,905	11,360	8,101	5,637
Net Worth	**38,782**	34,288	28,600	24,354	20,275	17,074	14,936	12,391	9,132	6,668
PBIDT Margin % (Over net Sales)	**31.63**	31.90	31.58	29.78	27.38	27.69	27.51	32.43	32.92	13.57
PBT Margin % (Over Net Sales)	**24.26**	25.12	23.57	22.28	19.16	17.76	20.43	27.56	27.26	6.67
Debt Equity Ratio	**0.18**	0.19	0.07	0.18	0.31	0.45	0.54	0.33	0.20	0.33
Earning Per Share for the year (Rs./ Share)	**55.12**	52.62	51.46	49.84	39.28	26.60	30.55	36.30	28.61	7.67
Book Value of Shares (Rs./ Share)	**376.80**	333.02	268.38	227.15	187.99	156.98	136.30	111.66	80.09	66.26

* As per IndAs

** Includes Proposed Final Dividend 70% for the Financial Year 2017-18 shubject to approval from Shareholders

*** Including Other Comprehensive Income(net of tax) for 2017-18 and 2016-17

NOTICE

NOTICE is hereby given that the Thirty-eighth Annual General Meeting of the Shareholders of the Company will be held at Williamson Magor Hall (1st Floor), The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata - 700001 on Friday, the 27th July, 2018 at 10.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
   a. the audited financial statements of the Company for the financial year ended March 31, 2018, and Reports of the Directors and Auditors thereon; and
   b. the audited consolidated financial statements of the Company for the financial year ended March 31, 2018 and report of the Auditors thereon.
2. To confirm the interim dividend paid during the year and to declare a final dividend for the financial year ended March 31, 2018.
3. To appoint a Director in place of Mr. Akshat Goenka [DIN: 07131982], who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

   "RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the consent of the Company be and is hereby accorded for ratification of appointment of M/s. J K Kabra & Co., the Cost Auditors appointed by the Board of Directors of the Company ('the Board') for the Financial Year ending 31st March, 2019, with a remuneration of Rs.1,35,000/- (Rupees One Lac Thirty five Thousand only).

   RESOLVED FURTHER that, the Board be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

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

   "RESOLVED THAT pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and recommendation of the Nomination and Remuneration Committee and Audit Committee, approval of the Company be and is hereby accorded for revised remuneration of Mr. Arvind Goenka [DIN: 00135653], Managing Director of the Company from 1st April, 2018 as set out in the Explanatory Statement attached to this Notice.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 2(54), 196, 197 and 198 read with Schedule V to the Companies Act, 2013, consent of the Company be and is hereby accorded to the re-appointment of Mr. Arvind Goenka [DIN: 00135653], as Managing Director of the Company, for a period of five years with effect from October 01, 2018 on the terms and conditions contained in the Agreement/Appointment Letter executed by and between Mr. Arvind Goenka and the Company, salient features of which are specified in the Explanatory Statement under Section 102 of the Companies Act, 2013 annexed to this Notice, with a liberty to the Board of Directors to vary the term including increase in remuneration within the limits prescribed under the Act and as may be mutually agreed between Mr. Arvind Goenka and the Company from time to time.

   RESOLVED FURTHER that any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

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

   "RESOLVED THAT pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and recommendation of the Nomination and Remuneration Committee and Audit Committee, approval of the Company be and is hereby accorded for revised remuneration of Mr. Akshat Goenka [DIN: 07131982], Joint Managing Director of the Company from 1st April, 2018 as set out in the Explanatory Statement attached to this Notice.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 2(54), 196, 197 and 198 read with Schedule V to the Companies Act, 2013, consent of the Company be and is hereby accorded to the re-appointment of Mr. Akshat Goenka [DIN: 07131982], as a Whole Time Director of the Company, retiring by rotation, with the designation of Joint Managing

Director, for a period of five years with effect from June 01, 2018 on the terms and conditions contained in the Agreement/ Appointment Letter executed by and between Mr. Akshat Goenka and the Company, salient features of which are specified in the Explanatory Statement under Section 102 of the Companies Act, 2013 annexed to this Notice, with a liberty to the Board of Directors to vary the term including increase in remuneration within the limits prescribed under the Act and as may be mutually agreed between Mr. Akshat Goenka and the Company from time to time.

RESOLVED FURTHER that any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

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

   "RESOLVED that pursuant to the provisions of Regulation 17 (1A) of the SEBI Listing Obligation & Disclosure Requirements) (Amendment) Regulations, 2018, (to be effected from 01.04.2019) the approval of the Company be and is hereby accorded for continuation of Mr. J P Goenka [DIN: 0136782], aged 82 years, as Non Executive Director of the Company, who is liable to retire by rotation.

   RESOLVED further that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as in its absolute discretion, it may consider necessary, expedient or desirable, in order to give effect to the foregoing resolution"

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

   "RESOLVED that the consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company to mortgage and/ or charge on first, pari passu or second charge basis any or all immovable and movable assets of the Company, wherever situate, present and future in favour of State Bank of India, New Delhi (SBI), Export Import Bank of India, Chandigarh (EXIM) and Kotak Mahindra Bank Ltd. (Kotak) as security for sanction of New Term Loans aggregating to Rs.44.70 Crores for part financing the project cost for phase-II of Expansion of Insoluble Sulphur Plant at Mundra SEZ Mundra, Distt. Kutch, Gujarat on such terms and conditions as set out in respective Sanction Letters, with liberty to the Directors of the Company to create in future any further or other charge on the said assets, as per details below:

Name of Bank	Sanction Amount (Rs. Crore)
SBI	24.70
EXIM	10.00
Kotak	10.00

   The above Charge shall be in addition to mortgage and/or charge on first, pari passu or second charge basis on all immovable and/or movable assets of the Company, wherever situate, present and future to secure existing term loans and working capital loans as detailed below:, in favour of:

Name of Bank	Sanction Amount (Rs. Crore)
SBI for fund and non-fund based working capital	79.00
SBI (Term Loans) (Present aggregate outstanding)	43.59
EXIM (Term Loans) (Present aggregate outstanding)	20.54
Kotak (Term Loans) (Present aggregate outstanding)	10.00

   RESOLVED FURTHER that the mortgage/charges created and /or all agreements/ documents executed and acts done in terms of the above resolution by and with the authority of the Board of Directors are hereby confirmed and ratified."

By order of the Board

Place: Noida
Date : May 29, 2018

Pranab Kumar Maity
Company Secretary

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts relating to Special Business to be transacted at Annual General Meeting is annexed hereto.
2. **A Member entitled to attend and vote at the Annual General Meeting (the Meeting/AGM) is entitled to appoint a Proxy to attend and vote instead of himself/herself and such Proxy need not be a Member. Proxies, in order to**

be effective, must be received by the Company not less than 48 hours before the commencement of the Meeting.

3. The business set out in the Notice will be transacted through remote electronic voting system and the Company is providing facility for voting by remote electronic means. Instructions and other information relating to the E-voting are given in the Notice under Note No. 18.

   Members attending the meeting, who have not cast their vote by remote e-voting, shall be able to exercise their right to vote at the meeting through ballot papers.

4. The Register of Members and the Share Transfer Books of the Company will remain closed from June 25, 2018 to June 28, 2018 (both days inclusive).

5. Duly executed and stamped transfer deeds, along with the relative Share Certificates, should be submitted to the Company's Registrars & Share Transfer Agents before the closure of the Register of Members for transfer registration.

6. An Interim dividend @30% (i.e. Rs.3/- per equity shares) was declared at the meeting of the Board of Directors of the Company held on 25th November, 2017 to those members whose names appeared on the Company's Register of Members, or appeared as beneficial owners at the close of business on 8th December, 2017 (Record Date) and same was paid on and from 12th December, 2017.

   The Final Dividend as recommended by the Board of Directors, if approved at the meeting shall be credited/dispatched on or before August 10, 2018 to those members whose names appear on the Company's register of members on June 23, 2018 or their mandatees. In respect of the shares in electric form, the dividend will be payable on the basis of ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Ltd. for this purpose.

7. Members holding shares in dematerialized form should intimate to the concerned Depository Participant(s), the necessary bank account details. Members holding shares in physical form may intimate the Registrar and Share Transfer Agents, the necessary bank details for ECS credit directly to their bank accounts wherever ECS facility is available or for printing of their bank account details on the dividend warrants to prevent possibilities of fraud in encashing the warrants. In case of any change in the bank particulars, the change should be intimated to the Depository Participant(s), (in case of dematerialized shares) and the Registrar and Share Transfer Agents (in case of physical shares), immediately so that the changed particulars may be used for dividend payment.

8. Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto ("IEPF Rules") the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred Rs.295427/- and Rs.471964/- being the amount pertaining to the Final Dividend for the Financial Year 2009-10 and the Interim Dividend for the Financial Year 2010-11 on 14th September, 2017 and 30th December, 2017 respectively to the IEPF.

9. The Final Dividend for the financial year ended 31st March, 2011 and Interim Dividend for the financial year ended 31st March, 2012, which remains unpaid or unclaimed, will be due for transfer to IEPF later this year, pursuant to the provisions of Section 124(5) of the Companies Act, 2013.

   The Company has been sending reminders to those members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. The details of the unpaid /unclaimed dividend are also uploaded as per the requirements, on the Company's website www.occlindia.com.

   Pursuant to provision of Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to Investor Education Protection Fund.

   Members, who have not encashed their dividend warrants for the above mention dividends are requested to lodge their claims with the Company.

10. The Securities & Exchange Board of India (SEBI), has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

11. To support the 'Green Initiative', the Members are requested to register their email addresses with the Company or

Registrar and Share Transfer Agents of the Company to investorfeedback@occlindia.com or kolkata@linkintime.co.in or with the Depositories for receiving all communication, including Annual Report, Notices and Documents through e-mail instead of physical copy.

12. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Company's Registrar and Share Transfer Agent – Link Intime India Pvt. Limited for the same.

13. The Notice of AGM, Annual Report, Attendance Slip and Proxy Form are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copies of the said documents are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.

14. Non-resident Indian Members are requested to inform Company's Registrar and Share Transfer Agent, Link Intime India Pvt. Limited, immediately of:

    a) Change of their residential status on return to India for permanent settlement.

    b) Particulars of their bank account maintained in India with Complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

15. In terms of Section 152 of the Companies Act, 2013, Mr. Akshat Goenka [DIN: 07131982], shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standard 2 (SS-2), the details of Mr. Akshat Goenka seeking re-appointment at the ensuing Annual General Meeting are provided below under 'Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013' and also in the 'Corporate Governance Report' section of the Annual Report. The Directors have furnished the requisite declaration for their appointment/re-appointment.

16. Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 am to 1.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

17. The Route Map to the venue of the Meeting is also annexed for the convenience of the Members.

18. **Voting through electronics means:**

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2013, the Company is pleased to provide members facility to exercise their right to vote at 38th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

Instructions for e-voting are as under:

(i) The voting period begins on July 24, 2018 (9.00 am) and ends on July 26, 2018 (5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on July 20, 2018 (the Cut-Off Date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

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

(iv) Click on "Shareholders".

(v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

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

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) *Members who have not updated their PAN with the Company/Depository Participant are requested to use the default sequence number in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (vii).

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

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

(xii) Click on the EVSN for Oriental Carbon & Chemicals Limited on which you choose to vote.

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

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

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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

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

(xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non-Institutional Shareholders and Custodians

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

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

II. You can update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

III. **Poll Process at AGM**

The voting on the agenda items shall be done by e-voting as well as by Poll. Those who do not exercise the option of e-voting shall be entitled to participate and vote at the Poll to be conducted at the venue of the AGM on the date of the meeting. Ballot Papers will be issued immediately after an announcement in this regard by the Chairman of the meeting and will continue up to 12 Noon or such extended time as may be fixed by the Company. The number of votes will be equivalent to the number of shares held by them as on the Cut-Off Date i.e. July 20, 2018.

IV. Mr. Sahadeb Rath, a Practising Company Secretary (Membership No. ACS 13298) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting process at AGM in a fair and transparent manner.

V. The Results shall be declared on and after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.occlindia.com and on the website of CDSL within 24 hours of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

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

As required under Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out all material facts relating to the Special Businesses relating to Item Nos. 4 to 8 of the accompanying Notice dated May 29, 2018.

Item No. 4

The Board, on recommendation of the Audit Committee, has approved the appointment of the Cost Auditor to conduct the audit of cost records relating to the chemicals manufacture at Dharuhera for the financial year ending March 31, 2019 at a remuneration of Rs.1,35,000/- plus applicable service tax and reimbursement of actual out of pocket expenses. In accordance with the provisions of the Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company. The Board recommends the resolution set out at Item No. 4 for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

Item No. 5 & 6

Mr. Arvind Goenka [DIN: 00135653] and Mr. Akshat Goenka [DIN: 07131982] had been re-appointed/appointed as Managing Director and Joint Managing Director of the Company, respectively, by the Board of Directors on 14th May, 2015. At the 35th Annual General Meeting of the Company held on 31st July 2015, re-appointment of Mr. Arvind Goenka and appointment of Mr. Akshat Goenka were approved by the Members of the Company for a period of three years commencing from 1st October, 2015 and 1st June, 2015, respectively.

The three years term of Mr. Arvind Goenka as Managing Director and Mr. Akshat Goenka as Joint Managing Director will be expiring on 30th September, 2018 and 31st May, 2018 respectively.

Based on the recommendation of the Nomination and Remuneration Committee of the Board pursuant to the provisions of Section 178 of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V to the Companies Act, 2013 and the Nomination and Remuneration Policy of the Company, the Board of directors at their meeting held on 29.05.2018, subject to approval of members of the Company, has accorded its approval for re-appointment and remuneration of Mr. Arvind Goenka, Managing Director & CEO and Mr. Akshat Goenka, Joint Managing Director of the Company for the new tenure as well as remaining tenure of respective directors. While approving the remuneration, the Nomination and Remuneration Committee considered various parameters which, inter alia, includes, the scale of operations of the Company and increased involvement of executive directors for the overall growth of the Company especially in respect of setting up of new manufacturing units, streamlining the production capacities of existing units, exploring new domestic and overseas markets, deeper penetration of existing markets and enhancing brand value through various initiatives etc. with a view to ensure objectivity in determining the remuneration package as well as maintaining a balance between interest of the company and shareholders.

The revision in remuneration of executive directors was made with the view to make the same commensurate with their efforts given to and involvement in the Company by way of increasing monthly payment so as to maintain a regular distribution of cash flow.

The executive directors are related party as per Section 2(76)(i) of the Companies Act, 2013. As per section 177(4)(iv) of the Companies Act, 2013 and amended terms of reference duly approved by the Board of the Company, the audit committee has to accord its approval to any related party transaction and accordingly the Audit Committee at its meeting held on 29th May, 2018 discussed, approved and recommended the same agenda for the approval of the Board.

Pursuant to provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and applicable clauses of the Articles of Association of the Company, the above said re-appointment and remuneration requires approval of members.

Mr. Arvind Goenka, Managing Director and Mr. Akshat Goenka, Jt. Managing Director are the promoters of the Company and the remuneration payable to them with effect form 01.04.2018 will exceeds 5% of the net profit of the Company. So, pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations Disclosure Requirements) (Amendment) Regulations, 2018 notified on May 9, 2018 (to be effective from April 01, 2019), the subject resolution(s) need to be approved by shareholders by special resolution in general meeting.

Accordingly, the resolutions set out at item nos. 5 and 6 of the notice are recommended to be passed as special resolution(s).

The documents mentioned in the resolutions will be available for inspection of members at the Registered Office of the Company on any working day during the hours of 10.00 A. M. and 12 Noon, up to and including the date of and at the venue of the 38th Annual General Meeting of the Company.

The details of Executive Director(s) whose remuneration is proposed to be revised and seeking re-appointment, are provided below:

Name Executive Director(s)	Mr. Arvind Goenka, Managing Director (DIN 00135653)	Mr. Akshat Goenka, Joint Managing Director (DIN 07131982)
Age	56 years (Date of Birth: 5th June 1962)	31 years (Date of Birth: 27th September 1987)
Date of First Appointment	1st October 2009	14th May 2015
Brief profile	Mr. Goenka is an Industrialist hailing from the renowned family of (Late) Sir Badridas Goenka of the Industrial Group popularly known as House of Duncans. Mr. Goenka commands rich experience of over 32 years in managing and/or looking after Industries of diverse business Interests such as jute and cotton textiles, rubber chemicals and industrial engineering products meant for sophisticated applications. With expertise and hands on experience in finance and international marketing, he is responsible for the long-term goal setting of the Company and monitoring the progress of the Company thereto.	Mr. Akshat Goenka is a Graduate in Economics and International Relations from University of Pennsylvania, USA, an Ivy League Institution. He was appointed in the Company as Executive (Projects) with effect from 4th January 2010 and promoted as Senior Manager on 1st April 2012. Later on he was promoted as Vice president on 1st June 2014. He played a key role in setting up Phase-I, Phase-II and Phase-III of the new Plant of the Company for manufacturing Insoluble Sulphur at SEZ Mundra, Gujarat. Over the years, he has also contributed in developing an organizational culture that contributes to furthering the Company's commitment to its core values and stimulates continuous improvements.
Qualification	B Com (Hons)	Graduate in Economics and International Relations
Terms and conditions of re-appointment	Reappointed for five years w.e.f. October 1, 2018	Reappointed for five years w.e.f. June 1, 2018 (retiring by rotation)

Remuneration Proposed w.e.f. 01.04.2018	Salary and Perquisites: FY 18-19: Rs.135.6 lakhs FY 19-20: Rs.146.4 lakhs FY20-21: Rs.157.2 lakhs FY21-22: Rs.169.2 lakhs FY22-23: Rs.181.2 lakhs Commission: 1% of the Profit Before Tax as per the consolidated financial statement of the Company Provident Fund & SAF:As per the rules of the Company	Salary and Perquisites: FY 18-19: Rs.122.4 lakhs FY 19-20: Rs.132 lakhs FY20-21: Rs.141.6 lakhs FY21-22: Rs.152.4 lakhs FY22-23: Rs.164.4 lakhs Commission: 1% of the Profit Before Tax as per the consolidated financial statement of the Company Provident Fund & SAF:As per the rules of the Company
Remuneration FY 2017-18	Salary: Rs.63,00,000/- Performance Bonus: Rs.47,25,000/- Provident Fund & SAF:Rs.17,01,000/- Perquisites and other allowance: Rs. 62,10,217/-	Salary:Rs.57,00,000/- Performance Bonus: Rs.42,75,000/- Provident Fund & SAF:Rs.15,39,000/- Perquisites and other allowance: Rs.57,00,238/-
List of outside directorship	1. Asahi Songwon Colors Ltd. 2. Duncan Engineering Ltd.	1. Duncan Engineering Ltd.
Chairman/members of the Committee of the Board of Directors of the Company	Chairman: Nil Members: 1. Stakeholders' Relationship Committee 2. Corporate Social Responsibility Committee 3. Operational and Finance Committee	Chairman: Nil Members: 1. Audit Committee 2. Risk Management Committee
Chairman/members of the Committee of the Board of Directors of the other Companies in which he is director	Chairman: Nil Members: 1. Nomination and Remuneration Committee of Duncan Engineering Ltd.	Chairman: Nil Members: Nil
Number of Equity Shares held in the Company	107500	100000
Number of Board Meeting attended during the Financial Year 2017-18	4	4
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mr. J P Goenka (Father) and Mr. Akshat Goenka (Son)	Mr. J P Goenka (Grand Father) and Mr. Arvind Goenka (Father)

Except for Mr. Arvind Goenka and Mr. Akshat Goenka who are related to each other and their relative Mr. J P Goenka, Chairman, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 & 6 of the Notice.

The Board recommends the resolutions set forth in item nos. 5 and 6 for the approval of members.

Item No. 7

Pursuant to Regulation 17 (1A) of the SEBI (Listing Obligation & Disclosure Requirements) (Amendment) Regulations 2018, notified on 9th May 2018, (to be effected from 01.04.2019), No Listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect passed by the Members of the Company.

Mr. J. P. Goenka aged about 82 years, an Honours Graduate from the University of Calcutta, is an Industrialist hailing from

the Goenka family headed by (Late) Sir Badridas Goenka of the Industrial Group popularly known as House of Duncans. He has held various illustrious positions viz. Chairman of Indian Woollen Mills Federation (1969-70), Chairman of Calcutta Jute Fabrics Shippers' Association (1969-71), President of Bengal Mills Owners Association (1972-73), Chairman of Indian Jute Mills Association (1973-74), Chairman of Indian Cotton Mills Federation (1978- 80), Chairman of Jute Manufactures Development Council and Chairman of Textile Export Promotion Council.

Mr. Goenka commands rich experience of over 58 years in managing and/or looking after the industries of diverse business interests such as jute and cotton textiles, wool-tops, industrial explosives, rubber chemicals and sophisticated engineering products.

Mr. Goenka is the Non-Executive Chairman of the Company. Mr. Goenka is also Chairman of the Stakeholder Relationship Committee of the Company. His Directorships and Chairman/Memberships in other Board / Committees are as follows:

Director of Duncan Engineering Limited and Duncan International (India) Limited
Chairman of Shareholders Grievance Committee of Duncan Engineering Limited

Mr. Goenka with his substantial experience and deep knowledge of the industry is an asset to the Company. He takes a keen interest in the affairs of the Company and his experience in various industries is helpful in strategic planning and taking key decisions. He encourages objective discussions in the Board Meetings aimed at problem solving.

Accordingly, consent of members is sought for passing a Special Resolution as set out at Item No. 7 of the Notice for continuation of Mr. J P Goenka as Non-Executive Director of the Company.

Except, Mr. J P Goenka, being an appointee and his relatives Mr. Arvind Goenka, Managing Director and Mr. Akshat Goenka, Joint Managing Director, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

Item No. 8

State Bank of India (SBI), Export Import Bank of India (EXIM) and Kotak Mahindra Bank Ltd (Kotak) have sanctioned a Term Loan of Rs.24.70 Crores, Rs.10 Crore and Rs.10 Crore respectively for part financing the Project cost for phase-II of Expansion of Insoluble Sulphur Plant at SEZ Mundra, Gujarat. As per the Bank's terms of sanction, such credit facilities are to be secured, inter alia, by way of creation of mortgage and/or charge on the Company's movable and immovable assets, both present and future. These facilities are in addition to existing fund based and non fund based working capital facilities of 79.00 Crore and Term Loans with present aggregate outstanding of Rs.43.59 Crore from SBI, Term loans with present aggregate outstanding of Rs.20.54 Crore from EXIM and Term Loan with present aggregate outstanding of Rs. 10 Crore from Kotak.

Since mortgaging and/or charging of its assets by the Company in favour of the Bank may be considered as disposal of its undertaking, it is desirable to obtain necessary consent of the shareholders of the Company pursuant to Section 180(1)(a) of the Companies Act, 2013, at the ensuing Annual General Meeting. The resolution set out at Item 8 of the annexed Notice is intended for this purpose. Your Directors recommend that the resolution be passed.

None of the Directors of the Company is concerned with or interested in the resolution.

The documents mentioned in the resolution will be available for inspection of members at the Registered Office of the Company on any working day during the hours of 10.00 A. M. and 12 Noon, up to and including the date of and at the venue of the 38th Annual General Meeting of the Company.

By order of the Board

Place: Noida
Date : May 29, 2018

Pranab Kumar Maity
Company Secretary

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors are pleased to present the 38th Annual Report along with the Audited Annual Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2018

1. SUMMARY OF FINANCIAL RESULTS

(Rs. Lakhs)

Particulars	For the Year ended 31.3.2018	For the Year ended 31.3.2017
Net Sales/Income from Operations	**33,202.51**	31,057.99
Other Income	**554.53**	678.11
Total Revenue	**33,757.04**	31,736.10
Profit/(Loss) Before Taxation	**7,963.31**	7,471.71
Provision for Taxation *	**(2,288.30)**	(2,054.34)
Profit/(Loss) after Taxation	**5,675.01**	5,417.37
Other Comprehensive Income(Net of Tax)	**57.75**	218.72
Amount Available for Appropriation	**32,273.98**	27,652.30
Appropriation:		
Interim Dividend on Equity Shares	**308.88**	308.88
Tax on Interim Dividend	**62.88**	62.88
Final Dividend for Previous Year	**720.72**	566.29
Tax on FinalDividend	**146.72**	115.28
Balance Carried to Balance Sheet	**31,034.78**	26,598.97

* Including Rs.(596.11) Lakhs Deferred Tax (Previous year Rs.830.96 Lakhs).

The financial Statements for the financial Year ended March 31, 2018, have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rule, 2014. The Financial Statements for the year ended March 31, 2017, therefore, have also been restated in accordance with Ind AS for comparative information.

2. DIVIDEND

Your Directors are pleased to recommend Final Dividend of 70% on 10296062 Equity Shares (Rs.7/- per share of Rs.10 each) which is subject to the approval of Shareholders in the ensuing Annual General Meeting. The Dividend will absorb Rs.867.45 Lakhs (inclusive of Dividend Tax of Rs.146.72 Lakhs). With this, the total dividend for the year including interim dividend of 30% comes to 100%.

3. OPERATIONS

Insoluble Sulphur

After commissioning of the new line at Mundra SEZ in December 2016, the second phase of (5500 MTPA) expansion of Insoluble Sulphur at Mundra, Gujarat is progressing on schedule and within budget. With additional capacities available for sales, the Company achieved a growth of about 10% in Insoluble Sulphur Sales during the year. The additional quantities are being sold by meeting the increased demand of existing customers and addition of new geographies. The sales volume growth was in double digit in both indigenous as well as global markets. Raw material cost was almost stable during the first half and increased in second half of the year. The margins remained stable during the year.

Sulphuric Acid & Oleum

It was a good year for Sulphuric Acid and sales and margin were better than the previous year resulting in good profitability.

FUTURE PROSPECTS

Insoluble Sulphur

The Company have successfully opened up newer markets like China and USA. The response for the Company's products have been good and there is sufficient head room for growth in these markets. These markets are expected to be our

major growth drivers for new capacities.

Domestic Market is expected to grow in double digit mainly on account of growth in radialisation of Commercial Vehicle tyres, increased in tyres exports due to anti-dumping duty being imposed on Chinese tyres.

Growth numbers are also expected to be healthy as tyre companies where we have full approvals and good standing are also expanding.

Other growth driver is the new compounds being designed for Ultra High Performance Tyres where requirement of Insoluble Sulphur is on the higher side. This will add further to the growth of Insoluble Sulphur consumption globally.

The work on second phase of capacity expansion of Insoluble Sulphur at its Mundra Plant is progressing well and expected to be commissioned on schedule.

Sulphuric Acid & Oleum

Sulphuric Acid Plant performance is expected to be good in next year also due to stable market as monsoon have been forecasted to be normal resulting in better fertilizer demand for which Sulphuric Acid is as raw material.

4. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place an established internal control system including internal financial Controls designed to ensure proper recording of financial and operational information, compliance of various internal controls and other regulatory and statutory compliances. Self-certification exercise is also conducted by which senior management certifies effectiveness of the internal control system of the Company. Internal Audit is conducted throughout the organization by qualified outside Internal Auditors. Findings of the internal Audit Report are reviewed by the top Management and by the Audit Committee of the Board and proper follow up action are ensured wherever required. The Statutory Auditors have evaluated the system of internal controls including internal financial control of the Company and have reported that the same are adequate and commensurate with the size of the Company and nature of its business.

5. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of the business of the Company during the year. The Company has only one subsidiary, namely Duncan Engineering Ltd (formerly known as Schrader Duncan Limited).

There were no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future. There were no material changes and commitments affecting the financial position of the company occurring between March 31, 2018 and the date of this report.

6. EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of Annual Return in the prescribed format i.e. Form MGT 9 is annexed to this report as Annexure A.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

As required under Section 134(3) (m) of the Companies Act, 2013 read with Rule8 (3) of the Companies (Accounts) Rules2014, the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed to this Report as Annexure B.

8. RESEARCH & DEVELOPMENT

Research & Development is fundamental to the Company's efforts to maintain the technical and quality edge for the product. A full in-house Research & Development team works on continuous basis to improve the quality of product and its properties. New Grades are also being developed to meet customers varied requirements. Research in the areas of reducing utility cost and process parameters improvement is also being done. Help of accredited independent laboratories is also taken as and when required for studying and evolving critical parameters.

The Company's Research and Development Facility is approved by Department of Scientific and Industrial Research, Ministry of Science and Technology Government of India.

The R&D lab is regularly augmented by acquiring state of the art analytical and process equipments to help in faster and detailed analysis. Further, pilot plants, as required, are being set up to validate the research findings. The details of some specific R&D activities carried out and benefits derived out of them have been annexed to this report.

9. POLLUTION CONTROL

Your Company's Plants have all the requisite Pollution Control Equipments and meets all the desired and statutory norms in this regard.The Insoluble Sulphur Units of the Company enjoys ISO-TS 16949:2009, EMS14001-2004 and OHSAS18001:2007 Certification.

10. STATUTORY AUDITORS AND AUDIT REPORT

Messrs S S Kothari Mehta & Co., Chartered Accountants, were appointed as Auditors of the Company for tenure of five

years i.e. from the conclusion of 37th Annual General Meeting till the conclusion of the 42nd Annual General Meeting of the Company. The Auditors have confirmed their eligibility and qualification under Section 141 of Companies Act 2013. As regards the comments in the Auditors' Report, the relevant notes in the Accounts are self-explanatory and may be treated as information/ explanation submitted by the Board as contemplated under provisions of the Companies Act, 2013.

11. SECRETARIAL AUDIT

In compliance with the provisions of Sec 204 and other applicable provisions of Companies Act 2013, a Secretarial Audit was conducted during the year by Secretarial AuditorsM/s. S. Rath & Company. The Secretarial Auditor's Report for the Financial Year ended March 31, 2018 is attached as Annexure C and form part of this report. There are no qualifications or observations or remarks made by the Secretarial Auditors in their Audit Report.

12. COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company relating to insoluble Sulphur plants located at Dharuhera, Haryana is required to be audited. Your Board had, on recommendation of the Audit Committee, appointed Messrs J K Kabra & Co., Cost Accountants to audit the cost accounts of the Company for the financial year 2017-18. The Cost Audit Report for the year ended 31st March, 2017 has been submitted to the Ministry of Corporate Affairs within stipulated time period.

Messrs J K Kabra & Co., Cost Accountants has been appointed as Cost Auditor of the Company by the Board on recommendation of the Audit Committee to carry out the requisite cost audit for the financial year 2018-19 on a remuneration of Rs1.35 lakhs. As required under the Companies Act, 2013, the remuneration payable to Cost Auditors is required to be placed before the members in a General Meeting for their ratification. Accordingly, a Resolution seeking member's ratification for remuneration payable to Messrs J K Kabra & Co., Cost Auditors is included at item no. 4 of the Notice convening the Annual General Meeting.

13. PUBLIC DEPOSITS

Fixed Deposits from public outstanding with your Company at the end of the financial year stood at Rs.4,97,40,000/-. Of this, a deposit amounting to Rs.10,000/- which had fallen due for payment on 7th May, 2003 has since been claimed by the depositor on 5th May, 2010. However, the same could not be paid as depositor has failed to produce the Original Deposit Receipt in respect thereof. Deposits aggregating to Rs.8,35,000/- due for repayment on or before 31st March, 2018 were not claimed by the depositors by the said date. Out of these, deposits totalling Rs.3,42,000/- have since been claimed and settled. This apart, deposits amounting to Rs. 12,95,000/- though fallen due for payment, could not be settled as there is dispute between the concerned joint depositors and the matter is sub-judice.

14. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of your Director's knowledge and belief and according to the information and explanations obtained your Directors make the following statements in terms of section 134 (3)(c) of the Companies Act, 2013:

i) that in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

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

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

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

v) that proper financial controls were in place and that the financial controls were adequate and were operating effectively; and

vi) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

15. AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company consists of Mr. O. P. Dubey as Chairman,Mr. B. B. Tandon, Mr. S. J. Khaitan and Mr. Akshat Goenka as Members. The Company Secretary is the Secretary of the Committee. The Managing Director, Chief Financial Officer and Auditors are permanent invitees to the committee meetings. The detail of terms of reference of Audit Committee, number and dates of meetings held, attendance of the directors and remunerations paid to them are given separately in the attached Corporate Governance Report. Your Company has a well

structured Internal Audit System commensurate with its size and operations. During the year there were no instances where the board had not accepted the recommendations of the Audit Committee.

16. STAKE HOLDER'S RELATIONSHIP COMMITTEE

The Company has a Stake Holder's Relationship Committee for reviewing Shareholders/Investors complaints. The present members of this Committee are Mr. J. P. Goenka (Chairman), Mr. Arvind Goenka (Member) and Mr. S. J. Khaitan (Member). The detail of number and dates of meetings held, attendance of the Directors and remunerations paid to them are given separately in the attached Corporate Governance Report.

17. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee has Mr. S. J. Khaitan as Chairman, Mr. K. Raghuraman and Mr. Arvind Goenka as members. The detail of terms of reference, number and dates of meetings held, attendance of the Directors and remunerations paid to them are given separately in the attached Corporate Governance Report.

The Company recognizes that an effective practice of CSR is required giving due consideration to the welfare of the community, environment and social structure that it operates in and that of the country including focus welfare areas identified by the State and Central Governments.The CSR Committee of the Company has laid down the policy to meet the Corporate Social Responsibility objectives of the Company.

The CSR Policy includes activities prescribed as CSR activity as per the Rules of Companies Act, 2013.The main Focus areas taken in the policy are Education, Health care and family welfare, Environmental Safety, contribution to any relief fund setup by the Government of India and any State Government.

Rs.135 Lakhs were spent on CSR activities and projects undertaken during the year. The brief outline of CSR Policy along with required disclosure is given in Annexure D and form part of the Board's Report.

The detailed CSR policy of the Company is available on the website of the Company which is www.occlindia.com.

18. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has Mr. O. P. Dubey as Chairman, Mr. B. B. Tandon and Mr. K. Raghuraman as members. The detail of terms of reference of this Committee, number and dates of meetings held attendance of the directors and remunerations paid to them and the brief outline of the Remuneration policy of the Company are given separately in the attached Corporate Governance Report.

The approved Remuneration Policy of the Company is also available on the website of the Company which is www.occlindia.com.

19. NUMBER OF MEETINGS OF THE BOARD

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

20. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25(3) & (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors in their meeting held on February 01, 2018 have evaluated the Performance of Non-Independent Directors, Chairperson of the Company after considering the views of the Executive and Non-Executive Directors, Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board. The Nomination and Remuneration Committee has also carried out evaluation of performance of every Director of the Company. On the basis of evaluation made by the Independent Directors and the Nomination and Remuneration Committee and by way of individual and collective feedback from the Non-Independent Directors, the Board has carried out the Annual Performance Evaluation of the Directors individually as well as evaluation of the working of the Board as a whole and Committees of the Board. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report.

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

21. DIRECTORS

Mr. Akshat Goenka retires by rotation at the forthcoming Annual General Meeting and, being eligible, offer himself for appointment.

Mr. O. P. Dubey, Mr. B. B. Tandon, Mr. S. J. Khaitan, Mr. K. Raghuraman, Mrs. Runa Mukherjee are Independent Directors of the Board of the Company. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

22. PARTICULARS OF EMPLOYEES AND KEY MANAGERIAL PERSONNEL (KMP)

The following four persons are the Key Managerial Personnel of the Company as per the provisions of Sec 203 of the Companies Act, 2013.

a) Mr. Arvind Goenka, Managing Director
b) Mr. Akshat Goenka, Jt. Managing Director
c) Mr. Anurag Jain, Chief Financial Officer
d) Mr. Pranab Kumar Maity, Company Secretary

Pursuant to Sec 134(3) (q) read with Rule 5 of Companies (appointment and Remuneration of Managerial Personnel) Rules 2014, a Report on Remuneration and other details of Key Managerial Personnel and other Employees for the year ended March 2017 is annexed to this report as Annexure E.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial Statements.

24. CREDIT RATING

The Company's Credit Rating has been done by ICRA for Long Term and Short term borrowing including Public Deposit. The current Credit rating, received from ICRA on 23rd July 2017, for fund based limits(Rs 200 Crore) is (ICRA) A and for non-fund based limits(Rs 14 Crore) is (ICRA) A1. The Credit Rating for Public Deposits (Rs 5 Crore) is MA. ICRA has further assigned outlook for long term rating as Positive.

25. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arms' length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of Company at large. All related party transactions are placed before the Audit Committee and given in the notes annexed to and forming part of this Financial Statement.The approved policy on Related Party Transactions is also available on the website of the Company www.occlindia.com.

26. RISK MANAGEMENT

As a policy The Company has identified key risk concern/areas. The assessment of each risk area is done on quarterly basis. Following are the main concern/risk related to the Company:

Market Related Risk: mainly demand, realisation and redundancy of the product.

Production related Risk: mainly availability of inputs, accident or break down in the plant and rejection of material by the customers.

Human Resources Risk includes the risk of labour unrest, high employee turnover ratio and lower productivity due to dissatisfaction of employees.

Revenue Risk: adverse exchange rate movement. Govt. Policies and duty rates

Data and records: data loss, fire, virus attack etc.

A Risk Management committee has been formed for the purpose of evaluation of Risks.

The Board and the Audit Committee also takes note of Risk management of the Company in every quarter.

The Risk Assessment is also discussed in the Management Discussion and Analysis attached to this report.

27. SUBSIDIARY

The Company has only one subsidiary, namely Duncan Engineering Ltd (formerly known as Schrader Duncan Limited). A Statement in Form AOC -1 containing the salient features of the Subsidiary Company is attached to the Financial Statements in a separate section and forms part of this Report. The separate audited accounts of the Subsidiary Companies are available on the website of the Company.

The Company's subsidiary registered a gross turnover of Rs.42,18.40 lakhs during the current Financial Year against Rs.39,49.21 Lakhs during FY 2016-17. The Subsidiary reported a profit of Rs. 14.46 lakhs (Previous Year loss Rs.5,87.57 lakhs).

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Consolidated Financial Statements prepared by the Company in this Report include the financial results of the subsidiary company duly audited by the Statutory Auditors. The financial Statements of the Subsidiary for the financial Year ended March 31, 2018, have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rule, 2014. The Consolidated statements have been prepared in accordance with the relevant Indian Accounting Standards (IndAS) as prescribed under the Companies Act, 2013.

The Company does not have any material subsidiary in the immediately preceding accounting year. However, as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI has made it mandatory for all listed companies to formulate a policy for determining 'material' subsidiaries. Accordingly, a policy on 'material' subsidiaries was formulated by the Audit Committee of the Board of Directors and same is also posted on the website of the Company and may be accessed at the link http://www.occlindia.com/policies.htm

28. VIGIL MACHANISM POLICY

The Company has a Vigil Mechanism Policy to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

29. CORPORATE GOVERNANCE

a) As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion & Analysis, a Report on Corporate Governance together with the Auditors' certificate regarding the Compliance of conditions of Corporate Governance forms part of the Annual Report.

b) The Board of Directors of the Company has laid down a comprehensive Code of Conduct for all its Board members and senior management personnel which have also been posted on the website of the Company. A certificate by the Managing Director regarding compliance of the code of conduct of the Company is also included in the Annual report.

30. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the financial year 2017-18, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as a separate statement in the Annual Report.

31. CEO AND CFO CERTIFICATION

Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO certification as specified in Part B of Schedule II thereof is attached with the Annual Report. The Managing Director & CEO and the Chief Financial Officer also provide quarterly certification on Financial Results while placing the Financial Results before the Board in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

32. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

The Code of Conduct for Directors and Senior Management Personnel is posted on the Company's website. The Managing Director & CEO of the Company has given a declaration that all Directors and Senior Management Personnel concerned affirmed compliance with the code of conduct with reference to the financial year ended on March 31, 2018. Declaration is attached with the Annual Report.

33. FRAUD REPORTING

There was no fraud reported by the Auditors of the Company under Section 143(12) of the Companies Act, 2013, to the Audit Committee or the Board of Directors during the year under review.

34. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

No case was filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 during the year under review.

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

During the period under review, there were no significant and material orders passed by any regulator / court / tribunal impacting the going concern status and the Company's operations in future.

36. ACKNOWLEDGMENTS

The Board places on record its appreciation of the support and assistance of various Banks, Government Agencies, Suppliers, valued Customers and the shareholders in particular and looks forward to their continued support. Relations between your Company and its employees remain cordial and the Directors wish to express their appreciation for the co-operation and dedication of all employees of the Company.

On behalf of the Board of Directors

Place : Noida
Date : 29th May, 2018

Arvind Goenka
Managing Director
DIN: 00135653

O.P. Dubey
Director
DIN: 00228441

Annexure A to the Boards' Report

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2018
[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.]

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L24297WB1978PLC031539
2.	Registration Date	19th June, 1978
3.	Name of the Company	ORIENTAL CARBON & CHEMICALS LIMITED
4.	Category/Sub-category of the Company	Company limited by shares/Indian Non-Government Company
5.	Address of the Registered office & contact details	31, Netaji Subhas Road, Kolkata – 700 001 Phone: +91 33 22306831-34; Fax: +91 33 22434772 Email: investorfeedback@occlindia.com; Website: www.occlindia.com
6.	Whether listed company	Yes. Listed on National Stock Exchange of India Ltd and BSE Ltd.
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Link Intime India Pvt. Ltd. 59C, Chowringhee Road, 3rd Floor, Kolkata – 700 020 Phone: +91 33 22890540; Fax: +91 33 22890539 Email: Kolkata@linkintime.co.in

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Insoluble Sulphur	20119	93%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate	% of share held	Applicable Section
1	Duncan Engineering Ltd.	L28991PN1961PLC139151	Subsidiary	50.01%	2(87)(ii)

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

(i) **Category-wise Share Holding**

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2017				Shareholding at the end of the year - 2018				% Change during the year
		Demat	Physi-cal	Total	% of Total Shares	Demat	Physi-cal	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	407500	0	407500	3.9578	407500	0	407500	3.9578	0.0000
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	Bodies Corporate	4723175	0	4723175	45.8736	4723175	0	4723175	45.8736	0.0000

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2017				Shareholding at the end of the year - 2018				% Change during the year
		Demat	Physi-cal	Total	% of Total Shares	Demat	Physi-cal	Total	% of Total Shares	
	Sub Total (A)(1)	5130675	0	5130675	49.8314	5130675	0	5130675	49.8314	0.0000
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	5130675	0	5130675	49.8314	5130675	0	5130675	49.8314	0.0000
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	1217252	0	1217252	11.8225	1524238	0	1524238	14.8041	2.9816
(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Alternate Investment Funds	0	0	0	0.0000	8425	0	8425	0.0818	0.0818
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Foreign Portfolio Investor	105711	0	105711	1.0267	140890	0	140890	1.3684	0.3417
(f)	Financial Institutions / Banks	1510	2430	3940	0.0383	3598	2430	6028	0.0585	0.0202
(g)	Insurance Companies	665908	0	665908	6.4676	628291	0	628291	6.1022	(0.3654)
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (Specify)									
	Sub Total (B)(1)	1990381	2430	1992811	19.3551	2305442	2430	2307872	22.4151	3.0600
[2]	Central Government/ State Government(s)/ President of India									
	Central Government / State Government(s)	0	0	0	0.0000	36997	0	36997	0.3593	0.3593
	Sub Total (B)(2)	0	0	0	0.0000	36997	0	36997	0.3593	0.3593
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	1542361	467207	2009568	19.5178	1459445	403297	1862742	18.0918	(1.4260)
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	462034	0	462034	4.4874	292770	0	292770	2.8435	(1.6439)
(b)	NBFCs registered with RBI	0	0	0	0.0000	0	0	0	0.0000	0.0000

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2017				Shareholding at the end of the year - 2018				% Change during the year
		Demat	Physi-cal	Total	% of Total Shares	Demat	Physi-cal	Total	% of Total Shares	
(c)	Employee Trusts	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Trusts	100	0	100	0.0010	100	0	100	0.0010	0.0000
	Hindu Undivided Family	67240	0	67240	0.6531	65853	0	65853	0.6396	(0.0135)
	Non Resident Indians (Non Repat)	42213	0	42213	0.4100	22459	0	22459	0.2181	(0.1919)
	Non Resident Indians (Repat)	68494	31559	100053	0.9718	63281	30549	93830	0.9113	(0.0605)
	Clearing Member	12648	0	12648	0.1228	19372	0	19372	0.1881	(0.0653)
	Market Maker	920	0	920	0.0089	321	0	321	0.0031	(0.0058)
	Bodies Corporate	475023	2777	477800	4.6406	460553	2518	463071	4.4976	(0.1430)
	Sub Total (B)(3)	2671033	501543	3172536	30.8134	2384154	436364	2820518	27.3941	(3.4193)
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	4661414	503973	5165387	50.1686	4726593	438794	5165387	50.1686	0.0000
	Total (A)+(B)	9792089	503973	10296062	100.0000	9857268	438794	10296062	100.0000	0.0000
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	9792089	503973	10296062	100.0000	9857268	438794	10296062	100.0000	

B) **Shareholding of Promoters-**

S No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the com-pany	%of Shares Pledged / en-cumbered to total shares	No. of Shares	% of total Shares of the com-pany	%of Shares Pledged / en-cumbered to total shares	
1	Aparna Goenka	200000	1.94	-	200000	1.94	-	
2	Arvind Goenka	107500	1.04	-	107500	1.04	-	
3	Akshat Goenka	100000	0.97	-	100000	0.97	-	
4	Cosmopolitan Investments Ltd.	1904528	18.50	-	1904528	18.50	-	
5	New India Investment Corporation Ltd.	1202136	11.67	-	1202136	11.67	-	
6	Haldia Investment Company Ltd.	591895	5.75	-	591895	5.75	-	
7	Duncan International (India) Ltd.	994616	9.66	-	994616	9.66	-	

S No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the com-pany	%of Shares Pledged / en-cumbered to total shares	No. of Shares	% of total Shares of the com-pany	%of Shares Pledged / en-cumbered to total shares	
8	Disciplined Invest-ments Ltd.	30000	0.29	-	30000	0.29	-	
	TOTAL	5130675	49.83	-	5130675	49.83	-	

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

Sr No.		Shareholding at the beginning of the year		Transactions during the Year		Cumulative Shareholding at the end of the year	
	Name & Type of Transaction	No. of Shares held	% of total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
1	Cosmopolitan Invest-ments Ltd	1904528	18.4976	-	-	-	-
	At the end of the year			-	-	1904528	18.4976
2	New India Investment Corporation Ltd	1202136	11.6757	-	-	-	-
	At the end of the year			-	-	1202136	11.6757
3	Duncan International (India) Ltd	994616	9.6602	-	-	-	-
	At the end of the year			-	-	994616	9.6602
4	Haldia Investment Co Ltd	591895	5.7488	-	-	-	-
	At the end of the year			-	-	591895	5.7488
5	Aparna Goenka	200000	1.9425	-	-	-	-
	At the end of the year			-	-	200000	1.9425
6	Arvind Goenka	107500	1.0441	-	-	-	-
	At the end of the year			-	-	107500	1.0441
7	Akshat Goenka	100000	0.9712	-	-	-	-
	At the end of the year			-	-	100000	0.9712
8	Disciplined Invest-ments Limited	30000	0.2914	-	-	-	-
	At the end of the year			-	-	30000	0.2914

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

Sr No.		Shareholding at the begin-ning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
	Name & Type of Transaction	No.of Shares held	% of Total Shares of the Company	Date of Trans-action	No. of Shares	No of Shares Held	% of Total Shares of the Company
1	HDFC TRUSTEE CO. LTD.	697335	6.7728			697335	6.7728
	Transfer			26 May 2017	600	697935	6.7787
	Transfer			02 Jun 2017	4500	702435	6.8224
	Transfer			16 Jun 2017	14869	717304	6.9668

Sr No.		Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
	Name & Type of Transaction	No.of Shares held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
	Transfer			28 Jul 2017	(1200)	716104	6.9551
	Transfer			11 Aug 2017	12503	728607	7.0766
	Transfer			18 Aug 2017	4936	733543	7.1245
	Transfer			25 Aug 2017	3231	736774	7.1559
	Transfer			01 Sep 2017	5700	742474	7.2112
	Transfer			08 Sep 2017	4900	747374	7.2588
	Transfer			15 Sep 2017	6900	754274	7.3258
	Transfer			22 Sep 2017	50000	804274	7.8115
	Transfer			29 Sep 2017	4470	808744	7.8549
	Transfer			17 Nov 2017	6306	815050	7.9161
	Transfer			24 Nov 2017	1600	816650	7.9317
	Transfer			08 Dec 2017	27750	844400	8.2012
	Transfer			15 Dec 2017	17400	861800	8.3702
	Transfer			22 Dec 2017	848	862648	8.3784
	Transfer			05 Jan 2018	12902	875550	8.5037
	Transfer			09 Feb 2018	1500	877050	8.5183
	Transfer			16 Feb 2018	6700	883750	8.5834
	Transfer			23 Feb 2018	13500	897250	8.7145
	AT THE END OF THE YEAR					897250	8.7145
2	L AND T MUTUAL FUND TRUSTEE LTD	433177	4.2072			433177	4.2072
	Transfer			14 Apr 2017	2000	435177	4.2266
	Transfer			02 Jun 2017	35991	471168	4.5762
	Transfer			09 Jun 2017	13073	484241	4.7032
	Transfer			16 Jun 2017	(10589)	473652	4.6003
	Transfer			30 Jun 2017	500	474152	4.6052
	Transfer			07 Jul 2017	10000	484152	4.7023
	Transfer			04 Aug 2017	13000	497152	4.8286
	Transfer			11 Aug 2017	(7044)	490108	4.7602
	Transfer			18 Aug 2017	2415	492523	4.7836
	Transfer			15 Sep 2017	5500	498023	4.8370
	Transfer			22 Sep 2017	10000	508023	4.9341
	Transfer			29 Sep 2017	6500	514523	4.9973
	Transfer			06 Oct 2017	(10000)	504523	4.9002
	Transfer			13 Oct 2017	7000	511523	4.9681
	Transfer			10 Nov 2017	1000	512523	4.9779
	Transfer			15 Dec 2017	5	512528	4.9779

Sr No.		Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
	Name & Type of Transaction	No.of Shares held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
	Transfer			09 Feb 2018	677	513205	4.9845
	At the end of the year					513205	4.9845
3	LIFE INSURANCE CORPORATION OF INDIA	368668	3.5807			368668	3.5807
	At the end of the year					368668	3.5807
4	GENERAL INSURANCE CORPORATION OF INDIA	297240	2.8869			297240	2.8869
	Transfer			01 Dec 2017	(6674)	290566	2.8221
	Transfer			12 Jan 2018	(30778)	259788	2.5232
	Transfer			19 Jan 2018	(165)	259623	2.5216
	AT THE END OF THE YEAR					259623	2.5216
5	WINNOW INVESTMENTS AND SECURITIES PRIVATE LIMITED	256404	2.4903			256404	2.4903
	AT THE END OF THE YEAR					256404	2.4903
6	DSP BLACKROCK SMALL CAP FUND	82140	0.7978			82140	0.7978
	Transfer			08 Sep 2017	(10000)	72140	0.7007
	Transfer			22 Sep 2017	10000	82140	0.7978
	Transfer			29 Sep 2017	5716	87856	0.8533
	Transfer			06 Oct 2017	21327	109183	1.0604
	AT THE END OF THE YEAR					109183	1.0604
7	THE PABRAI INVESTMENT FUND IV, LP	98647	0.9581			98647	0.9581
	AT THE END OF THE YEAR					98647	0.9581
8	SUBRAMANIAN P	121516	1.1802			121516	1.1802
	Transfer			07 Apr 2017	(1616)	119900	1.1645
	Transfer			14 Apr 2017	(1300)	118600	1.1519
	Transfer			21 Apr 2017	(900)	117700	1.1432
	Transfer			28 Apr 2017	(500)	117200	1.1383
	Transfer			05 May 2017	(2000)	115200	1.1189
	Transfer			12 May 2017	(650)	114550	1.1126
	Transfer			19 May 2017	(190)	114360	1.1107

Sr No.		Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
	Name & Type of Transaction	No.of Shares held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
	Transfer			02 Jun 2017	(1260)	113100	1.0985
	Transfer			16 Jun 2017	(100)	113000	1.0975
	Transfer			23 Jun 2017	(100)	112900	1.0965
	Transfer			30 Jun 2017	(350)	112550	1.0931
	Transfer			07 Jul 2017	(2050)	110500	1.0732
	Transfer			04 Aug 2017	(450)	110050	1.0689
	Transfer			18 Aug 2017	(720)	109330	1.0619
	Transfer			25 Aug 2017	(540)	108790	1.0566
	Transfer			01 Sep 2017	(84)	108706	1.0558
	Transfer			15 Sep 2017	(316)	108390	1.0527
	Transfer			22 Sep 2017	(1040)	107350	1.0426
	Transfer			06 Oct 2017	(1925)	105425	1.0239
	Transfer			13 Oct 2017	(425)	105000	1.0198
	Transfer			20 Oct 2017	(200)	104800	1.0179
	Transfer			03 Nov 2017	(100)	104700	1.0169
	Transfer			10 Nov 2017	(421)	104279	1.0128
	Transfer			17 Nov 2017	(279)	104000	1.0101
	Transfer			08 Dec 2017	(200)	103800	1.0082
	Transfer			15 Dec 2017	(800)	103000	1.0004
	Transfer			05 Jan 2018	(3750)	99250	0.9640
	Transfer			12 Jan 2018	(500)	98750	0.9591
	Transfer			26 Jan 2018	(400)	98350	0.9552
	Transfer			09 Feb 2018	(500)	97850	0.9504
	Transfer			16 Feb 2018	(31)	97819	0.9501
	Transfer			23 Feb 2018	(15)	97804	0.9499
	Transfer			09 Mar 2018	(354)	97450	0.9465
	Transfer			23 Mar 2018	(450)	97000	0.9421
	AT THE END OF THE YEAR					97000	0.9421
9	DEVABHAKTUNI KRISHNA KUMARI	55044	0.5346			55044	0.5346
	Transfer			14 Jul 2017	(2091)	52953	0.5143
	Transfer			22 Dec 2017	(1)	52952	0.5143
	Transfer			05 Jan 2018	(7630)	45322	0.4402
	AT THE END OF THE YEAR					45322	0.4402
10	NEETA MANOJ RUPAREL	47400	0.4604			47400	0.4604
	Transfer			21 Apr 2017	(1950)	45450	0.4414

Sr No.		Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
	Name & Type of Transaction	No.of Shares held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
	Transfer			28 Apr 2017	(400)	45050	0.4375
	Transfer			15 Sep 2017	(100)	44950	0.4366
	Transfer			29 Sep 2017	(250)	44700	0.4341
	Transfer			13 Oct 2017	(100)	44600	0.4332
	Transfer			27 Oct 2017	(235)	44365	0.4309
	Transfer			10 Nov 2017	(110)	44255	0.4298
	Transfer			17 Nov 2017	(18)	44237	0.4296
	Transfer			24 Nov 2017	(587)	43650	0.4239
	Transfer			01 Dec 2017	(400)	43250	0.4201
	Transfer			08 Dec 2017	(1210)	42040	0.4083
	Transfer			15 Dec 2017	(440)	41600	0.4040
	Transfer			22 Dec 2017	(750)	40850	0.3968
	Transfer			05 Jan 2018	(825)	40025	0.3887
	Transfer			12 Jan 2018	(200)	39825	0.3868
	Transfer			19 Jan 2018	(775)	39050	0.3793
	Transfer			26 Jan 2018	(100)	38950	0.3783
	Transfer			02 Feb 2018	(1500)	37450	0.3637
	Transfer			09 Feb 2018	(200)	37250	0.3618
	Transfer			16 Feb 2018	(300)	36950	0.3589
	Transfer			23 Feb 2018	(1100)	35850	0.3482
	Transfer			02 Mar 2018	(543)	35307	0.3429
	Transfer			09 Mar 2018	(232)	35075	0.3407
	Transfer			16 Mar 2018	(300)	34775	0.3378
	Transfer			31 Mar 2018	(25)	34750	0.3375
	AT THE END OF THE YEAR					34750	0.3375

E) **Shareholding of Directors and Key Managerial Personnel:**

S No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Arvind Goenka, Managing Director				
	At the beginning of the year	107500	1.04		
	Changes during the year				No Change
	At the end of the year			107500	1.04
2.	Mr. Akshat Goenka, Jnt. Managing Director				
	At the beginning of the year	100000	0.97		
	Changes during the year				No Change
	At the end of the year			100000	0.97
3.	Mr. Anurag Jain, CFO				
	At the beginning of the year	2475	0.23		
	Changes during the year				No Change
	At the end of the year			2475	0.023
4.	Mr. Pranab Kumar Maity, Company Secretary				
	At the beginning of the year	Nil	Nil		
	Changes during the year				No Change
	At the end of the year			Nil	Nil

V) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment. (in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Unsecured Public Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	94,02,55,194	-	4,94,35,000	98,96,90,194
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	60,60,319	-	55,01,447	1,15,61,766
Total (i+ii+iii)	**94,63,15,514**	**-**	**5,49,36,447**	**1,00,12,51,961**
Change in Indebtedness during the financial year				
* Addition (PRINCIPAL)	23,83,01,420	-	3,05,000	23,86,06,420
* Reduction (PRINCIPAL)	12,69,02,342	-		12,69,02,342
Net Change	11,13,99,078	-	3,05,000	11,17,04,078
Indebtedness at the end of the financial year				
i) Principal Amount	1,05,16,54,272	-	4,97,40,000	1,10,13,94,272
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	53,42,231	-	26,73,183	80,15,414
Total (i+ii+iii)	**1,05,69,96,503**	**-**	**5,24,13,183**	**1,10,94,09,686**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

S No.	Particulars of Remuneration	Name of Managing Director	Name of the WTD (Jt Managing Director)	Total Amount (Rs.)
		Mr. Arvind Goenka	**Mr. Akshat Goenka**	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,88,96,617	1,71,74,638	3,60,71,255
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	39,600	79,200
	(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 (A)	1,89,36,217	1,72,14,238	3,61,50,455
	Ceiling as per the Act			8,28,81,000

B. REMUNERATION TO OTHER DIRECTORS

S No.	Particulars of Remuneration	Name of Directors							Total Amount (Rs.)
		Mr. J P Goenka	Mr. B B Tandon	Mr. K Raghura-man	Mr. S J Khaitan	Mr. O P Dubey	Mrs. Runa Mukherjee	Mr. H.S. Shashi Kumar (LIC Nominee)	
1.	Independent Directors								
	Fee for attending board & com-mittee meetings		2,90,000	1,60,000	3,60,000	2,90,000	1,90,000	1,20,000	14,10,000
	Commission		11,60,000	6,40,000	14,40,000	11,60,000	7,60,000	4,80,000	56,40,000
	Others, please specify								
	Total (1)		14,50,000	8,00,000	18,00,000	14,50,000	9,50,000	6,00,000	70,50,000
2.	Other Non-Exec-utive Directors								
	Fee for attending board & com-mittee meetings	80,000	-	-	-	-	-	-	80,000
	Commission	3,20,000	-	-	-	-	-	-	3,20,000
	Others, please specify								
	Total (2)	4,00,000	-	-	-	-	-	-	4,00,000
	Total (B)=(1+2)	4,00,000	14,50,000	8,00,000	18,00,000	14,50,000	9,50,000	6,00,000	74,50,000
	Total Managerial Remuneration (A) + (B)								4,36,00,455
	Overall Ceiling as per the Act								9,11,69,000

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

S No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	16,49,576	1,32,31,753	1,48,81,329
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	43,847	47,450	91,297
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	-	-	-
2	Stock Option	NA	-	-	-
3	Sweat Equity	NA			
4	Commission		-	-	-
	- as % of profit		-	-	-
	others, specify…		-	-	-
5	Others, please specify		-	-	-
	Total		16,93,427	1,32,79,203	1,49,72,630

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE

On behalf of the Board of Directors

Place : Noida
Date : 29th May, 2018

Arvind Goenka
Managing Director
DIN: 00135653

O.P. Dubey
Director
DIN: 00228441

Annexure B to the Boards' Report

INFORMATION AS PER SECTION 134(3)(m) OF COMPANIES ACT, 2013 AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2018

I. CONSERVATION OF ENERGY

(a) Energy Conservation Measures taken:

- Sulphuric Acid Plant de-bottlenecked to meet 100% steam requirement of Insoluble Sulphur plants at Dharuhera through utilisation of excess steam generated in Sulphuric Acid Plant by installing High Pressure Waste Heat Boiler.
- Recycling of condensate for steam generation implemented.
- Replacement of existing motors with lower rating as per actual requirement and also with high efficiency ones.
- Improvement in Heat transfer throgh optimisation of equipments.
- Provision of VFD in various pumps etc.
- Coal Fire Boiler was Commissioned on 1st April'2016, since then the Steam to Fuel ratio has been optimised to reach consistent value.
- Installed New Model Steam traps to Control Steam Losses.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

- Utilisation of waste Hot air from one process to other processes.
- Optimisation of Chilling unit through various means.
- resizing (optimisation) of vaccum pumps.

(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

- The above measures have helped in the conservation of energy for reducing the cost of production.
- Surplus Steam available for meeting 100% requirement of Insoluble Sulphur Plants at Dharuhera.

(d) Total energy consumption and energy consumption per unit of production:

FORM-A

Form for disclosure of particulars with respect to conservation of energy.

A. POWER AND FUEL CONSUMPTION		**Current year**	Previous year
1. Electricity			
(a) Purchased Units	(KWH)	**34,205,135**	30,391,095
Total Amount	(Rs. in Lakhs)	**2,062.67**	2,028.32
Rate/ Unit	(Rs.)	**6.03**	6.67
(b) Own generation			
(i) Through Diesel Generator			
Units	(KWH)	**1,439,266**	1,551,442
Units/Ltr. of Diesel	(KWH)	**3.52**	3.47
Cost/Unit	(Rs.)	**13.89**	10.99
2. Coal (For Steam Generation for Captive consumption)			
Quantity	(Tonnes)	**9,112**	7,256
Total cost	(Rs. in Lakhs)	**512.74**	355.89
Average Rate	(Rs.)	**5,627.07**	4,904.72
3. Furnace Oil /HSD/LDO			
Quantity	(Ltrs)	**2,412,926**	2,833,311
Total cost	(Rs. in Lakhs)	**990.56**	938.46
Average Rate	(Rs.)	**41.05**	33.12
4. Natural Gas			
Quantity	(SCM)	**20,411**	-
Total cost	(Rs. in Lakhs)	**8.31**	-
Average Rate	(Rs.)	**40.72**	-
5. Other / Internal Generation			
(Steam)			
Quantity	(MT)	**95,570**	84,073
Total Cost	(Rs. in Lakhs)	**720.67**	699.34
Rate/ Unit	(Rs.)	**754.08**	831.83

B. CONSUMPTION PER UNIT OF PRODUCTION (MT)

Products		Standards if any	Current year	Previous year
(a) Sulphuric Acid				
Electricity	(in Units)	N.A.	**36**	37
(b) Oleum				
Electricity	(in Units)	N.A.	**70**	71
(c) Insoluble Sulphur				
(i) Electricity	(in Units)	N.A.	**1206**	1284
(ii) HSD/LDO	(in Ltrs)	N.A.	**78**	88
(iii) Others-Steam	(in MT)	N.A.	**4**	4

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form-B of the Annexure to the Rules.

1. Research & Development

(i) Specific area in which R&D carried out by the Company : 1. Improvement in stability of Insoluble Sulphur
2. Improvement in dispersion of Insoluble Sulphur
3. Introduction of new grades in collaboration with Customers
4. Process Improvement to minimise rejection and optimisation of energy cost and consumption norms.
5. Developed Predispersed Insoluble Sulphur Product

(ii) Benefits derived as a result of the above R&D : Loyalty of existing customers coupled with enlistment of new quality-conscious customers, value addition in products, edge over competitors, and better control over qualitative deviations, control over cost

(iii) Future plan of action : 1. Development of New Grades specific to customer requirements
2. Commercialisation of pre-dispersed Insoluble Sulphur.
3. Process Side research for optimisation of various production parameters and costs.

The Company has a in-house R&D unit which has been recognised by Ministry of Science & Technology, Department of Scientific & Industrial Research. The R&D Unit is being augmented through acquisition of state of art analytical and process equipments.

(iv) Expenditure on R&D (Rs. in Lakhs)
(a) Capital : 0.29
(b) Recurring : 96.22
(c) Total : 96.51
(d) Total R&D expenditure as a percentage of net turnover. : 0.30%

2. Technology absorption, adaptation and innovation: : Production optimisation and innovation in the field of developing new and improved offerings, savings in consumption ratios and utilities

III. FOREIGN EXCHANGE EARNING AND OUTGO

(a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans. : The Company registered a growth of 3.96% by value in exports. Exports constituted 66.43% of total Insoluble Sulphur sales during the year by value.

(b) Total foreign exchange used and earned (Rs. in lakhs)
(i) Earned : 1,83,60.73
(ii) Used : 1,514.94

On behalf of the Board of Directors

Place : Noida
Date : 29th May, 2018

Arvind Goenka
Managing Director
DIN: 00135653

O.P. Dubey
Director
DIN: 00228441

Annexure C to the Boards' Report

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED ON 31st March, 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,
Oriental Carbon & Chemicals Limited
31, Netaji Subhas Road, Kolkata - 700 001

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Oriental Carbon & Chemicals Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. On the basis of verification of the secretarial compliance and on the basis of secretarial audit of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and as shown to us during the said audit and also based on 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 and to the best of our understanding, the Company has, during the audit period covering the financial year ended on 31st March, 2018, 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:
3. We further report that preparation and maintenance of secretarial and other records and devising proper system to ensure compliance with provisions of applicable laws and regulations is the responsibility of the Management of the Company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the Company.
4. We have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by M/s. Oriental Carbon & Chemicals Limited for the financial year ended on 31st March, 2018 to the extent applicable and as shown to us during our audit, according to the provisions of the following laws:
   (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; (Not Applicable to the Company during the Audit Period);
      d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;(Not Applicable to the Company during the Audit Period);
      e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period);
      f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable to the Company during the Audit Period);
      g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
      h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);
   (vi) Other applicable laws :- Based on the representation given by the Management of the Company and compliance certificates issued by the respective Department Heads, it is observed that other than fiscal, labour and environmental laws which are generally applicable to all manufacturing/trading companies the following Laws/acts are also, inter alia specifically applicable to the business of the Company. It is also confirmed by the management that the company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.
      a) Explosives Act, 1984 and Rules made thereunder
      b) Arms Act, 1959 and Rules made thereunder

c) Indian Boiler Act, 1932

d) Handling of Hazardous Wastes Rules, 1988

e) Manufacture, Storage & Import of Hazardous Chemicals Rule, 1989.

5. We have also examined compliance with the applicable clauses of the following:
   1. Secretarial Standards issued by The Institute of Company Secretaries of India.
   2. The Provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015

   During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
6. 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. There is no change in the Board of Directors of the Company and the composition of the Board of Directors during the period under review is in compliance with the provisions of the Act.
7. 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.
8. None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's views in the minutes.
9. 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.
10. We further report that during the audit period there were no specific events/actions which have any major bearing on the company's affairs.
11. This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For. S. Rath & Co.

Sahadeb Rath
Proprietor
Membership No.-ACS13298
CP No.-3452

Place: Kolkata
Date : 29.05.2018

Annexure A to the Secretarial Audit Report
(Of M/s. Oriental Carbon & Chemicals Limited for the financial year ended 31/03/2018)

To,
The Members,
Oriental Carbon & Chemicals Limited
31, Netaji Subhas Road, Kolkata - 700 001

Our Secretarial Audit Report for the financial year ended 31/03/2018 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. We do not report on financial laws like Tax Laws, Customs Act, Banking, Financial Transactions, default in repayment of any loans/ debts or deposits / interest thereon, if any as the same is either carried out by the Statutory Auditors/Internal Auditors, designated professional.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For. S. Rath & Co.

Sahadeb Rath
Proprietor
Membership No.-ACS13298
CP No.-3452

Place: Kolkata
Date : 29.05.2018

Annexure D to the Boards' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
[Pursuant to Section 135 of the Act & Rules made thereunder]

As per the requirment of the Companies Act 2013, Corporate Social Policy was drafted by the Company.

The CSR Policy provides for undertaking various projects/ programs in accordance with Section 135 of the Companies Act, 2013

As per this CSR policy the Company primarily focus on Education, Health care and family welfare, Contribution to Govt. Funds and any other activity that may be prescribed as CSR activity as per the Rules of Companies Act 2013

The Composition of the CSR Committee :-

Mr Suman J Khaitan Chairman

Mr. Arvind Goenka Member

Mr. K Raghuraman Member

Based on the Average Net profit for last three financial years, the budgeted CSR expenditure for the FY 2017-18 was Rs 134.2 lakhs

The manner in which the amount has been spent during the Financial Year, is detailed below:

1	2	3	4	5	6	7	8
Sr. No.	**CSR project/ Activity Identified**	**Sector in which the Project is covered**	**Projects/Programmes 1. Local area/other - 2. specify the state/district (Name of the District/s, State/s where project/ programme was undertaken)**	**Amount outlay (budget) project/ programme wise**	**Amount spent on the project/programme Sub-heads: 1. Direct expenditure on project/programme. 2. Overheads**	**Cumulative spend upto to the reporting period**	**Amount spent: Direct/ through implementing agency***
					(in Rs lakhs)	(in Rs lakhs)	
1	Expenses on Govt School Adopted in Rewari	Promoting Education/ Sanitation/Health Care	In the State of Haryana		1.78	1.78	OCCL CSR Trust
2	Donation for Education to underprivilledged Children	Promoting Education	New Delhi		1.70	3.48	OCCL CSR Trust
3	Financial Assistence for Poor and Needy for Education, Health Care and construction of houses	Promoting Education/ Sanitation/Health Care	In the state of Haryana, Rajasthan, West Bengal and Delhi		30.26	33.74	OCCL CSR Trust
4	Construction of School Building	Promoting Education	Mundra, Gujarat		7.63	41.37	OCCL CSR Trust
5	Construction of Hospital Building	Health Care	Mundra, Gujarat		6.00	47.37	OCCL CSR Trust
6	Donation for Education to underprivilledged Children	Promoting Education	Program Run by Rama Krishna Mission and Council for children welfare		1.67	49.04	Direct
7	Construction and renovation of School/ College Building/ Provision of Safe Drinking water/ Health Care for students	Promoting Education/ Sanitation/Health Care	Program, run by Ram Chander Geonka Cheritable Trust in the state of Rajasthan		35.00	84.04	Ramchandra Goenka Cheritable Trust, Kolkata
8	Construction and renovation of School/ College Building/ Provision of Safe Drinking water/ Health Care for students	Promoting Education/ Sanitation/Health Care	Program, run by Oriental Foundation.		10.00	94.04	Oriental Foundation Trust, Kolkata
9	Donation for the benefit of armed forces veterans, war widows and their dependents	Community Development	Donation to Bharat ke veer a initiative by Ministry of Home Affairs		21.00	115.04	Dircet
10	Donation for Projects for redefining/reinforcing economic and social inequalities and backwardness	Community Development	Donation to Institute for The Advance Study of India		13.00	128.04	Dircet
11	Administrative cost				7.38	135.42	OCCL CSR Trust

On behalf of the Board of Directors

Place : Noida
Date : 29th May, 2018

Arvind Goenka
Managing Director
DIN: 00135653

O.P. Dubey
Director
DIN: 00228441

Annexure E to the Boards' Report

PARTICULARS OF EMPLOYEES PERSUANT TO SECTION 134(3)(q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014

I. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ;	Mr. J.P Goenka- 7:10 Mr. Arvind Goenka 336:10 Mr. B.B Tandon- 26:10 Mr. K Raghuraman- 14:10 Mr. O.P Dubey- 26:10 Mr. S.J Khaitan- 32:10 Mr. H S Shashikumar-11:10 Mr Akshat Goenka- 305:10 Ms Runa Mukherjee- 17:10
II. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year ;	**Directors:** Mr. J.P Goenka : 11% Mr.Arvind Goenka:9% Mr.B.B Tandon: 25% Mr. K Raghuraman: (-13%) Mr. O.P Dubey: 25% Mr. S.J Khaitan: 12% Mr. H.S. Shashikumar:25% Mr. Akshat Goenka: 10% Ms. Runa Mukherjee:40% **Key Managerial Personnel** Mr.Arvind Goenka: 9% Mr. Akshat Goenka : 10% Mr. Anurag Jain- 11% Mr. Pranab Maity- 5%
III. The percentage increase in the median remuneration of employees in the financial year;	8%
IV. The number of permanent employees on the rolls of company;	433 employees as on 31/03/2018
V. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average Salary increase of non managerial employees was 8.5% Increase in managerial remuneration was 10% The increase in managerial remuneration reflects the contribution of MD and JMD in steering the Company to a growth path and is commensurate with the industry standards. Average salary reflects average increase of all employees who have contributed to a varying degree to the growth of the Company.
VI. The key parameters for any variable component of remuneration availed by the directors;	Managing Director and Jt Managing Director are entitled to performance linked bonus. All other directors are also entitled to Commission based on the performance of the Company in addition to the sitting fees.
VII. Affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year ended March 31, 2018 is as per the remuneration policy of the Company.

On behalf of the Board of Directors

Place : Noida
Date : 29th May, 2018

Arvind Goenka
Managing Director
DIN: 00135653

O.P. Dubey
Director
DIN: 00228441

PARTICULARS OF EMPLOYEES PERSUANT TO SECTION 134(3) (q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014

Sl. No.	Name	Designation & Nature of Duties	Remuneration (Rs.)	Qualification & Total Service Experience (Years)	Age (Years)	Date of Commencement of Employment	Last employment held before Joining the Company	
							Company	Designation
(A)	EMPLOYED THROUGHOUT THE YEAR							
1	Goenka Arvind	Managing Director	18,936,217	B.Com 32	55	01.10.2009	Duncan International India Ltd.	Vice President
2	Goenka Akshat	Joint Managing Director	17,214,238	Graduate in Economics 7	30	01.01.2010	NA	NA
3	Jain Anurag	Chief Financial Officer	13,279,203	B.Sc 27	51	01.10.1990	NA	NA
4	Sabarwal Vijay	President (operations)	8,514,448	BE (Mech) 27	51	20.10.2014	Subros Ltd	Sr. Vice President
5	Almeida D Antony	Sr.Vice President (F&A)	6,714,087	M.Com 45	66	01.05.1991	Swan Mills Ltd	Manager
6	Batta K Muneesh	Vice President (Marketing)	5,993,393	MIB, BA 24	48	14.05.1997	Usha International (India) Ltd.	Dy.Manager
7	Gupta Alok	General Manager (Works)	3,878,755	MSc 26	55	15.12.1992	IFFCO	Process Controler
8	Goel Chetan	General Manager (Purchase)	3,643,722	B.E (Mech), MBA (PMIT) 28	51	23.08.2010	Indo Gulf Fertilizer	General Manager
9	Pathak D Govind	General Manager (Technical)	4,078,819	B.Tech (Chem) 24	46	12.08.2013	Continental Carbon India Ltd.	General Manager
10	Walia NS	General Manager (Production)	3,489,244	B.Tech (Chem) 20	43	10.01.2017	Gujarat Fluorochemicals Ltd	Head-Chemicals

Notes:

1 Remuneration has been calculated on the basis of Section 198 of the Companies Act, 2013 and includes expenditure incurred by the Company on salary and for provision of benefits to the employees, excluding actuarial valuation of Retirement Benefits.

2 The nature of employment is contractual in case of Directors and Permanent for all other employees.

3 Mr. Arvind Goenka is related to Mr. J.P. Goenka Chairman of the Board and Mr Akshat Goenka Jt Managing Director

4 Mr. Akshat Goenka is related to Mr. Arvind Goenka (Managing Director) and Mr. J.P. Goenka (Chairman)

On behalf of the Board of Directors

Place : Noida
Date : 29th May, 2018

Arvind Goenka
Managing Director
DIN: 00135653

O.P. Dubey
Director
DIN: 00228441

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company is one of the world's leading producers and a global supplier of Insoluble Sulphur which is a vulcanizing agent used in the rubber industry. Vulcanisation is a key step in rubber processing industry especially in Tyre Manufacturing. Insoluble Sulphur finds more usage in radial and high performance tyres. The Company also manufactures Sulphuric Acid and Oleum which is mainly used in fertilizer, detergent and battery industry. Acid is sold in domestic market.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Insoluble Sulphur

Global demand of Insoluble Sulphur is estimated to be 3,05,000 Mtpa as per Notch Report published by Notch Consulting (Global Research Firm on Specialty Chemicals). Out of the above, about 100,000 Mtpa demand is in China and 84,000 Mtpa demand is in America and Europe put together. Out of the 100,000 Mtpa demand in China, about 50% is for the globally accepted quality of the product which is manufactured by three Companies in the world including your Company. Therefore, the demand for quality Insoluble Sulphur may be estimated at about 2,48,000 Mtpa. The current demand of Insoluble Sulphur in India is estimated at 17500 Mtpa. This is expected to continue to grow in double digits on the back of the following factors:

1. Commercial Vehicle tyres are moving towards complete radialisation
2. India emerging as a hub for exports of tyres.
3. New Capacities being set up in India for Tyre manufacturing by international players such as Bridgestone, Michelin and Yokohama as well as domestic players to cater to international market also.
4. More Insoluble Sulphur is consumed in High performance tyres and new tyre technologies

The Insoluble Sulphur industry consists of three players who manufacture internationally acceptable Insoluble Sulphur including Your Company. One of the companies is a global Multinational having multi location plants. This player dominates the international Insoluble Sulphur Market. The other player and your Company are then similarly placed. However, Your Company's Geographical footprint is wide and encompasses all continents. Other than above, there are a few Chinese manufacturers who are also in the business of Insoluble Sulphur, but they are yet to find global acceptance. The gap in quality over the other Chinese suppliers is being maintained by constant endeavor to increase the quality parameters of our product and by introducing customer specific products.

The work on the 4th line (Phase II of expansion) is progressing on schedule and within the Budget.

The Company has made inroads in the American Markets and, therefore, is hopeful of operating the new addition in capacities at optimum level by the end the of the coming Financial Year. The Company is also working continuously to reduce its carbon footprint by reducing utility consumption through process optimization etc

Sulphuric Acid and Oleum

Sulphuric Acid sales were satisfactory during the year with buouyant sales realization and demand. Oleum sales remained stable constrained by limited consumers. However, there was a good demand of Battery Grade Sulphuric Acid which added to the overall performance of the division.

The Industry situation remains the same with one dominant manufacturer, for whom, Sulphuric Acid is a by-product, controlling the market. The demand for Sulphuric Acid remained normal this year. The Demand is expected to be good in the coming year due to expected normal monsoon and thereby good production of fertilisers where Sulphuric Acid finds use.

OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK

Opportunities and Outlook:

The Outlook for future growth in global demand is about 3- 4% per annum. The growth in Domestic market is expected to be significantly higher for reasons elaborated earlier.

The production of tyres globally is shifting to more environmentally friendly tyres and lighter tyres. This will require consumption of more Insoluble Sulphur per tyre. Therefore, dosage of Insoluble Sulphur as a percentage of rubber is increasing.

Your Company's efforts to enter North American and Chinese markets have also born fruit due to which The Company is confident of selling production from expansion.

The demand in Domestic market is still not at the level of similar to developed economies and therefore significant opportunity for growth lies in India on back of growth in production as well as improving tyre quality exists.

Threats, Risks, Concerns:

The threats and risks to the business of the Company may be in the following areas:

Demand and Sales Realisation:

The Demand of Insoluble Sulphur Market is linked with total tyre production globally. The growth is coming in from production of more Radial Tyres, high performance and safety tyres and capacity addition by Tyre companies. Therefore, the threat of reduction in demand shall be significant only if global tyre demand falls significantly. Further, redundancy of the product is not expected as long as tyre is made from rubber.

New technologies being introduced in Tyre manufacturing are resulting in growth in consumption.

The Company is always in the process of broad basing its supplies in terms of customers as well as geographies.

Sales realization may also be affected through exchange rate fluctuation or overall reduction in raw material and commodity prices. The Company safeguards itself through hedging its Foreign exchange exposure as per its policy in this regard from fluctuations and in the later case, even though realisations may come down, there should be no impact on contributions and margins.

Quality

Your Company always strives to meets the international quality parameters. With increasing usage of Insoluble Sulphur per tyre, dispersion as a property has become crucial. Your Company is well positioned to meet the future challenges in this regard.

Production and Input Material Related Risks:

Raw material supplies are ensured through maintaining multiple vendors and adequate stocks. Sufficient back up of utilities are maintained to ensure continuous supply. Due emphasis is laid on safety and preventive maintenance to avoid unnecessary interruptions.

Other than the above, the Company also engages with its customers closely to understand its requirements, any change therein, or issues, if any, with the product.

Your Company has a motivated and dedicated team of employees and also has in place safety and environmental systems and rigorous preventive and predictive maintenance system. This helps in mitigating production related risks.

Competition:

Competion is a risk as well as opportunity. The Risk of competition from new manufacturers, mainly from China, is met through continuous product and process improvement to maintain quality and cost advantage over them and through collaborative efforts with tyre companies to see that their requirements are met. Further, high technology barrier coupled with exhaustive approval processes of tyre manufacturers acts as a deterrent for entry of new manufacturers.

The Company endeavors to be at the forefront of quality and innovation through it's laboratory base, process and collaborative research efforts which also focuses on streamlining and optimizing production process and input costs.

Other established players continue to introduce innovative products in the market in effort to garner market share. Your Company is, as before, also working on product innovaton and improvement in order to meet the challenges in this regard.

PERFORMANCE OF THE COMPANY

After start of third line at Mundra Plant the Net sales has grown up by 10% during current year. Margins were maintained and your Company achieved a Profit Before Tax of Rs.79,63.31 lakhs(24% of Gross Sales) and Earnings Before Interest Depreciation and Tax of Rs. 1,03,82.65 lakhs (31% of Gross Sales). Net Profit increased from Rs 54,17.37 Lakhs of previous year to Rs.56,75.01 Lakhs during current year.

HUMAN RESOURCES

The Company has, under its employment, 433 officers and workmen as on 31st March, 2018.

Increase in value of Human Capital through development of individual and collective skills and knowledge is essential to any Company for its continuous growth. This is more so in an industry like Insoluble Sulphur where continuous research and development is required in order to stay abreast of market expectations. Your Company implements in house programs for skill development and updation of competency of its employees on a continuous basis. Programmes for sharing and internalisation of knowledge within the Company are also carried out. Employees are also sent to suitable outside programs to keep them abreast of the latest developments in the industry and economy.

Your Company lays great emphasis on building a motivated work force, which can participate constructively in the growth of the Company. Innovative ideas are regularly received from the officers and staff of the Company, many of which were implemented for improvement in areas of quality, cost savings and increased productivity.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Financial Information

i. Fixed Assets: The Gross Capital Assets stood at Rs 4,34,24.13 lakhs as at 31st March 2018 against Rs.4,18,84.92 lakhs as at 31st March 2017.

ii. Inventory: The inventory at the end of the current year stood at Rs.38,56.63 lakhs against Rs. 32,18.80 lakhs at the end of previous year.

iii. Sundry Debtors: Sundry debtors at the end of the year stood at Rs.75,57.54 lakhs against Rs.76,58.31 lakhs at the end of previous year.

Results of Operations (Rupees in Lakhs)

	2017-2018	2016-2017
Income from Operations	**33,202.51**	31,057.99
Other Income	**554.53**	678.11
Total Income	**33,757.04**	31,736.10
Profit before Interest, Depreciation and Tax	**10,382.65**	9,488.14
Profit before Tax	**7,963.31**	7,471.71
Profit after Tax for the current year	**5,675.01**	5,417.37
Other Comprehensive Income (Net of Tax)	**57.75**	218.72

Your Company continues to take steps to optimise costs of production which contributed to the profitability of the Company. The cost saving exercise is an ongoing one with emphasis on savings in energy consumption and cost, and reduction of wastes

CAUTIONARY STATEMENT

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

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The salient features of the philosophy on Company's Corporate Governance hinges upon transparency and ethical practices in professional working environment conducive to optimal performance with focus on achieving shareholder's long term value growth through constant innovation, commitment to quality and customer satisfaction whilst exploring new avenues of growth.

II. BOARD OF DIRECTORS

A. Composition and Category of the Board

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors. The Chairman of the Board of Directors is a Non-Executive Director and as at March 31, 2018, the Company has 9 Directors out of which 4 are Non-Independent including 1 Nominee Director representing LIC of India as equity investor and 5, comprising of more than one half of the Board strength, are Independent Directors including one woman director. All the Directors are eminent professionals with experience in Business, Industry, Finance and Law. The necessary disclosures regarding other Directorships and committee memberships have been made by all the Directors.

The composition of the Board satisfies the requirement of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

B. Number of Meetings held and Attendance of Directors during the Financial Year 2017-18

During the financial year ended March 31, 2018, four (4) Board Meetings were held on May 23, 2017, July 28, 2017, November 25, 2017 and February 1, 2018. The gap between two meetings is within 120 days.

The composition of Board of the Company and directors' attendance at the board meetings during the year under review and at last Annual General Meeting and also number of other Boards or Board Committee in which the directors are members/chairperson as on March 31, 2018 are as follows:

Name of Directors and Director Identification Number (DIN)	Category of directorship	No. of Board Meetings		Attendance at Last AGM held on July 28, 2017	No. of Directorships held (excluding**)	Committee Memberships# (excluding**)	
		Held	Attended			Chairman	Member
Mr. J P Goenka (DIN:00136782)	Non-Executive Chairman-Promoter Director	4	2	No	3	2	-
Mr. Arvind Goenka (DIN:00135653)	Managing Director & CEO – Promoter Director	4	4	Yes	3	-	1
Mr. Akshat Goenka (DIN:07131982)	Jt. Managing Director – Promoter Director	4	4	Yes	2	-	1
Mr. O P Dubey (DIN:00228441)	Non-Executive-Independent Director	4	4	Yes	2	2	1
Mr. S J Khaitan (DIN:00023370)	Non-Executive-Independent Director	4	4	Yes	4	2	4
Mr. B B Tandon (DIN:00740511)	Non-Executive-Independent Director	4	4	Yes	8	3	5
Mr. K Raghuraman (DIN:00320507)	Non-Executive-Independent Director	4	3	Yes	8	3	4
Mr. H S Shashikumar (DIN:06674954)	Non-Executive-Nominee Director	4	4	Yes	1	-	-
Mrs. Runa Mukherjee (DIN:02792569)	Non-Executive-Independent Director	4	4	Yes	2	-	1

**Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.
Only two committee viz. The Audit Committee and the Stakeholders Relationship Committee are considered for this purpose.

None of the Directors held Directorship in more than 10 (ten) Public Limited Companies and/or were members of more than 10 (ten) committees or acted as Chairperson of more than 5 (five) committees across all Public Limited Companies in which they were Directors.

Information to the Board

Necessary information as required under applicable provisions of, the Companies Act, 2013, Part A of Schedule II of the SEBI Listing Regulations and Secretarial Standards ("SS-1") and other applicable laws, rules and regulations were placed and discussed at the Board Meetings.

Details of the Directors seeking continuation /re-appointment at the forthcoming Annual General Meeting of the Company:

a. **Continuation of Mr. J P Goenka as Non-Executive Director of the Company**

Pursuant to Regulation 17 (1A) of the SEBI (Listing Obligation & Disclosure Requirements) (Amendment) Regulations 2018, notified on 9th May 2018, (to be effective from 01.04.2019), No Listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect passed by the Members of the Company. Accordingly, the Board of Directors of the Company seeks the approval of the members of the Company for continuation of Mr. Goenka as Non-Executive Chairman of the Company. His detailed profile is provided in the Explanatory statement to the Notice of the Annual General Meeting of the Company.

Mr. Goenka does not hold any shares in the Company.

b. **Re-appointment of Mr. Arvind Goenka as Managing Director of the Company**

Mr. Arvind Goenka has been re-appointed as Managing Director of the Company for five years subject to approval of the members in the ensuing Annual General Meeting. His detailed profile is provided in the Explanatory statement to the Notice of the Annual General Meeting of the Company.

c. **Re-appointment of Mr. Akshat Goenka as Joint Managing Director of the Company**

Mr. Akshat Goenka, Joint Managing Director of the Company, is retiring at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

Mr. Goenka has been re-appointed as Joint Managing Director of the Company for five years, retirable by rotation, subject to approval of the members in the ensuing Annual General Meeting. His detailed profile is provided in the Explanatory statement to the Notice of the Annual General Meeting of the Company

Independent Directors

The tenure of the Independent Directors is in accordance with Companies Act, 2013.

None of the Independent Directors has any material pecuniary relationship with the Company, its subsidiary, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year apart from receiving the sitting fees, reimbursement of expenses incurred for attending the Board/Committee meetings. All the Independent Directors have satisfied the criteria/conditions of independence as laid down in Regulation 16(1)(b) of SEBI Listing Regulations.

The Independent Directors are apprised at the Board Meetings and Committee Meetings on the Company operations, market shares, governance, internal control process and other relevant matters inclusive of presentations and programmes with regard to strategy, operations and functions of the Company including important developments in various business divisions and new initiatives undertaken by the Company. The familiarisation programme for Independent Directors is available on the Company's website (http://www.occlindia.com).

As per the requirement of Schedule IV of the Act, 2013 and the Regulation 25(3) of SEBI Listing Regulations, 1 (one) separate meeting of Independent Directors was held on February 01, 2018 without attendance of Non-Independent Directors and the members of the management. This meeting was conducted in a manner so as to enable the Independent Directors to discuss and review the performance of Non-Independent Directors and the Board as a whole, performance of the Chairman of the Company after taking into account the views of Executive Directors and Non-Executive Directors and for assessing the quality, quantity and timelines of flow of information between the Company management and the Board.

Disclosure of Relationships between Directors inter-se

Name of the Directors	Category of Directorships	Relationship between directors
Mr. J P Goenka	Non-Executive Chairman -Promoter Director	Mr. Arvind Goenka (Son) and Mr. Akshat Goenka (Grandson)
Mr. Arvind Goenka	Managing Director & CEO -Promoter Director	Mr. JP Goenka (Father) and Mr. Akshat Goenka (Son)
Mr. Akshat Goenka	Jt. Managing Director -Promoter Director	Mr. J P Goenka (Grandfather) and Mr. Arvind Goenka (Father)
Mr. OP Dubey	Non-Executive Independent Director	None
Mr. B B Tandon	Non-Executive Independent Director	None
Mr. S J Khaitan	Non-Executive Independent Director	None
Mr. K Raghuraman	Non-Executive Independent Director	None
Mr. H S Shashikumar	Non-Executive-Nominee Director	None
Mrs. Runa Mukherjee	Non-Executive Independent Director	None

Shareholding of Non-Executive Director(s)

As on March 31, 2018, none of the Non-executive directors was holding any shares or convertible instruments in the Company

Code of Conduct

A Code of Conduct has been formulated for the Directors and senior management personnel of the Company and the same is available on the Company's website. A declaration from the Managing Director that all Board Members and senior management personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2018 forms part of the Annual Report. The duties of the Independent Directors as laid down in the Companies Act, 2013 has been suitably incorporated in the Code of Conduct, as necessary.

Managing Director CEO Certificate

The aforesaid certificate duly signed by the Managing Director and CEO in respect of the financial year ended March 31, 2018 has been placed before the Board.

III. COMMITTEES OF THE BOARD

Currently, there are six committees of the Board – the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee, the Corporate Social Responsibility Committee, the Risk Management Committee and the Operational and Finance Committee. The terms of reference of these Committees are determined by the Board from time to time. The composition, name of members and attendance and the meetings of these Committees are enumerated below:

A. AUDIT COMMITTEE

The Company has a qualified and independent Audit Committee. All members of the Committees are financially literate and at least one member possesses accounting and financial management expertise. The Managing Director, CFO, the Statutory Auditors, Cost Auditors and Internal Auditors are permanent invitees to the Committee meetings. The Terms of Reference of the Committee include the powers stipulated in Regulation 18(2)(c), the role of the Audit Committee and review of information pursuant to Regulation18(3) of the SEBI Listing Regulations. The terms of reference also confirm to the requirements of Section 177 of the Companies Act, 2013.

a. Composition

As on March 31, 2018, the Audit Committee of the Company comprises of three Non-Executive Independent Director and One Executive-Promoter Director. The Company Secretary acts as the Secretary to the Audit Committee. The Composition is as under:

Mr. O P Dubey, Non-Executive Independent Director, Chairman
Mr. S J Khaitan, Non-Executive Independent Director, Member
Mr. B B Tandon, Non-Executive Independent Director, Member
Mr. Akshat Goenka – Jt. Managing Director, Member

All Members of the Committee are financially literate and most of them have accounting and/or related financial management expertise.

The Chairman of the Audit Committees was present at the 37th Annual General Meeting of the Company.

b. Terms of Reference:

Powers and role of the Audit Committee:

The powers of Audit Committee include the following:

i) Powers:

1. To seek information and act on any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

ii) Role:

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company including remuneration for any other services rendered by them;
3. Reviewing, with the management, and examination of the financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
   b. Changes, if any, in accounting policies and practices and reasons for the same Changes, if any, in accounting policies and practices and reasons for the same
   c. Major accounting entries involving estimates based on the exercise of judgment by management
   d. Significant adjustments made in the financial statements arising out of audit findings
   e. Compliance with listing and other legal requirements relating to financial statements
   f. Disclosure of any related party transactions
   g. Modified opinion(s) in the draft audit report
4. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
5. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus /notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
6. Review and monitor the auditor's independence and performance and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the Company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function;
13. Reviewing the findings of the internal auditors including matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
14. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
15. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
16. To review the functioning of the Whistle Blower mechanism;
17. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
18. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

iii) Review of information by the Audit Committee:

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control adequacy or weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control adequacy or weaknesses; and
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.

c. Meeting & Attendance

There were four meetings of the Committee during the year ended March 31, 2018 on May 23, 2017, July 28, 2017, November 25, 2017 and February 1, 2018 respectively. The intervening gap between the Meetings was within the period prescribed of 120 days.

The attendance of the members of the Audit Committees was as follows:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. O P Dubey	4	4
Mr. B B Tandon	4	4
Mr. S J Khaitan	4	4
Mr. Akshat Goenka	4	4

B. NOMINATION & REMUNERATION COMMITTEE

a. Composition:

As on March 31, 2018, the Company's Nomination and Remuneration Committee comprises of three Non-Executive Independent Directors. The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee. The composition is as under:

Mr. O P Dubey, Non-Executive Independent Director, Chairman

Mr. B B Tandon, Non-Executive Independent Director, Member

Mr. K Raghuraman, Non-Executive Independent Director, Member

b. Terms of Reference

The term of reference of the Nomination and Remuneration Committee, are as follows:

- To form criteria for qualifications/independence etc., of Directors
- To identify persons for Directorships and senior management positions and to recommend their appointment/ removals.
- To evaluate the performance of each director.
- To recommend Policy for remuneration to Directors/KMPs and other senior employees.
- To approve remuneration and Performance bonus of Directors and KMPs.
- To ensure compliance of Code of Conduct for Independent Directors, other Directors, KMPs and senior employees.
- To form criteria for evaluation of Directors
- To devise policy of Board Diversity
- Any other matters which the Board of Directors may direct from time to time.

c. Meetings and Attendance

During the financial year 2017-18, one meeting of Nomination and Remuneration Committee was held on May 23, 2017 and attendances of Members were as follows:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. O P Dubey	1	1
Mr. B B Tandon	1	1
Mr. K Raghuraman	1	0

d. BOARD EVALUATION

The process for Board Evaluation undertaken is inclusive of the following:

- The Board evaluates the performance of the Directors individually on the basis of evaluation made by the Independent Directors and Nomination and Remuneration Committee.
- The Nomination & Remuneration Committee evaluates the performance of each Director.
- The Independent Directors evaluate the performance of the Non-Independent Directors. including the Chairperson of the Company taking into account the views of the Executive and Non-Executive Directors and the Board as a whole.
- Performance of the Audit, Nomination & Remuneration, Stakeholders Relationship and Corporate Social Responsibility Committees are also evaluated

The criteria for performance evaluation as laid down by the Nomination & Remuneration Committee, inter alia includes:

- Appropriate Board size, composition, independence, structure
- Appropriate expertise, skills and leadership initiatives
- Attendance in meetings and participation in discussions
- Adequate knowledge about the Company's business and the economic scenario
- Innovative ideas for growth of the Company's business and economic scenario
- Effectiveness in discharging functions, roles and duties as required
- Review and contribution to strategies, business and operations of the Company
- Expression of independent opinion on various matters taken up by the Board
- Timely flow of information and effective decision making
- Defining roles and effective coordination and monitoring
- Effective and prompt disclosures and communication
- Compliance with applicable laws and adherence to Corporate Governance
- Compliance with Policies, Code of Conduct etc.

e. **REMUNERATION OF DIRECTORS AND DISCLOSURES**

1. **Remuneration Policy of the Company**

The Remuneration Policy recommended by the Nomination and Remuneration Committee has been accepted by the Board of Directors of the Company. The Committee also decides on payment of commission to executive directors and non-executive directors respectively. The performance evaluation criteria for non-executive including independent directors are laid down by the Committee and taken on record by the Board of Directors. The objective of the Company's remuneration policy is to ensure that Company's Directors, Key Managerial Personnel and other senior management employees are sufficiently incentivised for enhanced performance. Following criteria shall be followed to determine the remuneration payable to Directors, Key Managerial personnel (KMP) and other Employees.

Remuneration to Executive Directors may be linked with some or all of the following(s):-

- Increase in stakeholder's wealth
- Target achievement in term of sales, margin vis-à-vis industry bench mark
- Overall health of organization
- New initiatives taken and diversification by the organization
- Optimum utilization of resources of the organization
- Long term goal setting of the organization
- Industry Pattern
- Risk Mitigation
- Remuneration should be reasonable and sufficient to attract and retain directors of quality.

Remuneration to Independent Directors:-

- Independent Directors are entitled for sitting fees and commission based on the performance of the Company.

Remuneration to KMP may be linked with some or all of the following:-

- Achievement of given targets
- Increase in stakeholder's wealth
- Improvement made in the processes of the organization
- People management
- Optimum utilization of resources of the organization
- Industry pattern
- New Initiatives taken
- Remuneration should be reasonable and sufficient to attract and retain the KMPs of quality

Remuneration to other employees may be linked with some or all of the following:-

- Qualification, Experience and merits
- Initiative in optimization/increase in performance efficiencies
- Achievements of given target
- Industry Pattern
- Inflation

Remuneration of Executive Directors and KMPs shall be within such limits as prescribed by the Companies Act and other statutes as applicable from time to time. In addition to the fixed monthly remuneration Executive Directors and KMPs shall be entitled to commission/performance bonus as determined by the Board from time to time based on the performance parameters set in this regard. The Remuneration Policy of the Company is placed on the website of the Company at www.occlindia.com.

2. **Executive Directors:**

The details of remuneration including Performance Bonus to all Executive Directors for the financial year ended March 31, 2018 is as follows and same is within the ceiling prescribe under applicable provisions of the Company Act, 2013.

Name and Designation	Service Contact/Notice Period*	Salary (Rs.)	Performance Bonus (Rs.)	Contribution to Provident Fund & SAF (Rs.)	Perquisites and other allowances (Rs.)	Total (Rs.)
Mr. Arvind Goenka	Appointed as Managing Director & CEO for three years w.e.f. October 01, 2015	63,00,000	47,25,000	17,01,000	62,10,217	1,89,36,217
Mr. Akshat Goenka	Appointed as Jt. Managing Director for three years w.e.f. June 01, 2015, retire by rotation	57,00,000	42,75,000	15,39,000	57,00,238	1,72,14,238

* The appointment may be terminated by either party by giving three months' notice or salary in lieu thereof or by mutual consent.

Out of the above remuneration, the salary, contribution to provident fund and perquisites, if any, are fixed component and the performance bonus is linked with the profitability of the Company. None of the remuneration component is linked to performance of individual director.

3. **Non-Executive Directors:**

The details of sitting fees and annual commission to Non-Executive Directors for the Financial Year 2017-18 are as follows:

Name	Service Contact/Notice Period	Sitting Fees* paid (Rs.)	Commission* Payable (Rs.)	Number of shares and convertible instruments held in the Company
Mr. J P Goenka	Retire by Rotation	80,000/-	3,20,000/-	Nil
Mr. H S Shashikumar	Retire by Rotation	1,20,000/- (paid to LIC of India)	4,80,000/- (to be paid to LIC of India)	Nil
Mr. O P Dubey	Appointed for 5 years as Independent Director at the Annual General Meeting of the Company held on July 30, 2014	2,90,000	11,60,000	Nil
Mr. B B Tandon	-do-	2,90,000	11,60,000	Nil
Mr. S J Khaitan	-do-	3,60,000	14,40,000	Nil
Mr. K Raghuraman	-do-	1,60,000	6,40,000	Nil
Mrs. Runa Mukherjee	Appointed for 5 years as Independent Director at the Annual General Meeting of the Company held on July 31, 2015	1,90,000	7,60,000	Nil

Except as mentioned above, there was no pecuniary relationship or transaction of the Directors vis-a-vis the Company. The Company has not granted any stock option to its Directors.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a. **Composition:**

As on March 31, 2018, the Committee comprises of Mr. J P Goenka, Non-Executive Director as Chairman, Mr. Arvind Goenka, Executive Director and Mr. S J Khaitan, Independent Director.

Mr. Pranab Kumar Maity, Company Secretary, acts as the Secretary to the Committee and Compliance officer of the Company.

b. **Terms of Reference:**

The terms of reference of the Committee are to look into the redressal of grievances of the investors namely shareholders and Fixed deposit holders. The Committee also deals with grievances relating to transfer of shares, non receipt of Balance Sheet or dividend, dematerialisation of shares, complaint letters received from Stock Exchanges, SEBI etc. The Board of Directors has delegated power of approving transfer/transmission of shares to the Committee.

c. **Meeting and Attendance:**

During the year ended March 31, 2018, 5 (five) meetings of the Committee were held on May 23, 2017, July 28, 2017, October 10, 2017, November 25, 2017 and February 1, 2018.

The Details of the Members, their attendance and fees paid are as below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. J P Goenka	5	2
Mr. Arvind Goenka	5	5
Mr. S J Khaitan	5	5

d. **Investors' Complaints and its redressal :'**

Shareholders' Complaints and Redressal as on March 31, 2018:

Type of Grievances and Category	Dividend Warrant not received	Shares not Demateri-alised	Non-Receipt of Share Certificates	Non-Receipt of Annual Report	Total
Complaint received during the year	1	-	5	-	6
Complaint Resolved during the year	1	-	5	-	6

No Share Transfer/Transmissions/issue of Duplicate share certificates was pending as on 31st of March, 2018.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As required under Section 135 of the Companies Act, 2013, the Company has a Corporate Social Responsibility (CSR) Committee of the Board of Directors. CSR Committee, inter alia, had formulated and recommended to the Board, a Corporate Social Responsibility Policy which indicates the activities to be undertaken by the Company as specified in Schedule VII of the Act, 2013. The CSR Committee recommends the amount of expenditure to be incurred on CSR activities and monitor the CSR activities undertaken by the Company from time to time.

a. Composition:

As on March 31, 2018, the Committee comprises of Mr. S J Khaitan, an Independent Director, as the Chairman, Mr. Arvind Goenka, Executive Director and Mr. K Raghuraman, Independent Director.

b. Terms of reference:

The terms of reference of CSR Committee are as follows:

1. To formulate, monitor and recommend to the Board the CSR Policy including the activities to be undertaken by the Company;
2. To recommend the amount of expenditure to be incurred on the activities undertaken;
3. To monitor the implementation of the framework of Corporate Social Responsibility Policy;
4. To review the Company's disclosure of CSR matters;
5. To submit a report on CSR matters to the Board at such intervals and in such format as may be prescribed.
6. To consider other functions, as defined by the Board or as may be stipulated under any law, rule or regulation, Corporate Social Responsibility Voluntary Guidelines 2009 and the Companies Act, 2013.

c. Meeting and Attendance:

During the year ended March 31, 2018, 2 (two) meetings were held on May 23, 2017 and February 1, 2018.

The details of the Members and their attendance are as follows:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. S J Khaitan	2	2
Mr. Arvind Goenka	2	2
Mr. K Raghuraman	2	1

E. RISK MANAGEMENT COMMITTEE

The Company has laid down adequate procedures to inform the Board about the risk assessment and risk minimisation procedures. The Company through its Board of Directors has constituted a Risk Management Committee for the purpose of monitoring and reviewing of the risk management plans periodically.

As per the provision of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has a Risk Management Committee of the Board of Directors, which comprises of two Non-Executive Independent Directors and one Executive Director and two senior employees of the Company under the Chairmanship of a Non-Executive Independent Director. During the year Committee met twice on May 23, 2017 and February 1, 2018.

The details of the Members and their attendance are as follows:

Name of Directors/Employees	Chairman / Member	No. of Meetings	
		Held	Attended
Mr. K. Raghuraman, Non-Executive Independent Director	Chairman	2	1
Mrs. Runa Mukherjee, Non-Executive Independent Director	Member	2	2
Mr. Akshat Goenka,Joint Managing Director	Member	2	2
Mr. Vijay Sabarwal, President Operation	Member	2	2
Mr. Muneesh Batta, Vice President Marketing	Member	2	2

F. OPERATIONAL AND FINANCE COMMITTEE

As on 31st March, 2018, the Committee comprised Mr. Arvind Goenka, Mr. S J Khaitan and Mr. Akshat Goenka.

The Committee meets as and when required to consider matters assigned to it by the Board of Directors from time to time

IV. SUBSIDIARY

The Company has only one listed subsidiary company namely Duncan Engineering Limited (formerly known as Schrader Duncan Ltd.) with its Board having the rights and obligations to manage the Company in the best interest of their stakeholders.

V. GENERAL BODY MEETINGS

Details of Annual General Meetings (AGM)

Financial Year	Date of AGMs	Location	Time	Special Resolutions passed
2016-17	28.07.2017	Williamson Magor Hall (1st Floor), The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata -700 001	10.30 a.m.	Yes (one)
2015-16	22.07.2016	ICC Auditorium (10th Floor), Indian Chamber of Commerce, ICC Towers, 4, India Exchange Place, Kolkata-700001	10.30 a.m.	Yes (one)
2014-15	31.07.2015	ICC Auditorium (10th Floor), Indian Chamber of Commerce, ICC Towers, 4, India Exchange Place, Kolkata-700001	10.30 a.m.	Yes (one)

No Special Resolutions were put through postal ballot, last year.

In the Notice of the forthcoming 38th Annual General Meeting there was no items of business (Special Resolutions) which require to be conducted through postal ballot.

VI. MEANS OF COMMUNICATION

Financial Results

The quarterly, half yearly and annual results of the Company are sent to Stock Exchanges immediately after they are approved by the Board of Directors. These results were sent to the stock exchanges are also published in leading English and Bengali newspaper, such as Business Standard (English) and Aajkal/ArthikLipi (Kolkata).

The results are also displayed on the Company's website www.occlindia.com, in compliance with Regulation 33 and Regulation 47 of the SEBI Listing Regulations

Other Information

General Information on the Company, official news releases and presentations to analysts and Institutional investors are also posted on the Company's website.

VII. GENERAL SHAREHOLDERS' INFORMATION

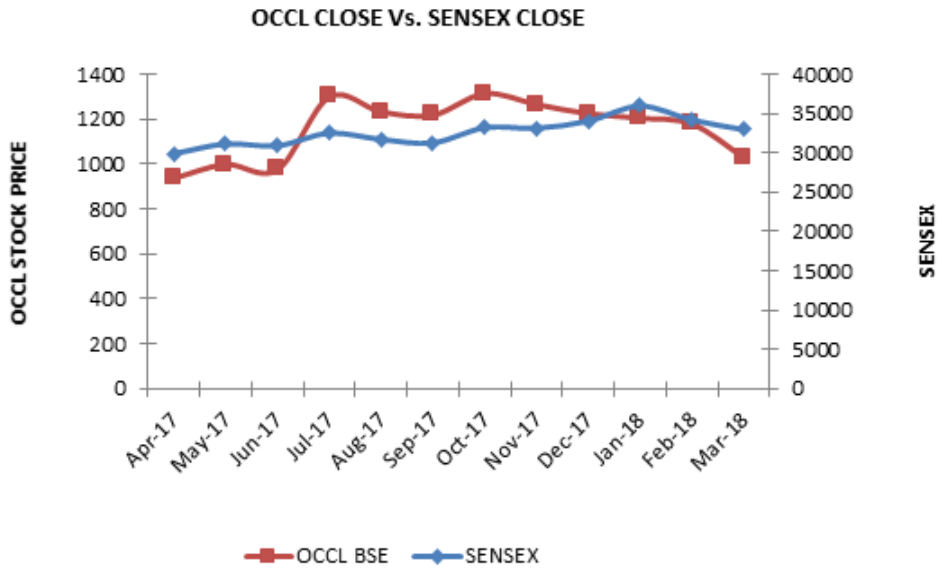
i.	Date, time and venue of Annual General Meeting	27th July, 2018, 10.30 A.M., Williamson Magor Hall (1st Floor), The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata – 700 001.
ii.	Financial Year	Financial year of the Company is from April 01 to March 31. Publication of results for the Financial Year 2018-19 (tentative and subject to change) a) First quarter results : On or before August 14, 2018 b) Second quarter and half year results: On or before November 14, 2018 c) Third quarter results: On or before February 14, 2019 Fourth quarter results and results for the year ending March 31, 2019: On or before May 30, 2019.
iii.	Dates of book closure	25th June, 2018 to 28th June, 2018
iv.	Dividend payment date	On or before 10th August, 2018
v.	Listing of Equity Shares at Stock Exchanges	BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001 National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai – 400 051 **The Equity Shares of the Company got delisted from The Calcutta Stock Exchange Limited w.e.f. 8th May 2018.**
vi.	Payment of Listing Fees	Annual Listing Fees for the Stock Exchanges for the Financial Year 2018-19 has been duly paid by the Company.
vii.	Stock Code/Symbol	BSE Scrip Code: 506579 NSE Symbol: OCCL

Stock Market Price Data

a. The monthly high and low quotations (in Rs.) during the last financial year on BSE Limited (BSE) and National Stock Exchange (NSE) are given below:

Month	At BSE		At NSE	
	High	Low	High	Low
April 2017	1067.35	926.15	1052.50	930.10
May 2017	1005.90	900.80	1004.75	887.00
June 2017	1025.00	925.50	1023.90	927.20
July 2017	1442.80	990.00	1435.00	984.00
August 2017	1303.95	1091.00	1320.00	1100.00
September 2017	1282.70	1127.80	1285.00	1136.00
October 2017	1491.95	1210.55	1460.00	1213.05
November 2017	1392.90	1234.20	1386.00	1234.00
December 2017	1284.80	1100.00	1282.90	1170.00
January 2018	1589.00	1192.40	1599.70	1197.00
February 2018	1287.65	1127.00	1284.05	1127.00
March 2018	1194.00	973.40	1197.90	975.00

b. Performance in comparison to broad based indices - BSE Sensex:



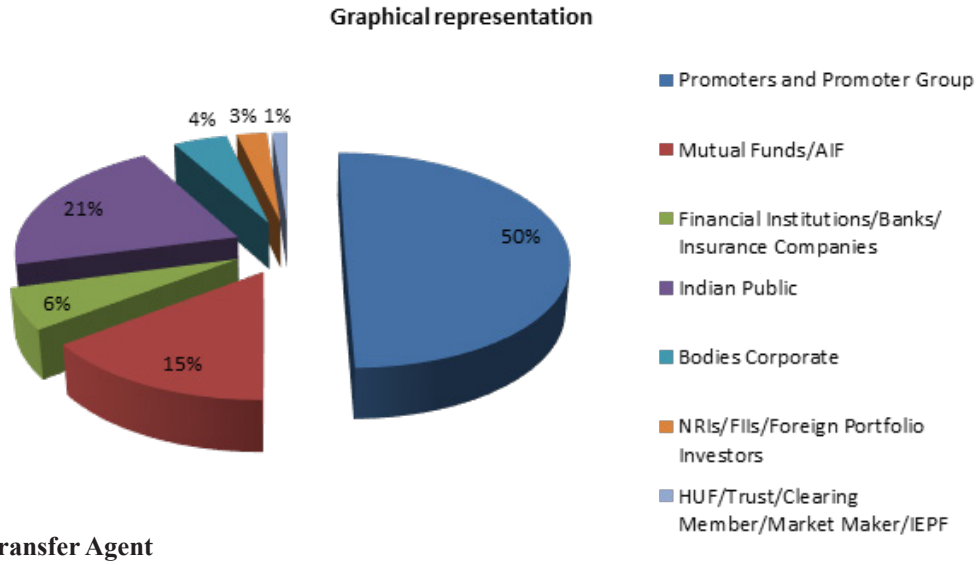
Distribution of Shareholding as on March 2018

a. Distribution of shareholding by category:

Category	No. of Shares held	% of Shareholding
Promoters and Promoter Group	5130675	49.83
Mutual Funds/AIF	1532663	14.88
Financial Institutions/Banks/ Insurance Companies	634319	6.16
Indian Public	2155512	20.94
Bodies Corporate	463071	4.50
NRIs /FIIs/Foreign Portfolio Investors	257179	2.50
HUF/Trust/Clearing Member/Market Maker	85646	0.83
IEPF	36997	0.36
Total	**10296062**	**100.00**

b. Distribution of shareholding by size:

Range in number of shares held	No. of Shareholders	% of shareholders	No. of shares held	% of shareholding
1 to 500	15686	95.6288	1180229	11.4629
501 to 1000	369	2.2496	277891	2.6990
1001 to 2000	180	1.0974	265299	2.5767
2001 to 3000	61	0.3719	149554	1.4525
3001 to 4000	23	0.1402	82650	0.8027
4001 to 5000	19	0.1158	88281	0.8574
5001 to 10000	30	0.1829	208281	2.0229
10001 and above	35	0.2134	8043877	78.1258
Total	**16403**	**100.00**	**10296062**	**100.00**



Registrar and Transfer Agent

Pursuant to Regulation 53A of the Securities and Exchange of India (Depositories & Participants) Regulations, 1996, the Company has appointed following SEBI registered Agency as Common Registrar and Share Transfer Agent of the Company for both the Physical and Dematerialised segment:

Link Intime India Private Limited
59 C Chowringhee Road, 3rd Floor, Kolkata - 700 020
Phone - 033-2289 0540, Telefax- 033-2289 0539, E-mail: kolkata @linkintime.co.in

Share Transfer System

All physical shares lodged with the Company or the Registrar and Share Transfer Agent of the Company, M/s Link Intime India Private Limited for transfer together with valid transfer deed were processed and returned to the shareholders within the stipulated period. In case of bad deliveries, relevant documents were returned immediately.

Dematerialisation of shares

The Company's Equity Shares are tradable compulsorily in electronic form and are available for trading in depository systems both National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL). The ISIN of the Company, as allotted by NSDL and CDSL, is INE 321D01016. Nearly 95.74% of total Subscribed & Paid-up Equity Shares are held in dematerialised form with NSDL and CDSL as at 31st March, 2018.

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:
Nil

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

During the Year the Company has Foreign Currency Exposure of Rs.3717.22 lakhs against Export and Rs.2238.76 lakhs against Import and Term Loans. The Company has a policy of hedging 60 to 90 % of its Net Foreign currency Exposure through forward covers.

Plants Location

1. Plot 3 & 4, Dharuhera Industrial Estate, P.O. Dharuhera, Distt. Rewari - 122 106, Haryana
2. Survey No. 141, Paiki of Mouje, SEZ Mundra, Village & Taluka - Mundra, Dist. Kutch-370421, Gujarat

Address for Correspondence for Share transfer and related matters:

Any assistance regarding shares transfer and transmission, change of address, non-receipt of dividends, duplicate/missing Share Certificates, dematerialisation of shares and other related matters and for redressal of all share related complaints and grievance please write to or contact the Registrar & Share Transfer Agent or the Share Department of the Company at the address given below:

Registrar: **(For share and dividend related queries)** Link Intime India Private Limited 59 C Chowringhee Road, 3rd Floor, Kolkata - 700 020 Phone - 033-2289 0540 Telefax- 033-2289 0539 E - Mail: kolkata@linkintime.co.in	Company: **(For any other matter and unresolved complaints)** Oriental Carbon & Chemicals Limited Duncan House, 31, Netaji Subhas Road, Kolkata -700 001 Phone No: 033-22306831 Fax No: 033-22434772 E-Mail: investorfeedback@occlindia.com

E-mail ID of Compliance Officer of the Company which is designated exclusively for the purpose of registering complaints by investors: investorfeedback@occlindia.com

VIII. OTHER DISCLOSURES

a. The Company did not have any materially significant related party transaction, which have potential conflict with the interest of the Company at large. The Board has approved a policy on dealing with related party transaction and same has been uploaded and available on the Company's website (http://www.occlindia.com/policies/Related_Party_ Transactions_Policy_ OCCL.pdf). Further, the statutory disclosure requirements relating to related party transactions have been complied in the Financial Statement.

b. The Senior Management of the Company has confirmed to the Board of Directors that they do not have any personal interest relating to material, financial and commercial transactions entered into with the Company that may have a potential conflict with the interests of the Company at large.

c. The Company has complied with all requirements as per the provisions of the SEBI Listing Regulations as well as other regulations and guidelines of SEBI, issued from time to time. No Penalties have been imposed or stricture has been issued by SEBI, Stock Exchanges or Statutory Authorities on matters relating to Capital Markets during the last three years.

d. The Company has in place Vigil Mechanism / Whistle Blower Policy as required and it is affirmed that no personnel has been denied access to the Audit Committee.

e. There are no material listed/unlisted subsidiary companies as defined in Regulation 16(1)(c) of the SEBI Listing Regulations. The Board has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of Regulation 16(1)(c) of the SEBI Listing Regulations.

f. The Company has adopted a Code of Conduct to regulate, monitor and report trading by Insiders as per SEBI (Prohibition of Insider Trading) Regulations, 2015, as approved by the Board of Directors, with a view to regulate trading in securities by the Director, Key Managerial Persons and other designated persons.

   Mr. Pranab Kumar Maity, Company Secretary & DGM Legal, is the Compliance Officer who also acts as the Chief Investor Relations Officer.

IX. The Company has complied with all mandatory requirements as prescribed in the SEBI Listing Regulations and Companies Act, 2013.

X. The Company has also complied with the discretionary requirements with regard to:

(i) reporting of Internal Auditor directly to Audit Committee,
(ii) moving towards regime of unqualified financial statements,
(iii) separating the post of Chairman and Managing Director / Chief Executive Officer and
(iv) formation of Risk Management Committee.

XI. The Company has complied with all applicable requirement specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

On behalf of the Board of Directors

	Mr. Arvind Goenka	Mr. O P Dubey
Place : Noida	Managing Director	Director
Date : May 29, 2018	DIN-00135653	DIN-00228441

Independent Auditor's Certificate on Corporate Governance

To The Members of

Oriental Carbon & Chemicals Limited

We have examined the compliance of conditions of Corporate Governance by Oriental Carbon & Chemicals Limited ("the Company") for the year ended 31st March, 2018, as stipulated in Regulations 17-27 and clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

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

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

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2018.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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

Certification

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

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

Restriction on use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **S S Kothari Mehta & Co.**
Chartered Accountants
Firm Registration Number: 000756N

Naveen Aggarwal
Partner
Membership No.: 094380

Place : Noida
Date : 29th May 2018

ORIENTAL CARBON & CHEMICALS LIMITED

Certification by Chief Executive officer and Chief Financial Officer in terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors,
Oriental Carbon & Chemicals Ltd.,

We hereby certify that:-

(A) We have reviewed financial statements of the Company as on 31st March 2018 and the cash flow statement of the Company for the period ended as on that date and to the best of our knowledge and belief :
   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading,
   (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws and regulations.

(B) To the best of our knowledge and belief, the Company has not entered into any transactions during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

(C) We accept the responsibility for establishing and maintaining internal controls for the financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have also disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(D) We have also indicated to the auditors and the Audit Committee:-
   (1) Significant changes in internal control over financial reporting during the year, if any;
   (2) Significant changes in accounting policies during the year, if any and the same have been disclosed in the notes to the financial statements ; and
   (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours faithfully
For Oriental Carbon & Chemicals Ltd
Anurag Jain
CFO

For Oriental Carbon & Chemicals Ltd.
Arvind Goenka
Managing Director & CEO
DIN: 00135653

Place : Noida
Date : May 29, 2018

Declaration by the Managing Director and CEO under Regulation 26(3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Compliance with Code of Conduct

To
The Members,
Oriental Carbon & Chemicals Limited

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended on March 31, 2018.

Arvind Goenka
Managing Director & CEO
DIN: 00135653

Place : Noida
Date : May 29, 2018

INDEPENDENT AUDITORS' REPORT

To
The Members
Oriental Carbon & Chemicals Limited

Report on the Standalone IND AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Oriental Carbon & Chemicals Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.

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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.
We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

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

Other Matter

The comparative financial information for the year ended 31st March, 2017 and transition date opening balance sheet as at 1st April, 2016 prepared in accordance with Ind AS included in these standalone Ind AS financial statements are based on the previously issued statutory financial statements for the year ended 31st March 2017 and 31st March 2016 respectively prepared in accordance with Accounting Standard prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 (as amended) which were audited by the predecessor auditor whose reports dated 23rd May, 2017 and 30th May, 2016 respectively expressed unmodified opinion on those standalone financial statements and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143 (3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
   (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flow and Statement of Change in Equity dealt with by this report are in agreement with the books of account.
   (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with relevant rule issued thereunder.
   (e) On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of sub-section 2 of section 164 of the Act.
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. 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, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements – Refer Note 29 to the standalone financial statements.
      ii. The company has made adequate provision, as required under the law or accounting standards for material foreseeable losses, if any on long term contracts including derivative contracts.
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S S KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Registration Number: 000756N

NAVEEN AGGARWAL
Partner
Membership Number: 094380

Place : Noida
Date : May 29, 2018

"Annexure A" to the Independent Auditors' Report

The Annexure **as referred in paragraph (1) 'Report on Other Legal and Regulatory Requirements** of our Independent Auditors' Report to the members of Oriental Carbon & Chemicals Limited on the standalone financial statements for the year ended March 31, 2018, we report that:

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The fixed assets have been physically verified by the management according to programme of periodical verification in phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its Fixed Assets. The discrepancies, if any, noticed on such physical verification have been properly dealt with in the books of accounts.
(c) The title deeds of immovable properties are held in the name of the Company, except in the following case:

Particular	No. of Cases	Gross Book Value (Rs. In Lakh)	Net Book Value (Rs. In Lakh)
Building *	1	3447.22	3376.24

*Also refer Note No. 2

ii. The inventory has been physically verified except stock lying with third parties by the management at reasonable interval during the year. As far as we could ascertain and accordingly to the information and explanations given to us, no material discrepancies were noticed between the physical stock and book records.

iii. The Company has granted unsecured loan to a company covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
(a) In our opinion, the terms and conditions of the grant of such loan are not prejudicial to the interest of the company. The company has not granted any loans to Firms, Limited Liability Partnership Firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
(b) The company has stipulated schedule of repayment of principal and payment of interest and repayment of the principal amount and receipt of interest are not due at balance sheet date.

iv. According to the information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013 with respect to the loans, investments, guarantees and security provided.

v. The company has complied with the directives issued by the Reserve Bank of India and the provisions of the section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder as applicable. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other authority.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for the maintenance of cost records under sub-section 1 of Section 148 of the Companies Act, 2013, in respect of the manufacture of Insoluble Sulphur and chemicals and are of the opinion that, prima facie, the prescribed records and accounts have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determining whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, sales tax, income tax, service tax, custom duty, excise duty, value added tax, Goods and Service Tax, Cess and any other material statutory dues with the appropriate authorities to the extent applicable and further, there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at March 31, 2018.

(b) According to the records and information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, duty of excise, duty of custom, value added tax or Goods and Service Tax which have not been deposited on account of any dispute except as given below:

Name of Statute	Nature of Dues	Period (Assessment Year)	Amount* (Rs. in Lacs)	Forum where dispute pending
Income Tax Act, 1961	Income Tax	2011-12	22.30	ITAT Kolkata
Income Tax Act, 1961	Income Tax	2012-13	15.40	CIT (A) Kolkata
Income Tax Act, 1961	Income Tax	2013-14	1.95	CIT (A) Kolkata
Income Tax Act, 1961	Income Tax	2014-15	1.57	CIT (A) Kolkata

*** Amount shown is net of amounts already deposited on appeal.**

viii. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loan or borrowing to any banks or Financial Institutions. The Company has not obtained any loans from government and no dues is outstanding to debenture holders.

ix. According to the information and explanation given to us, the company has not raised moneys by way of initial public offer (IPO) or further public offer (including debt instruments) during the year. The term loans were applied for the purposes for which they are raised.

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

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

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

xiii. According to the information and explanations given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with provision of section 177 & 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the Order is not applicable.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

For **S S KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Registration Number: 000756N

NAVEEN AGGARWAL
Partner
Membership Number: 094380

Place: Noida
Date: May 29, 2018

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of Oriental Carbon & Chemicals Limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements'

We have audited the internal financial controls over financial reporting of **Oriental Carbon & Chemicals Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **S S KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Registration Number: 000756N

NAVEEN AGGARWAL
Partner
Membership Number: 094380

Place: Noida
Date: May 29, 2018

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2018

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
I ASSETS				
1. Non Current Assets				
a. Property, Plant & Equipment	2	**30,772.70**	30,560.63	18,186.96
b. Capital work in Progress		**4,035.97**	243.96	3,951.20
c. Other Intangible Assets	3	**61.24**	49.62	94.67
d. Intangible Assets under development	4	**-**	8.08	-
e Financial Assets				
i. Investments	5a	**2,302.11**	2,239.81	1,885.19
ii. Loans	5c	**35.32**	33.81	71.72
iii. Other Financial Assets	5g	**175.40**	162.30	285.44
f. Other Non Current Assets	7	**-**	238.78	2,862.42
TOTAL NON CURRENT ASSETS		**37,382.74**	33,536.99	27,337.60
2. Current Assets				
a. Inventories	6	**3,856.63**	3,218.80	3,866.79
b. Financial Assets				
i. Investments	5b	**5,279.34**	3,054.44	1,565.37
ii. Trade Receivables	5d	**7,557.54**	7,658.31	6,106.49
iii. Cash and cash Equivalents	5e	**962.21**	180.68	383.44
iv. Bank Balances other than iii) above	5f	**597.89**	1,153.87	616.12
v. Loans	5c	**498.14**	671.41	1,082.66
vi. Other Financial Assets	5g	**66.77**	94.56	99.18
c. Current Tax Assets (Net)	8	**-**	31.90	60.57
d. Other Current Assets	7	**1,074.30**	1,139.85	1,029.86
TOTAL CURRENT ASSETS		**19,892.82**	17,203.82	14,810.48
TOTAL ASSETS		**57,275.56**	50,740.81	42,148.08
II. EQUITY AND LIABILITIES				
A Equity				
a. Equity Share Capital	9	**1,031.13**	1,031.13	1,031.13
b. Other Equity	10	**37,750.42**	33,256.86	28,674.10
TOTAL EQUITY		**38,781.55**	34,287.99	29,705.23
B Liabilities				
1. Non Current Liabilities				
a. Financial Liabilities				
i. Borrowings	11a	**6,870.06**	6,354.46	2,136.94
ii. Other Financial Liabilities	11d	**26.73**	55.02	29.82
b. Provisions	12	**236.61**	216.90	157.47
c. Deferred Tax Liabilities (Net)	13	**2,056.18**	1,434.73	887.69
TOTAL NON CURRENT LIABILITIES		**9,189.58**	8,061.11	3,211.92
2. Current Liabilities				
a. Financial Liabilities				
i. Borrowings	11b	**2,903.03**	2,250.47	4,075.95
ii. Trade Payables	11c	**2,115.29**	1,813.62	1,020.84
iii. Other Financial Liabilities	11e	**2,172.54**	1,857.30	2,499.01
b. Other Current Liabilities	14	**2,043.31**	2,447.81	1,612.89
c. Provisions	12	**70.26**	22.51	22.24
TOTAL CURRENT LIABLITIES		**9,304.43**	8,391.71	9,230.93
TOTAL EQUITY AND LIABILITIES		**57,275.56**	50,740.81	42,148.08
Notes to Accounts	1 - 36			

The accompanying notes referred to above form an integral part of the standalone financial statements.

As per our Report of even date attached

For S S Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

Naveen Aggarwal
Partner
Membership No. 094380
Place : Noida
Date: 29th May, 2018

For and on behalf of the Board of Directors

Arvind Goenka
Managing Director

O.P. Dubey
Director

P.K. Maity
Company Secretary

Anurag Jain
Chief Financial Officer

ORIENTAL CARBON & CHEMICALS LIMITED

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

(Rs. in Lakhs)

	Particulars	Note No.	**For the Year ended 31st March, 2018**	For the Year ended 31st March, 2017
I.	**Revenue from Operations**	15	**33,202.51**	31,057.99
II.	**Other Income**	16	**554.53**	678.11
III.	**Total Revenue (I+II)**		**33,757.04**	31,736.10
IV.	**Expenses:**			
	Cost of materials consumed	17	**8,120.17**	6,145.45
	Purchase of Stock in Trade	18a	**-**	9.21
	Changes in Inventories of finished goods, work in progress and stock in trade	18b	**(513.86)**	841.91
	Excise Duty		**380.00**	1,316.78
	Employee benefit expense	19	**3,932.55**	3,739.48
	Finance costs	23	**785.27**	501.00
	Depreciation and amortisation expense	22	**1,634.07**	1,515.43
	Other expenses	20	**11,455.53**	10,195.13
	Total (IV)		**25,793.73**	24,264.39
V.	**Profit before tax (III-IV)**		**7,963.31**	7,471.71
VI.	**Tax expense**	24		
	Current tax		**1,692.19**	1,223.38
	Deferred Tax (Net)		**596.11**	830.96
VII.	**Profit for the period (V-VI)**		**5,675.01**	5,417.37
VIII.	**Other Comprehensive Income (Net of Tax)**			
	Items that will not be reclassified to Profit or Loss			
	Remeasurement Gain or (Loss) on Defined Benefit Plans		**15.10**	(82.70)
	Income Tax on the above item		**(5.28)**	28.62
	Net Gain or (Loss) on FVTOCI on Equity Investments		**62.30**	354.62
	Income Tax on the above item		**(14.37)**	(81.82)
	Total Other Comprehensive Income (Net of Tax)		**57.75**	218.72
IX.	**Total Comprehensive income for the period (VII+VIII) (Comprising profit (Loss) and Other Comprehensive Income for the period)**		**5,732.76**	5,636.09
X.	Earnings per equity shares :			
	Basic & Diluted	26	**55.12**	52.62
Notes to Accounts		1 - 36		

The accompanying notes referred to above form an integral part of the standalone financial statements.

As per our Report of even date attached

For S S Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

Naveen Aggarwal
Partner
Membership No. 094380
Place : Noida
Date: 29th May, 2018

For and on behalf of the Board of Directors

Arvind Goenka
Managing Director

O.P. Dubey
Director

P.K. Maity
Company Secretary

Anurag Jain
Chief Financial Officer

ORIENTAL CARBON & CHEMICALS LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Lakhs)

a) Equity Share Capital	**Amounts in Rs**
Balance as at April 01, 2016	1,031.13
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at March 31, 2017	1,031.13
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at March 31, 2018	1,031.13

b) Other Equity

Particulars	**Reserves & Surplus**					**Other Comprehensive Income (OCI)**		**Total Other Equity**
	Capital Reserve	**Securities Premium Reserve**	**Capital Redemption Reserve**	**General Reserve**	**Retained Earnings**	**Items that will not be Reclassified to Profit or loss**		
						Remeasurement Gain /(Loss) of the defined benefit plans (Net of Tax)	**Equity Instruments through OCI (Net of Tax)**	
Balance as at April 01, 2016	**1,732.18**	**1,792.64**	**0.25**	**2,613.88**	**22,234.93**	**(18.77)**	**318.99**	**28,674.10**
Profit/(Loss) for the Year March 31, 2017	-	-	-	-	5,417.37	-	-	5,417.37
Other comprehensive income (net of tax) for the year March 31, 2017	-	-	-	-	-	(54.08)	272.80	218.72
Dividend including Corporate Dividend Tax	-	-	-	-		-	-	(1,053.33)
Balance as at March 31, 2017	**1,732.18**	**1,792.64**	**0.25**	**2,613.88**	**26,598.97**	**(72.85)**	**591.79**	**33,256.86**
Profit/(Loss) for the Year March 31, 2018	-	-	-	-	5,675.01	-	-	5,675.01
Other comprehensive income (net of tax) for the year March 31, 2018	-	-	-	-	-	9.82	47.93	57.75
Dividend including Corporate Dividend Tax	-	-	-	-		-	-	(1,239.20)
Balance as at 31 March 2018	**1,732.18**	**1,792.64**	**0.25**	**2,613.88**	**31,034.78**	**(63.03)**	**639.72**	**37,750.42**

As per our Report of even date attached

For S S Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

Naveen Aggarwal
Partner
Membership No. 094380
Place : Noida
Date: 29th May, 2018

For and on behalf of the Board of Directors

Arvind Goenka
Managing Director

O.P. Dubey
Director

P.K. Maity
Company Secretary

Anurag Jain
Chief Financial Officer

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in lakhs)

		Current Year		Previous Year	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before tax	**7,963.31**		7,471.71	
	Adjustments for:				
	Depreciation & Amortisation Expense	**1,634.07**		1,515.43	
	Loss on Sale / Discard of Property, Plant & Equipment (Net)	**130.88**		118.12	
	Finance Costs	**785.27**		501.00	
	Interest Income	**(134.72)**		(150.06)	
	Effect of Exchange Rate Change on Borrowings	**143.04**		(260.41)	
	Debts earlier written off, now recovered	**(2.27)**		(7.24)	
	(Gain) / Loss on Redemption / Sale of Current Investments	**(107.67)**		0.14	
	Bad Advances / Debts	**5.80**		73.64	
	Remeasurement Gain / (Loss) on Defined Benefit Plans	**15.10**		(82.70)	
	(Gain) / Loss on financial assets measured at fair value through Profit or loss (Net)	**(113.82)**		(29.10)	
	Dividend on Current Investments	**(71.32)**		(67.02)	
	Operating Profit before Working Capital Changes	**10,247.67**		9,083.51	
	Adjustments for :				
	Trade and Other Receivables	**184.37**		(1,489.73)	
	Inventories	**(637.83)**		579.48	
	Trade and Other Payables	**474.95**		1,072.06	
	Cash generated from Operations before tax	**10,269.16**		9,245.32	
	Direct Tax Paid (Net)	**(1,609.90)**		(1,531.83)	
	Net Cash from Operating Activities		**8,659.26**		7,713.49
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Payments for purchase of Property, Plant & Equipment including Capital work in progress, Intangible Assets and Capital Advances	**(6,188.83)**		(6,968.01)	
	Proceeds from sale of Property, Plant & Equipment	**83.64**		23.27	
	Loans and Advances to Subsidiary / Other Companies (Net)	**166.63**		426.13	
	Purchase and Sale of Current Investments (Net)	**(2,003.41)**		(1,460.11)	
	Movement in Fixed deposits with Banks	**572.13**		(625.93)	
	Dividend on Current Investments	**71.32**		67.02	
	Interest Received	**154.12**		150.64	
	Net Cash used in investing activities		**(7,144.40)**		(8,386.99)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Dividend Paid	**(1,029.60)**		(875.17)	
	Tax on Dividend	**(209.60)**		(178.16)	
	Proceeds from Borrowing - Non Current	**2,286.98**		5,725.42	
	Repayment of Borrowing - Non Current	**(1,537.10)**		(2,133.30)	
	Borrowing - Current (Net)	**576.73**		(1,625.15)	
	Interest and Financial Costs paid (excluding Transfer to Capital Work-in-Progress)	**(820.74)**		(442.90)	
	Net Cash From Financing Activities		**(733.33)**		470.74
	Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)		**781.53**		(202.76)
	Opening Balance of Cash and Cash Equivalents		**180.68**		383.44
	Closing Balance of Cash and Cash Equivalents		**962.21**		180.68
	Cash & Cash Equivalents Comprise				
	Cash on Hand		**2.69**		3.38
	Balance with Scheduled Banks in Current Accounts and fixed deposits maturing within 3 months		**959.52**		177.30
			962.21		180.68

Note: (i) Figures in bracket represent outflows.

(ii) Cash & cash equivalents excludes Rs. 124.45 Lakhs (Previous Year Rs. 108.30 Lakhs) lying in designated account with scheduled banks on account of unclaimed dividend and Rs. 473.43 Lakhs (Previous Year Rs. 1,045.57 Lakhs) in fixed deposits with banks maturing beyond three months are shown under investing activities

(iii) Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

Change in Liability arising from financing activities (Rs. in Lakhs)

	April 01, 2017	Cash Flow	Foreign Exchange Movement	March 31, 2018
Borrowings - Non Current & Current Maturities (Refer Note 11(a))	8,012.15	749.88	67.21	8,829.24
Borrowings - Current (Refer Note 11(b))	2,250.47	576.73	75.83	2,903.03
	10,262.62	**1,326.61**	**143.04**	**11,732.27**

As per our Report of even date attached

For S S Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

Naveen Aggarwal
Partner
Membership No. 094380
Place : Noida
Date: 29th May, 2018

For and on behalf of the Board of Directors

Arvind Goenka
Managing Director

O.P. Dubey
Director

P.K. Maity
Company Secretary

Anurag Jain
Chief Financial Officer

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

1. COMPANY OVERVIEW, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

I CORPORATE INFORMATION

Oriental Carbon and Chemicals Limited ("OCCL" or "the Company") is a public limited company domiciled in India and has its registered office at Kolkata. The shares of the Company are listed on National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd. The Company's core business is manufacturing and sales of Insoluble Sulphur. The Company is a global supplier of Insoluble Sulphur and about two-third of the turnover of the Company is from Exports. It has two manufacturing facilities, one in Haryana and other one in Gujrat.

II BASIS OF PREPARATION

a) Statement of compliance

These financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act to the extent applicable.

The financial statement up to year ended March 31, 2017 were prepared in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 35.

These financial statements were authorised for issue by the Board of Directors on May 29, 2018

b) Basis of measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following:

i. Certain financial assets and liabilities (including derivative instruments) measured at Fair Value/Amortised Cost;

ii. Defined benefit plan assets measured at fair value;

c) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional and presentation currency. All amounts have been rounded to two decimal points of lakhs, unless otherwise indicated.

d) Current or Non current classification

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of the business of the Company and its business time cycle from inception of an order and its completion on realization in cash and cash equivalents, the Company has ascertained the operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

e) Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent liabilities and contingent assets as at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to estimates are recognised prospectively.

Application of accounting policies that require critical accounting estimates and assumption judgements having the most significant effect on the amounts recognised in the financial statements are:

Measurement of defined benefit obligations;

Recognition of deferred tax assets & MAT credit entitlement;

Useful life and residual value of Property, plant and equipment and intangible assets;

Measurement of Fair Value of Current Investments;

Measurement of fair value of Equity Investments.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

III SIGNIFICANT ACCOUNTING POLICY

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

a) Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Borrowing costs relating to acquisition of qualifying fixed assets, if material, are also included in cost to the extent they relate to the period till such assets are ready to be put to use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The cost of replacing part of an item of property, plant and equipment are recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of all other repairs and maintenance are recognised in the Statement of Profit & Loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other noncurrent assets.

An item of property, plant and equipment is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii) Transition to Ind AS

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

iii) Depreciation

Depreciation on property, plant and equipment is provided on the Straight Line Method based on the useful life of assets as prescribed under Schedule II of the Companies Act, 2013, which are as follows:

Buildings including Factory Buildings and Roads	:	5 - 60 years
Plant & Equipment (Including Continuous Process Plant, Components & Laboratory Equipment)	:	5 - 25 years
Electrical Installations	:	10 years
Furniture and Fixtures	:	10 years
Office Equipment	:	5 - 10 years
Motor Vehicles	:	5 years
Computer and Servers & Networks	:	3 - 6 years

The Company has estimated the useful lives based on the Assessment made by technical expert, of Air-Conditioners & Coolers and Motor Vehicles different from the life prescribed in Schedule-II to the Companies Act,2013 from 10 years to 5 years and from 8 years to 5 years respectively.

Leasehold land is being amortised over the lease period. Buildings constructed on Leasehold land are depreciated based on the useful life prescribed in the Schedule II of the Companies Act, 2013.

Depreciation on additions to or on disposal of assets is calculated on pro-rata basis i.e. from (upto) the date on which the property, plant and equipment is available for use (disposed off).

b) **Intangible assets**

i) **Recognition and measurement**

Intangible Assets Acquired Separately

Intangible assets that are acquired by the Company are measured at cost. Subsequent to initial recognition, the assets are measured at cost, less accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

All intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. Impairment losses, if any, are recognised immediately in profit or loss.

An item of intangible asset is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of intangible assets is recognised in profit or loss.

ii) **Transition to Ind AS**

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

iii) **Amortisation**

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Intangible assets that are not available for use are amortised from the date they are available for use.

The estimated useful lives are as follows:

Software : 5 years

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

c) **Impairment of non-financial assets**

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use or fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in Statement of Profit and Loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

d) **Financial Instruments**

i) **Initial recognition**

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ii) **Subsequent measurement**

(a) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) Method to gross carrying amount of the financial asset, if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognised or impaired, the gain or loss is recognised in the statement of profit and loss.

(b) Financial assets at fair value through other comprehensive income

Equity instruments are subsequently measured at fair value. On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. Fair value gains and losses recognised in OCI are not reclassified to profit and loss.

(c) Financial assets at fair value through profit or loss

Financial assets which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(d) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(e) Reclassification of Financial Assets and Financial Liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

(f) Investment in subsidiary

Investment in subsidiary is carried at cost.

iii) **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. Except Trade receivables, expected credit losses are measured at an amount equal to the 12-month Expected Credit Loss (ECL), unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime ECL.

With regard to trade receivable, the Company applies the simplified approach , which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

iv) **Derecognition**

Financial Assets

Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

v) **Derivative financial instruments**

The Company is exposed to exchange rate risk which arises from its foreign exchange revenues, primarily in Euro and US Dollars. The Company uses foreign exchange forward contracts (derivative financial instruments), to hedge foreign currency risk associated with highly probable forecasted transactions and classifies them as cash flow hedges.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are taken directly to profit and loss.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

The Company makes an assessment, on an on-going basis, of whether the hedging instruments are expected to be "highly effective" in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk.

(vi) **Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

e) **Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair values for measurement and/ or disclosure purposes are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 - This includes financial instruments measured using quoted prices.

Level 2 - The fair value of financial instrument that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs require to fair value an instrument are observable, the instrument is included in level 2. Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

f) **Inventories**

Inventories are valued at lower of Cost and Net Realisable value. The cost of finished goods is determined by taking material, labour and related factory overheads including depreciation. Cost of material is determined on weighted average cost basis. Further the cost for Work-in-Progress includes material cost, stage wise direct cost and other related manufacturing overheads including depreciation. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and making the sale.

Cost of raw materials, packing materials, stores and spares are determined on weighted average basis.

Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, the same are written off or provision is made for such inventories.

g) **Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

h) **Revenue Recognition**

i) **Sale of goods**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when the significant risk and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods to the degree usually associated with the ownership, and the amount of revenue can be measured reliably, regardless of when the payment is being made. Amounts disclosed as revenue are inclusive of excise duty, till it was applicable, and net of returns, trade discounts and rebates.

Incentives on exports are recognised in books after due consideration of certainty of utilization/ receipt of such incentives.

ii) **Interest Income**

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is included in other income in the statement of profit and loss.

iii) **Dividends**

Dividend income is recognised when the Company's right to receive dividend is established, and is included in other income in the statement of profit and loss.

i) **Employee Benefits**

i) **Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) **Defined contribution plans**

Employees benefits in the form of the Company's contribution to Provident Fund, Pension scheme, Superannuation Fund and Employees State Insurance are defined contribution schemes. The Company recognises contribution payable to these schemes as an expense, when an employee renders the related service.

If the contribution payable exceeds contribution already paid, the deficit payable is recognised as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the Company recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

iii) **Defined benefit plans**

Retirement benefits in the form of gratuity are considered as defined benefit plans. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The Company contributes to the gratuity fund, which are recognised as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognised in the Balance Sheet.

When the calculation results in a potential asset for the company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability

(assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) **Other long-term employee benefits**

Employee benefits in the form of long term compensated absences are considered as long term employee benefits. The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement are recognised in profit or loss in the period in which they arise.

The liability for long term compensated absences are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

j) **Foreign currency transactions**

Initial recognition:

Transactions in foreign currencies are translated into the Company's functional currency at the exchange rates at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Nonmonetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange difference:

Exchange differences are recognised in Statement of profit & loss. In accordance with Ind-AS 101 'First Time Adoption of Indian Accounting Standards', the Company has continued the policy of capitalisation of exchange differences on foreign currency loans taken before the transition date. Accordingly, exchange differences arising on translation of long term foreign currency monetary items relating to acquisition of depreciable fixed assets taken before the transition date are capitalized and depreciated over the remaining useful life of the asset.

k) **Research and Development Expenses**

Revenue Expenditure on Research and Development is charged to Statement of Profit and loss in the year in which it is incurred and capital expenditure is added to Property, Plant & Equipment.

l) **Borrowing costs**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

m) **Income Tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in Other Comprehensive Income

i) **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year after taking credit of the benefits available under the Income Tax Act and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) **Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

- temporary differences related to investments in subsidiary to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

For operations carried out in tax free units, deferred tax assets or liabilities, if any, have been recognised for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset only if:

a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is probable evidence that the Company will pay normal income tax in future. Accordingly, MAT is recognised as deferred tax asset in the Balance Sheet.

n) **Segment Reporting**

The Company's business activity falls within a single segment viz., Manufacturing and Sales of Chemicals. The segment has been identified by taking into account the nature of product, the differing risks, the returns, the organisation structure and the internal reporting systems and the manner in which operating results are reviewed by the Chief Operating Decision Maker (CODM).

o) **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

p) **Cash flow statement**

Cash flow statements are prepared in accordance with “Indirect Method” as explained in the Accounting Standard on Statement of Cash Flows (Ind AS - 7). The cash flows from regular revenue generating, financing and investing activity of the Company are segregated.

q) **Lease**

At inception of an arrangement, it is determined whether the arrangement is or contains a lease, based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as lessee under operating lease

Payments made under operating leases are recognised in profit or loss. The payments are in line with the expected general inflation to compensate the lessors expected inflationary cost increase.

r) **Earning per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted Earning per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Rs. in Lakhs)

2	Property, Plant & Equipment										
	Description	Gross Carrying Value				Depreciation				Net Carrying Value	
		As at April 1, 2016 @	Additions/ adjust-ments	Sales/ adjust-ments	As at March 31, 2017	As at March 31, 2016	Additions/ Adjust-ments	Sales/ Adjust-ments	As at March 31, 2017	As at March 31, 2017	As at April 1, 2016
	Land - Freehold	141.34	-	-	141.34	-	-	-	-	141.34	141.34
	- Leasehold	828.41	-	-	828.41	127.58	28.81	-	156.39	672.02	700.83
	Building	7,538.33	6,829.82	61.99	14,306.16	1,552.57	303.59	46.61	1,809.55	12,496.61	5,985.76
	Plant & Equipment	17,058.09	6,204.43	241.94	23,020.58	6,904.42	808.76	141.88	7,571.30	15,449.28	10,153.67
	Electrical Installations	1,698.02	592.13	1.43	2,288.72	957.69	140.06	1.35	1,096.40	1,192.32	740.33
	Furniture and Fixture	243.71	151.26	8.23	386.74	125.58	22.40	4.88	143.10	243.64	118.13
	Vehicles	453.89	11.96	54.16	411.69	239.84	85.94	46.02	279.76	131.93	214.05
	Air Conditioners and coolers	74.29	103.37	8.31	169.35	27.46	33.98	5.13	56.31	113.04	46.83
	Office Equipment	264.08	77.55	9.70	331.93	178.06	42.30	8.88	211.48	120.45	86.02
	Total	**28,300.16**	**13,970.52**	**385.76**	**41,884.92**	**10,113.20**	**1,465.84**	**254.75**	**11,324.29**	**30,560.63**	**18,186.96**

@ Represent Deemed Cost on the date of transition to Ind AS

Notes:

(i) Gross Block includes Rs. 129.69 Lakhs (Previous year Rs. 176.21 Lakhs) purchased under Car Finance Scheme.

(ii) The Expansion at Mundra has commenced commercial production on 20th December'2016. Pre-Operative and start up expenses aggregating Rs. 810.03 Lakhs (including cumulative borrowing cost Rs. 59.32 Lakhs Previous year Rs. Nil) has been allocated to fixed assets proportionate to their direct cost.

(iii) Building includes properties costing Rs. 3,496.42 Lakhs pending for registration (Previous year Rs. 49.20 Lakhs)

(iv) The Company has exercised option under notification no. GIR 914 (E) dated 29th December'2011 issued by Ministry of Corporate Affairs and accordingly net exchange loss for the year amounting to Rs. 34.37 Lakhs (Previous year Rs. 138.39 Lakhs) on long term foreign currency loans have been capitalised.

(v) During the year 2016-17, the Company has changed the useful life of Air conditioners and Coolers from 10 years to 5 years resulting in an increase in depreciation by Rs. 22.76 Lakhs; (Previous year Nil).

Description	Gross Carrying Value				Depreciation				Net Carrying Value	
	As at April 1, 2017	Additions/ adjust-ments	Sales/ adjust-ments	As at March 31, 2018	As at March 31, 2017	Additions/ Adjust-ments	Sales/ Adjust-ments	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Land - Freehold	141.34	21.25	-	162.59	-	-	-	-	162.59	141.34
- Leasehold	828.41	-	-	828.41	156.39	28.81	-	185.20	643.21	672.02
Building	14,306.16	435.09	2.07	14,739.18	1,809.55	334.04	0.74	2,142.85	12,596.33	12,496.61
Plant & Equipment	23,020.58	1,347.89	434.63	23,933.84	7,571.30	906.69	219.95	8,258.04	15,675.80	15,449.28
Electrical Installations	2,288.72	39.70	1.52	2,326.90	1,096.40	173.29	0.82	1,268.87	1,058.03	1,192.32
Furniture and Fixture	386.74	10.11	0.36	396.49	143.10	32.16	0.36	174.90	221.59	243.64
Vehicles	411.69	156.59	66.63	501.65	279.76	75.56	63.30	292.02	209.63	131.93
Air Conditioners and coolers	169.35	3.55	2.51	170.39	56.31	26.95	1.47	81.79	88.60	113.04
Office Equipment	331.93	35.30	2.55	364.68	211.48	38.42	2.14	247.76	116.92	120.45
Total	**41,884.92**	**2,049.48**	**510.27**	**43,424.13**	**11,324.29**	**1,615.92**	**288.78**	**12,651.43**	**30,772.70**	**30,560.63**

Notes:

(i) Gross Block includes Rs. 47.95 Lakhs (Previous year Rs. 129.69 Lakhs) purchased under Car Finance Scheme.

(ii) Building includes properties costing Rs. 3,447.22 Lakhs pending for registration (Previous year Rs. 3,496.42 Lakhs)

(iii) The Company has exercised option under notification no. GIR 914 (E) dated 29th December'2011 issued by Ministry of Corporate Affairs and accordingly net exchange loss for the year amounting to Rs. 99.94 Lakhs (Previous year Rs. 34.37 Lakhs) on long term foreign currency loans have been capitalised.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Rs. in Lakhs)

3 INTANGIBLE ASSETS

Description	Gross Carrying Value				Amortisation				Net Carrying Value	
	As at April 1, 2016 @	**Additions/ adjust-ments**	**Sales/ adjust-ments**	**As at March 31, 2017**	**As at March 31, 2016**	**Additions/ Adjustments**	**Sales/ Adjust-ments**	**As at March 31, 2017**	**As at March 31, 2017**	**As at April 1, 2016**
Computer Software	246.47	4.54	-	251.01	151.80	49.59	-	201.39	49.62	94.67
Total	246.47	4.54	-	251.01	151.80	49.59	-	201.39	49.62	94.67
@ Represent Deemed Cost on the date of transition to Ind AS										
Description	**Gross Carrying Value**				**Amortisation**				**Net Carrying Value**	
	As at April 1, 2017	**Additions/ adjust-ments**	**Sales/ adjust-ments**	**As at March 31, 2018**	**As at March 31, 2017**	**Additions/ Adjustments**	**Sales/ Adjust-ments**	**As at March 31, 2018**	**As at March 31, 2018**	**As at March 31, 2017**
Computer Software	251.01	29.77	-	280.78	201.39	18.15	-	219.54	61.24	49.62
Total	251.01	29.77	-	280.78	201.39	18.15	-	219.54	61.24	49.62

4 INTANGIBLE ASSETS UNDER DEVELOPMENT

Description	**Gross Carrying Value**				**Amortisation**				**Net Carrying Value**	
	As at April 1, 2017	**Additions/ adjust-ments**	**Sales/ adjust-ments**	**As at March 31, 2018**	**As at March 31, 2017**	**Additions/ Adjustments**	**Sales/ Adjust-ments**	**As at March 31, 2018**	**As at March 31, 2018**	**As at March 31, 2017**
Computer Software	8.08	-	8.08	-	-	-	-	-	-	8.08
Total	8.08	-	8.08	-	-	-	-	-	-	8.08

5 FINANCIAL ASSETS

5(a) NON CURRENT INVESTMENTS	**Face Vale / Share (Rupees)**	**As at March 31, 2018**		As at March 31, 2017		As at April 1, 2016	
		No. of Share	**Value**	No. of Share	Value	No. of Share	Value
(i) Quoted, Equity shares fully paid up							
Investments Carried at Cost							
Investment in Equity instruments (Subsidiary)							
Duncan Engineering Limited (Formerly known as Schrader Duncan Ltd.)	10	**1848500**	**1,453.65**	1848500	1,453.65	1848500	1,453.65
Investments Carried at Fair Value Through OCI							
New India Investment Corporation Limited*	75	-	-	-	-	3353	289.90
(ii) Unquoted, Equity shares fully paid up							
Investments Carried at Fair Value Through OCI							
Duncan International (India) Limited	100	**8351**	**319.54**	8351	297.02	8351	141.64
New India Investment Corporation Limited	75	**3353**	**528.92**	3353	489.14	-	-
TOTAL			**2,302.11**		2,239.81		1,885.19

*** During the year 2016-17 the Company has been delisted and shown in the same under unquoted**

Agreegate Value of Quoted Investments	1,453.65	1,453.65	1,743.55
Agreegate Value of Unquoted Investments	848.46	786.16	141.64

(Rs. in Lakhs)

5(b) CURRENT INVESTMENTS

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Investment in Mutual Funds at FVTPL			
	Quoted			
a.	SBI Magnum Insta Cash Fund-Regular Plan Daily Dividend Face Value Rs. 1000; (March 31, 2018 Nil Units; March 31, 2017 55411.024 Units; April 01, 2016 15741.184 Units)	**-**	928.15	263.67
b.	SBI Arbitrage Opportunities Fund-Direct-Dividend Plan Face Value Rs. 10; (March 31, 2018 1278725.570 Units; March 31, 2017 1204874.146 Units; April 01, 2016 1151170.47 Units)	**180.93**	169.79	159.33
c.	SBI Treasury Advantage Fund-Direct Plan-Daily Dividend Face Value Rs. 1000; (March 31, 2018 30428.410 Units; March 31, 2017 55884.026 Units; April 01, 2016 53008.600 Units)	**601.95**	564.85	534.48
d.	SBI Fixed Interval Debt Fund Series 90 days 01- Direct Plan Face Value Rs. 10; (March 31, 2018 Nil Units; March 31, 2017 Nil Units; April 01, 2016 1498591.324 Units)	**-**	-	150.91
e.	SBI Ultra Short Term Debt Fund-Regular Plan-Daily Dividend Face Value Rs. 1000; (March 31, 2018 Nil Units; March 31, 2017 15098.879 Units; April 01, 2016 14354.785 Units)	**-**	151.94	144.41
f.	SBI Premier Liquid Fund-Regular Plan-Growth Face Value Rs. 1000; (March 31, 2018 Nil Units; March 31, 2017 11787.874 Units; April 01, 2016 13127.974 Units)	**-**	335.07	312.57
g.	SBI Corporate Bond Fund - Direct Plan Growth Face Value Rs. 10; (March 31, 2018 753843.660 Units; March 31, 2017 753843.660 Units; April 01, 2016 Nil Units)	**216.82**	201.82	-
h.	SBI Short Term Debt Fund-Direct Plan-Growth Face Value Rs. 10; (March 31, 2018 Nil Units; March 31, 2017 1046955.976 Units; April 01, 2016 Nil Units)	**-**	201.34	-
i.	SBI Premier Liquid Fund-Direct Plan-Growth Face Value Rs. 1000; (March 31, 2018 Nil Units; March 31, 2017 13127.974 Units; April 01, 2016 Nil Units)	**-**	300.08	-
j.	Kotak Floater Short Term-Daily Dividend-Regular Plan Face Value Rs. 1000; (March 31, 2018 Nil Units; March 31, 2017 19908.317 Units; April 01, 2016 Nil Units)	**-**	201.40	-
k.	SBI Equity Savings Fund-Dir Gr Face Value Rs. 10; (March 31, 2018 1248312.947 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**162.00**	-	-
l.	DSP BlackRock India Enhanced Equity Fund Face Value Rs. Nil; (March 31, 2018 Nil Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**632.52**	-	-
m.	Avendus Absolute Return Fund Class A2 Face Value Rs. 1000; (March 31, 2018 30000 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**323.76**	-	-
n.	DSP BlackRock Liquidity Fund-Institutional Plan-Growth Face Value Rs. 1000; (March 31, 2018 27.670 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**0.68**	-	-
o.	BNP Paribas Enhanced Arbitrage Fund Regular Face Value Rs. 10; (March 31, 2018 2991623.454 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**300.99**	-	-

(Rs. in Lakhs)

5(b) CURRENT INVESTMENTS

Particulars		As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
p.	Edelweiss Arbitrage Fund Dividend-DR Face Value Rs. 10; (March 31, 2018 1936279.528 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**202.67**	-	-
q.	Edelweiss Alpha Fund Face Value Rs. Nil; (March 31, 2018 Nil Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**253.66**	-	-
r.	DSP Black Rock India Enhanced Equity Sat Core Fund-Class B-1.12 Face Value Rs. Nil; (March 31, 2018 Nil Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**250.40**	-	-
s.	Avendus Absolute Return Fund Class A3 Face Value Rs. 1000; (March 31, 2018 30000 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**315.16**	-	-
t.	Avendus Enhanced Return Fund Collection Account Face Value Rs. Nil; (March 31, 2018 Nil Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**521.32**	-	-
u.	ICICI Prudential Regular Saving Fund Growth Face Value Rs. 10; (March 31, 2018 1081209.657 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**200.84**	-	-
v.	ICICI Prudential Equity Arbitrage Fund Dividend-DR Face Value Rs. 10; (March 31, 2018 2227297.793 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**303.81**	-	-
w.	Kotak Equity Arbitrage Fund Regular Plan Monthly Dividend-DR Face Value Rs. 10; (March 31, 2018 3791639.870 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**405.43**	-	-
x.	Reliance Arbitrage Advantage Fund Monthly Dividend Plan-DR Face Value Rs. 10; (March 31, 2018 3841165.636 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**406.40**	-	-
	TOTAL	**5,279.34**	**3,054.44**	**1,565.37**
	Agreegate Value of Quoted Investments	**5,279.34**	**3,054.44**	**1,565.37**

5(c) LOANS

Particulars	Non- Current			Current		
	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016
Unsecured, considered good						
Other Companies	**-**	-	39.00	**-**	-	500.00
Loans and advances to Subsidiary	**-**	-	-	**451.42**	618.05	544.18
Other Loans and advances						
Employee Advances	**35.32**	33.81	32.72	**46.72**	53.36	38.48
TOTAL	**35.32**	**33.81**	**71.72**	**498.14**	**671.41**	**1,082.66**

(Rs. in Lakhs)

5(d) TRADE RECEIVABLE

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good unless stated otherwise			
Considered good	**7,557.54**	7,658.31	6,106.49
TOTAL	**7,557.54**	7,658.31	6,106.49

5(e) CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balance with banks			
In Current Accounts	**259.52**	177.30	381.03
Cash on hand	**2.69**	3.38	2.41
Fixed Deposit with Maturity less than 3 Months	**700.00**	-	-
TOTAL	**962.21**	**180.68**	**383.44**

5(f) OTHER BANK BALANCES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Other Fixed Deposit with original Maturity more than 12 months *	**410.94**	990.07	483.29
Deposit Repayment reserve Account	**62.50**	55.50	35.00
Unpaid Dividend Accounts	**124.45**	108.30	97.83
TOTAL	**597.89**	**1,153.87**	**616.12**

* Includes Rs. Nil Lakhs; pledged with Government Authority (as at March 31, 2017 Rs. Nil Lakhs; as at April 01, 2016 Rs. 98.65 Lakhs) and Rs. 23.65 Lakhs; against margin money (as at March 31, 2017 Rs. 20.04 Lakhs; as at April 01, 2016 Rs. 1.54 Lakhs).

5(g) OTHER FINANCIAL ASSETS

Particulars	Non- Current			Current		
	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016
Considered good unless stated otherwise						
Measured at Amortised Cost						
Security Deposits	**175.40**	162.30	285.44	**49.71**	49.71	62.14
Claims Receivable	**-**	-	-	**-**	8.39	-
Accrued Interest Income	**-**	-	-	**17.06**	36.46	37.04
TOTAL	**175.40**	**162.30**	**285.44**	**66.77**	**94.56**	**99.18**

(Rs. in Lakhs)

6 INVENTORIES

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Raw Materials (Includes Stock-in-transit Rs . 99.26 Lakhs; as at March 31, 2017 Rs. 93.49 Lakhs; as at April 01, 2016 Rs. 76.93 Lakhs)	**1,204.95**	1,113.86	946.51
Work in Progress	**43.35**	98.82	73.43
Finished Goods	**1,921.38**	1,382.63	2,230.57
Stores & Spares (Includes Stock-in-transit Rs . 23.44 Lakhs; as at March 31, 2017 Rs. 35.04 Lakhs; as at April 01, 2016 Rs. 5.67 Lakhs)	**619.51**	566.07	586.19
Fuel	**67.44**	57.42	30.09
TOTAL	**3,856.63**	3,218.80	3,866.79

7 OTHER ASSETS

Particulars	**Non- Current**			**Current**		
	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016	**As At March 31, 2018**	As At March 31, 2017	As At April 01, 2016
Considered good unless stated otherwise						
Export incentive Receivable	**-**	-	-	**484.74**	371.55	304.25
Capital Advances *	**-**	238.78	2,862.42	**215.21**	201.02	201.02
Fixed Assets held for sale (At lower of Book Value and Net Realisable Value)	**-**	-	-	**11.13**	4.16	14.54
Other Receivables (Comprises of Excise Duty receivable, CST, Service Tax etc.)	**-**	-	-	**109.90**	209.12	193.17
Balance with Central Excise Authorities, Customs etc.	**-**	-	-	**-**	51.46	79.17
Prepaid Expenses	**-**	-	-	**114.52**	97.66	113.71
Other Miscellaneous Advances	**-**	-	-	**138.80**	204.88	124.00
TOTAL	**-**	238.78	2,862.42	**1,074.30**	1,139.85	1,029.86

* Includes Rs. 75.00 Lakhs(as at March 31, 2017 Rs. 75.00 Lakhs; as at April 01, 2016 Rs. 75.00 Lakhs) to a company under liquidation against the use of an office premises. The same is pending transfer in favour of the Company.

8 CURRENT TAX ASSETS (NET)

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Advance Income tax / Tax Deducted at Source (Net of Provision)	**-**	31.90	60.57
TOTAL	**-**	31.90	60.57

(Rs. in Lakhs)

9 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Authorised Shares			
1,49,90,000 (March 31, 2017 : 1,49,90,000, April 01 2016 : 1,49,90,000) Equity Shares of Rs.10 each (March 31, 2017 : Rs. 10 each, April 01 2016 : Rs. 10 each)	**1,499.00**	1,499.00	1,499.00
1,000 (March 31, 2017 : 1,000, April 01 2016 : 1,000) Redeemable Cumulative Preference Shares of Rs. 100 each (March 31, 2017 : Rs. 100 each, April 01 2016 : Rs. 100 each)	**1.00**	1.00	1.00
	1,500.00	1,500.00	1,500.00
Issued Shares			
1,03,29,814 (March 31, 2017 : 1,03,29,814 April 01 2016 : 1,03,29,814) Equity Shares of Rs. 10 each (March 31, 2017 : Rs. 10 each, April 01 2016 : Rs. 10 each)	**1,032.98**	1,032.98	1,032.98
	1,032.98	1,032.98	1,032.98
Subscribed & Fully Paid up Shares			
1,02,96,062 (March 31, 2017 : 1,02,96,062, April 01 2016 : 1,02,96,062) Equity Shares of Rs.10 each (March 31, 2017 :Rs. 10 each, April 01 2016 : Rs. 10 each)	**1,029.61**	1,029.61	1,029.61
Add: Forfeited Shares (Amount Originally paid up)	**1.52**	1.52	1.52
Total subscribed and fully paid up share capital	**1,031.13**	1,031.13	1,031.13

a. Terms / rights attached to Equity Shares

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend. However, same except interim dividend is subject to the approval of the shareholders in the Annual General Meeting.

b. Reconciliation of Shares outstanding at the beginning and at the end of the reporting period

Particulars	Equity Share (No. of Shares)			Equity Share (Value of Shares)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Issued Share Capital						
Equity Shares						
Share outstanding at beginning of period	10329814	10329814	10329814	1,032.98	1,032.98	1,032.98
Share outstanding at end of period	10329814	10329814	10329814	1,032.98	1,032.98	1,032.98
Subscribed & Paid up						
Equity Shares						
Share outstanding at beginning of period	10296062	10296062	10296062	1,029.61	1,029.61	1,029.61
Share outstanding at end of period	10296062	10296062	10296062	1,029.61	1,029.61	1,029.61

c. Details of shareholders holding more than 5% shares in the Company

Equity Shares

Name of Shareholders	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No of Shares	**% of Holding**	No of Shares	% of Holding	No of Shares	% of Holding
Cosmopolitan Investments Ltd	1904528	18.50%	1904528	18.50%	1904528	18.50%
New India Investment corporation Ltd.	1202136	11.68%	1202136	11.68%	1202136	11.68%
Duncan International (India) Ltd	994616	9.66%	994616	9.66%	994616	9.66%
HDFC Trustee Company Ltd	897250	8.71%	697335	6.77%	275000	2.67%
Haldia Investment Company Ltd	591895	5.75%	591895	5.75%	591895	5.75%

(Rs. in Lakhs)

10 OTHER EQUITY

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(I) Reserves & Surplus			
a. Capital Reserve			
Balance at the beginning of the Financial year	**1,732.18**	1,732.18	1,732.18
	1,732.18	1,732.18	1,732.18
b. Securities Premium Reserve			
Balance at the beginning of the Financial year	**1,792.64**	1,792.64	1,792.64
	1,792.64	1,792.64	1,792.64
c. Capital Redemption Reserve			
Balance at the beginning of the Financial year	**0.25**	0.25	0.25
	0.25	0.25	0.25
d. General Reserve			
Balance at the beginning of the Financial year	**2,613.88**	2,613.88	2,613.88
	2,613.88	2,613.88	2,613.88
e. Surplus in Statement of Profit & Loss			
Balance at the beginning of the Financial year	**26,598.97**	22,234.93	22,234.93
Addition during the Financial year	**5,675.01**	5,417.37	-
	32,273.98	27,652.30	22,234.93
Less: Appropriations			
Interim Dividend @	**308.88**	308.88	-
Tax on Interim Dividend	**62.88**	62.88	-
Dividend paid during the year	**720.72**	566.29	-
Tax on Dividend paid during the year	**146.72**	115.28	-
	31,034.78	**26,598.97**	**22,234.93**
TOTAL (I)	**37,173.73**	**32,737.92**	**28,373.88**
(II) Items of other comprehensive income			
Balance at the beginning of the Financial year	**518.94**	300.22	300.22
Add: Other Comprehensive Income for the Financial year			
Remeasurement Gain or (Loss) on Defined Benefit Plans (Net of Tax)	**9.82**	(54.08)	-
Net Gain or (Loss) on FVOCI Equity Investments (Net of Tax)	**47.93**	272.80	-
TOTAL (II)	**576.69**	**518.94**	**300.22**
TOTAL OTHER EQUITY (I + II)	**37,750.42**	**33,256.86**	**28,674.10**

@ During the year, the Company has paid Interim dividend of Rs. 3.00; (Previous year Rs. 3.00) per equity share.
Now, final dividend Rs. 7.00 (2016-17 Rs. 7.00; 2015-16 Rs. 5.50) per equity share for financial year 2017-18 is recommended by the Board of Directors, which is subject to the approval of the shareholders in the ensuing Annual General Meeting.

11 FINANCIAL LIABILITIES

a) Borrowings (Non-Current)

Particulars	Non - Current Maturities			Current Maturities		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Term Loans - From Banks (i)	**6,659.16**	6,133.83	1,715.63	1,682.09	1,367.63	2,211.12
Vehicle Loan from Banks (ii)	**0.43**	11.98	30.03	11.56	21.09	45.05
Public Deposits (iii)	**210.47**	208.65	391.28	265.53	268.97	87.00
Less : Current Maturities of Long Term Borrowings	**-**	-	-	(1,959.18)	(1,657.69)	(2,343.17)
TOTAL	**6,870.06**	6,354.46	2,136.94	**-**	**-**	**-**

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Notes: **(Rs. in Lakhs)**

(i) (a) Securities:

Secured by (i) First exclusive charge on entire fixed assets including equitable mortgage of factory land and building of Dharuhera unit with State Bank of India; (ii) First pari-pasu charge with Exim Bank and Kotak Mahindra Bank Ltd on entire fixed assets including equitable mortgage of factory land and building of SEZ Mundra Unit; (iii) Second pari-pasu charge with Exim Bank on entire fixed assets of Dharuhera Unit including equitable mortgage of factory land and building of Dharuhera Unit; (iv) Second pari-pasu charge with Exim Bank on entire current assets of the Company.

(i) (b) Terms of Repayments of Non-Current portion of Term Loans from Banks

As at March 31, 2018			As at March 31, 2017			As at April 01, 2016		
As at March 31, 2018	**Repayments**		As at March 31, 2017	Repayments		As at April 01, 2016	Repayments	
	No. of outstanding Instalments	**Periodicity**		No. of outstanding Instalments	Periodicity		No. of outstanding Instalments	Periodicity
-	-	-	53.84	1	Quarterly Equal	275.15	5	Quarterly Equal
582.45	} 16	Quarterly Equal	963.20	} 20	Quarterly Equal	-	-	-
967.16			-			-	-	-
195.51	20	Quarterly Equal	-	-	-	-	-	-
-	-	-	482.07	6	Monthly Equal	1,440.48	18	Monthly Equal
3,915.17	16	Quarterly Graded (Includes Buyer's Credit of Rs. 1363.73 Lakhs part of Term Loan)	3,637.82	20	Quarterly Graded (Includes Buyer's Credit of Rs. 637.56 Lakhs part of Term Loan)	-	-	-
798.56	16	Quarterly Equal	996.90	20	Quarterly Equal	-	-	-
200.31	20	Quarterly Graded	-	-	-	-	-	-
6,659.16			6,133.83			1,715.63		

(ii) Secured by hypothecation of vehicles purchased under the scheme and non-current portion of Rs. 0.43 Lakhs (as at March 31, 2017 Rs. 11.98 Lakhs; as at April 01, 2016 Rs. 30.03 Lakhs) is repayable in 2 equated monthly instalments (as at March 31, 2017 1 to 14; as at April 01, 2016 2 to 23) in 2018-19 onwards as per the repayment schedule.

(iii) Deposits from public carries rate of interest @ 7.75% to 8.00% (as at March 31, 2017 9.00% to 11.00%; as at April 01, 2016 9.50% to 10.00%) p.a. and non-current portion of Rs. 210.37 Lakhs (as at March 31, 2017 Rs. 208.65 Lakhs; as at April 01, 2016 Rs. 391.28 Lakhs) is repayable after 1 to 3 years (as at March 31, 2017 1 to 3 years; as at April 01, 2016 1 to 3 years) from the date of acceptance of deposits.

(b) Borrowings (Current)

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Loans Repayable on Demand			
Working Capital Loans from Bank (secured)			
Cash Credit, Packing Credit and Bill Discounting Facilities	**2,903.03**	2,250.47	4,075.95
TOTAL	**2,903.03**	2,250.47	4,075.95

Security:

Cash Credit, Packing Credit and Bill Discounting Facilities are secured by first exclusive charge on entire current assets of the Company and second exclusive charge over the entire fixed assets including equitable mortgage of factory land and building of Mundra SEZ Unit

(c) Trade Payables

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Trade Payables			
Due to Micro and Small enterprises (Refer Note 30)	**-**	-	-
Other Trade Payables	**2,115.29**	1,813.62	1,020.84
TOTAL	**2,115.29**	1,813.62	1,020.84

(Rs. in Lakhs)

(d) Other Financial Liabilities (Non current)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Interest Accrued but not due on deposits	**26.73**	55.02	29.82
TOTAL	**26.73**	55.02	29.82

(e) Other Financial Liabilities (current)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current maturities of Long-Term Borrowings	**1682.09**	1,367.63	2,211.12
Current maturities of Vehicle Loans	**11.56**	21.09	45.05
Current maturities of Deposits	**265.53**	268.97	87.00
Interest accrued but not due on Borrowings	**53.42**	60.60	27.70
Unpaid Dividend	**124.45**	108.30	97.83
Unpaid and Unclaimed Matured Deposits & Interest accrued thereon #	**26.43**	21.66	21.41
Security Deposits	**9.06**	9.05	8.90
TOTAL	**2,172.54**	**1,857.30**	**2,499.01**

Includes Rs. 12.95 Lakhs (as at March 31, 2017 Rs. 12.95 Lakhs; as at 1st April, 2016 Rs. 12.95 Lakhs) under legal dispute between the Joint Holders of the deposit.

12 PROVISIONS

Particulars	Non- Current Maturities			Current Maturities		
	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016
Provision for Employee Benefits (Refer Note 27)						
Compensated Absences	**236.61**	216.90	157.47	**25.56**	22.51	22.24
Other Provisions:						
Provision for Current Tax (Net)	**-**	-	-	**44.70**	-	-
TOTAL	**236.61**	**216.90**	**157.47**	**70.26**	**22.51**	**22.24**

13 DEFERRED TAX LIABILITIES (Net)

Particulars		As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
The balance comprises temporary differences attributable to:				
Deferred Tax Liabilities				
Property, Plant & Equipment and Intangible Assets		**3,602.59**	2,984.75	2,170.89
Deferred Tax Liability on FVOCI on Equity Investments		**191.86**	177.49	95.67
Deferred Tax Liability on Current Investment at Fair Value		**55.69**	15.92	5.85
Deferred Tax Liability on Amortised Value of Upfront Fees of Long Term Loans		**4.29**	7.01	2.67
Deferred Tax Liability on Exchange Difference on Forward Contracts		**-**	9.35	13.14
	A	**3,854.43**	**3,194.52**	**2,288.22**
Deferred Tax Assets				
Provision for employee benefits & others		**123.50**	79.35	57.21
MAT credit entitlement		**1,674.75**	1,680.44	1,343.32
	B	**1,798.25**	1,759.79	1,400.53
Net	**A-B**	**2,056.18**	1,434.73	887.69

(Rs. in Lakhs)

14 OTHER LIABILITIES

Particulars	Non- Current			Current		
	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016	**As At March 31, 2018**	As At March 31, 2017	As At April 01, 2016
Advance received from and Credit balance of Customers	**-**	-	-	**125.98**	107.57	142.80
Creditors for Capital Goods	**-**	-	-	**535.31**	1,085.55	469.81
Statutory dues payable	**-**	-	-	**228.94**	245.01	311.00
Employees liabilities	**-**	-	-	**902.49**	852.29	587.85
Directors' Commission	**-**	-	-	**55.21**	42.93	42.41
Other payable	**-**	-	-	**195.38**	114.46	59.02
TOTAL	**-**	**-**	**-**	**2,043.31**	2,447.81	1,612.89

15 REVENUE FROM OPERATIONS

Particulars	**Year Ended March 31, 2018**		Year Ended March 31, 2017	
Revenue from Operations includes				
a) Sale of products (including Excise Duty)*				
Insoluble Sulphur	**30,266.39**		28,553.46	
Sulphuric Acid and Oleum	**2,560.06**		2,173.07	
Less: Cash Discount	**(2.86)**	**32,823.59**	(3.95)	30,722.58
b) Other operating revenues				
Export Incentives		**378.92**		335.41
Revenue From Operations (Net) (a+b)		**33,202.51**		31,057.99

* The above amount includes Excise Duty of Rs. 380.00 lakhs (Rs. 1,316.78 lakhs for previous year)

16 OTHER INCOME

Particulars	**Year Ended March 31, 2018**		Year Ended March 31, 2017	
Dividend on Current Investment		**71.32**		67.02
Profit On Redemption of Current Investment		**107.67**		-
Interest Income				
On deposit	**70.64**		47.83	
On Loans	**63.83**		99.71	
Others	**0.25**	**134.72**	2.52	150.06
Loans and Debts earlier Written off, now recovered		**2.27**		7.24
Net Gain on foreign Currency translation and transaction		**-**		345.67
Rent received		**7.23**		11.51
Provision no longer Required written back		**66.02**		20.82
Scrap Sales		**46.31**		43.33
Net Gain on Fair Value of Current Investments		**113.82**		29.10
Miscellaneous Income		**5.17**		3.36
TOTAL		**554.53**		678.11

(Rs. in Lakhs)

17 COST OF MATERIAL CONSUMED

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Sulphur	**3,518.52**	2,527.15
Carbon Di Sulphide	**335.58**	331.13
Coating Oil	**3,559.57**	2,808.88
Others	**706.50**	518.10
	8,120.17	6,185.26
Less: Consumption for Trial Run Production	**-**	39.81
TOTAL	**8,120.17**	6,145.45

18 a) PURCHASE OF TRADED GOODS

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Sulphuric Acid	**-**	9.21
TOTAL	**-**	9.21

b) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
Inventories at the beginning of the Financial year				
Finished Goods		**1,382.63**		2,230.57
Work in Progress		**98.82**		73.43
		1,481.45		2,304.00
Add: Transferred from Trial Run Production				
Finished Goods	**-**		65.51	
Work-in-Progress	**-**	**-**	31.46	96.97
		1,481.45		2,400.97
Inventories at the end of the Financial year				
Finished Goods		**1,921.38**		1,382.63
Work in Progress		**43.35**		98.82
		1,964.73		1,481.45
Change in Excise Duty on Finished Goods Stock		**(30.58)**		(77.61)
Change in Inventories		**(513.86)**		841.91

19 EMPLOYEE BENEFIT EXPENSES

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Salaries, Wages and Bonus	**3,371.95**	3,282.75
Contribution to Provident & other funds (Refer Note 27)	**177.25**	159.59
Gratuity (Refer Note 27)	**83.78**	35.55
Long term compensated absences (Refer Note 27)	**48.85**	84.65
Employees Welfare Expenses	**320.02**	301.97
	4,001.85	3,864.51
Less: Transfer to Capital Work-in-Progress / Capitalised	**69.30**	125.03
TOTAL	**3,932.55**	3,739.48

(Rs. in Lakhs)

20 OTHER EXPENSES

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Stores Consumed	**56.96**	64.09
Packing cost	**1,064.24**	841.56
Power and Fuel	**3,809.96**	3,614.18
Water Charges	**85.89**	83.87
Rent *	**165.90**	217.37
Rates and Taxes	**93.48**	14.64
Insurance	**137.15**	123.98
Repairs to Buildings	**139.61**	98.08
Repairs to Machinery	**916.25**	784.40
Repairs to Others	**189.79**	136.90
Job Charges	**75.44**	35.36
Freight & Forwarding	**2,206.45**	1,914.20
Commission and Discount	**441.44**	395.14
Travelling	**239.88**	300.81
Legal & Professional	**287.28**	309.49
Service Charges	**220.46**	200.99
Loss on sale/discard of Property, Plant & Equipment (Net)	**130.88**	118.12
Loss on Redemption / Sale of Current Investment	**-**	0.14
Net Loss on Foreign Currency Translations and Transactions (Other than considered as Finance Cost)	**243.26**	-
Bad Advances / Debts	**5.80**	73.64
Donations (Includes for CSR Activities Rs. 134.20 (Previous Year Rs. 119.00))	**134.67**	194.00
Directors' Commission & Fees	**74.50**	63.60
Auditor's Remuneration (Refer Note 20(a))	**25.06**	23.89
Cost Auditor Fees	**1.30**	1.25
Miscellaneous	**767.76**	776.87
	11,513.41	10,386.57
Less: Transfer to Capital Work-in-Progress / Capitalised	**57.88**	191.44
TOTAL	**11,455.53**	10,195.13

* Net of Recovery Rs. Nil Lakhs (Previous year Rs. 5.40 Lakhs)

a. Auditors' Remuneration

Audit Fees	**17.25**	16.50
Certificates & other matters	**3.80**	3.77
For Tax Audit	**3.00**	3.20
Reimbursement of expenses	**1.01**	0.42
TOTAL	**25.06**	23.89

21 AMOUNT SPENT ON CSR ACTIVITIES

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
a) Gross amount required to be spent by the Company during the year	**134.20**	118.60
b) Amount spent during the year :		
Health, Hygiene and Sanitation	**6.00**	0.90
Education, Skill Development Programme and Livelihood enhancement	**122.04**	114.68
Training and capacity building of CSR team and administrative expenses	**6.16**	3.42
TOTAL	**134.20**	119.00

22 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Depreciation on Property, Plant and Equipment (Refer Note 2)	**1,615.92**	1,465.84
Amortisation of Intangible Assets (Refer Note 3)	**18.15**	49.59
TOTAL	**1,634.07**	1,515.43

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

23 FINANCE COST

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Interest on financial liabilities measured at amortised cost	**731.34**	549.77
Other Borrowing Costs	**68.98**	89.19
	800.32	638.96
Less: Transfer to Capital Work-in-Progress / Capitalised	**15.05**	137.96
TOTAL	**785.27**	501.00

24 INCOME TAX EXPENSES

a) Income tax recognised in Profit and Loss

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Current tax expense		
Current tax on profits for the year	**1,713.91**	1,560.50
Less: MAT Credit Entitlement (Net)	**21.72**	337.12
	1,692.19	1,223.38
Deferred tax expense		
Origination and reversal of temporary differences	**596.11**	830.96
Income tax charged to profit and loss	**2,288.30**	2,054.34

b) Deferred tax related to items recognised in OCI during the year

Remeasurement Gain / (Loss) on Defined Benefit Plans	**(5.28)**	28.62
FVTOCI Equity Investments	**(14.37)**	(81.82)
Income tax charged to OCI	**(19.65)**	**(53.20)**

c) Reconciliation of effective tax rate

Accounting profit before tax	**7,963.31**	7,471.71
Tax at India's statutory income tax rate @ 34.608%	**2,755.94**	2,585.81
Adjustment in respect of current income tax of previous years	**(21.72)**	(337.12)
Adjustment in respect of interest to Income Tax Department	**2.34**	1.05
Effect of concessions (expenditure on new plant and machinery)	**-**	(282.27)
Effect of concessions (expenditure on research and development)	**(14.71)**	(27.88)
Effect of income that is exempt from taxation (operations in SEZ zone)	**(594.99)**	(348.97)
Effect of Income i.e. Exempt from Taxation (Dividend Income)	**(24.68)**	(23.19)
Effect of amounts which are not deductible / others in calculating taxable income	**186.12**	486.91
Income Tax Expense	**2,288.30**	2,054.34

25 RESEARCH AND DEVELOPMENT EXPENSES

Details of Expenditure on Research and Development Facilities/ divisions of the Company recognised by Department of Scientific and Industrial Research.

a) Revenue Expenditure

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Employee Benefit Expenses		
Salaries, Wages and Bonus	**62.92**	64.36
Contributions to Provident & Other Funds	**2.68**	0.05
Employee welfare Expenses.	**6.59**	0.82
TOTAL	**72.19**	65.23
Consumption of Consumables	**2.40**	2.29
Repair to Machinery	**3.59**	1.63
Repair to Others	**-**	0.12
Job Charges	**1.48**	-
Rates Taxes and Fees	**-**	0.02

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Insurance Charges	**0.01**	-
Auditor's Remuneration	**0.20**	0.20
Travelling and Conveyance	**0.50**	1.58
Miscellaneous Expenses	**8.07**	8.13
TOTAL	**16.25**	**13.97**
Depreciation		
Depreciation	**7.77**	7.72
TOTAL	**7.77**	**7.72**
Total Expenditure Allowed	**96.21**	**86.92**

b) Capital expenditure

Description	March 31, 2017	Additions during the Year	March 31, 2018
Buildings	-	-	-
Equipments and Others	78.07	0.29	**78.36**
TOTAL	**78.07**	**0.29**	**78.36**

26 EARNINGS PER SHARE

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
a) Net Profit for Basic & Diluted EPS	**5,675.01**	5,417.37
b) Number of Equity Shares at the beginning of the year	**10296062**	10296062
c) Earning Per Share - Basic & Diluted (Rs.)	**55.12**	52.62
d) Face value per share (Rs.)	**10.00**	10.00

27 EMPLOYEE BENEFITS

The Company participates in defined contribution and benefit schemes, the assets of which are held (where funded) in separately administered funds. For defined contribution schemes the amount charged to the statements of profit or loss is the total of contributions payable in the year.

a) Defined Contribution Plans

Amount recognized as an expense and included in Note 19 Item "Contribution to Provident and Other Funds" Rs 177.25 Lakhs (Previous year Rs 159.59 Lakhs)Consist of Contribution to Superannuation Fund Rs. 36.39 Lakhs (Previous year Rs. 32.22 Lakhs) and to Provident and other fund Rs. 140.86 Lakhs (Previous year Rs. 127.37 Lakhs).

b) Other long-term benefits

Amount recognized as an expense and included in Note 19 Item "Long Term Compensated Absences Rs. 48.85 Lakhs (Previous year Rs. 84.65 Lakhs) for long term compensated Absences.

c) Defined benefits plans - as per actuarial valuation

Gratuity Expense Rs. 83.78 Lakhs (Previous year Rs. 35.55 Lakhs) has been recognized in "Gratuity" under Note 19 as per Actuarial Valuation.

Particulars	Year ended March 31, 2018		Year ended March 31, 2017	
	Gratuity	**Long term Compensated Absences**	Gratuity	Long term Compensated Absences
	Funded	**Non -Funded**	Funded	Non -Funded
I. Change in present value of obligation during the year				
Present value of obligation at the beginning of the year	**449.12**	**239.41**	354.93	179.71
Included in profit and loss:				
Current Service Cost	**36.08**	**34.54**	31.11	59.55
Interest Cost	**33.21**	**17.70**	28.38	14.37
Past Service Cost	**39.63**	**-**	-	-
Actuarial losses/(gains)	**-**	**(6.90)**	-	12.40
Experience Judgement	**-**	**(5.24)**	-	(4.18)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Rs. in Lakhs)

	Particulars	Year ended March 31, 2018		Year ended March 31, 2017	
		Gratuity	**Long term Compensated Absences**	Gratuity	Long term Compensated Absences
		Funded	**Non -Funded**	Funded	Non -Funded
	Included in OCI:				
	Actuarial losses/(gains) arising from:				
	Experience Judgement	**(0.95)**		63.57	
	Financial assumption	**(10.78)**		19.36	
	Others				
	Benefits Paid	**(41.83)**	**(17.34)**	(48.23)	(22.44)
	Present Value of obligation as at year-end	**504.48**	**262.17**	449.12	239.41
II.	**Change in Fair Value of Plan Assets during the year**				
	Plan assets at the beginning of the year	**340.03**	**-**	299.43	-
	Included in profit and loss:				
	Expected return on plan assets	**25.14**	**-**	23.94	-
	Included in OCI:				
	Actuarial Gain/(Loss) on plan assets	**3.37**	**-**	0.23	-
	Others:				
	Employer's contribution	**113.70**	**-**	64.66	-
	Benefits paid	**(41.83)**	**-**	(48.23)	-
	Plan assets at the end of the year	**440.41**	**-**	340.03	-
	The plan assets are managed by the Gratuity Trust formed by the Company.				
III.	**Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets**				
	1. Present Value of obligation as at year-end	**504.48**	**262.17**	449.12	239.41
	2. Fair value of plan assets at year -end	**440.41**	**-**	340.03	-
	3. Funded status {Surplus/ (Deficit)}	**(64.07)**	**(262.17)**	(109.09)	(239.41)
	Net Asset/(Liability)	**(64.07)**	**(262.17)**	(109.09)	(239.41)
IV.	**Expenses recognised in the Statement of Profit and Loss**				
	1. Current Service Cost	**36.08**	**-**	31.11	-
	2. Acturial (Gain) / Loss	**-**	**-**	-	-
	3. Past Service Cost	**39.63**	**-**	-	-
	4. Net interest Cost/ (Income) on the net defined benefit	**8.07**	**-**	4.44	-
	Total Expense	**83.78**	**-**	35.55	-
V.	**Expenses recognised in the Statement of Other Comprehensive Income**				
	1. Net Actuarial (Gain)/Loss	**(11.73)**	**-**	82.93	-
	2. Expected return on plan assets excluding interest income	**(3.37)**	**-**	(0.23)	-
	Total Expense	**(15.10)**	**-**	82.70	-
VI.	**Constitution of Plan Assets**				
	1. Equity Instruments	**-**	**-**	-	-
	2. Debt Instruments	**379.53**	**-**	222.69	-
	3. Mutual Fund Units	**33.50**	**-**	-	-
	4. Bank Balances to be Invested	**27.38**	**-**	117.34	-
VII.	**Bifurcation of PBO at the end of the year**				
	1. Current Liability	**7.57**	**25.56**	10.83	22.51
	2. Non-Current Liability	**56.50**	**236.61**	98.26	216.90
VIII.	**Actuarial Assumptions**				
	1. Discount Rate	**7.70%**	**7.70%**	7.40%	7.40%
	2. Mortality Table	**IALM 06-08**	**IALM 06-08**	IALM 06-08	IALM 06-08
	3. Salary Escalation	**7.00%**	**7.00%**	7.00%	7.00%
	4. Turnover Rate	Age upto 44 Years - 2%, Age above 44 Years - 1%		Age upto 44 Years - 2%, Age above 44 Years - 1%	

IX. Experience Adjustment: **(Rs. in Lakhs)**

Gratuity	**2017-18**	2016-17	2015-16	2014-15	2013-14
Present Value of obligation	**504.48**	449.12	354.93	307.95	281.49
Fair value of Plan assets	**440.41**	340.03	299.43	270.97	242.78
Net Asset/(Liability)	**(64.07)**	(109.09)	(55.50)	(36.98)	(38.71)
Actuarial (Gain)/Loss on plan obligation	**(0.95)**	63.57	45.04	12.50	13.46
Actuarial Gain/(Loss) on plan assets	**3.37**	0.23	(3.26)	(0.02)	(2.81)
Long term Compensated Absences	**2017-18**	2016-17	2015-16	2014-15	2013-14
Present Value of obligation	**262.17**	239.41	179.71	130.04	110.78
Fair value of Plan assets	**-**	-	-	-	-
Net Asset/(Liability)	**(262.17)**	(239.41)	(179.71)	(130.04)	(110.78)
Actuarial (Gain)/Loss on plan obligation	**(5.24)**	(4.18)	32.57	19.41	5.49
Actuarial Gain/(Loss) on plan assets	**-**	-	-	-	-

X. Sensitivity Analysis

Gratuity	**Year ended March 31, 2018**		Year ended March 31, 2017	
	Increase	**Decrease**	Increase	Decrease
Discount rate (1% movement)	**471.37**	**542.16**	417.69	484.95
Future salary growth (1% movement)	**538.50**	**473.88**	482.33	419.18
Employee turnover (1% movement)	**506.49**	**502.24**	450.09	448.02

XI. Maturity Profile of projected benefit obligation: from the fund

Particulars	**Year ended March 31, 2018**	Year ended March 31, 2017
	Gratuity Funded	Gratuity Funded
1 Year	**59.58**	44.60
2 to 5 Years	**236.81**	199.41
6 to 10 Years	**286.45**	247.14
More than 10 years	**430.94**	411.71

XII. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

a) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
b) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
c) Discount Rate – Reduction in discount rate in subsequent valuations can increase the plan's liability.
d) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
e) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

28 CAPITAL COMMITMENT

Particulars	**As At March 31, 2018**	As At March 31, 2017	As At April 01, 2016
Estimated Amount of Capital Commitments outstanding and not provided for (Gross) (Advance paid Rs. 13.84 Lakhs (March 31, 2017 Rs. 364.80 Lakhs; April 01, 2016 Rs. 2,988.44 Lakhs)	**592.64**	1,511.29	5,607.19

29 CONTINGENT LIABILITIES

	Particulars	**As At March 31, 2018**	As At March 31, 2017	As At April 01, 2016
a.	Claims against the company not acknowledged as debt*; Income Tax (Deposited Rs. 10.35 Lakhs; as at March 31, 2017 Rs. 10.35 Lakhs; as at April 01, 2016 Rs. Nil Lakhs) (Gross)	**51.57**	92.19	76.51
	Excise Duty (Deposited Rs. Nil; as at March 31, 2017 Rs. Nil; as at April 01, 2016 Rs. 85.58 Lakhs) (Gross)	**-**	-	105.58
	Other matters, including claims relating to third parties etc. (Deposited Rs. 12.00 Lakhs; as at March 31, 2017 Rs. 12.00 Lakhs; as at April 01, 2016 Rs. 12.00 Lakhs) (Gross)	**22.69**	22.69	22.69

(Rs. in Lakhs)

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016
b. Guarantees excluding financial guarantees; Bank Guarantees given to various Govt authorities/ others (Gross) (Margin Money / Short Term Deposits Rs. 23.65 Lakhs; as at March 31, 2017 Rs. 20.04 Lakhs; as at April 01, 2016 Rs. 1.54 Lakhs)	**157.63**	134.33	10.26
c. Corporate Guarantee given to a bank for loan taken by Subsidiary Company (to the extent loan outstanding) (Maximum value of Guarantee Rs. 981.00 Lakhs ; as at March 31, 2017 Rs. 1,821.00 Lakhs; as at April 01, 2016 Rs. 2,089.00 Lakhs)	**472.28**	850.76	1192.06

* The Company is hopeful of favourable decision and expect no outflow of resources, hence no provision is made in the books of account.

30 THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

There were no outstanding dues to Micro, Small and Medium Enterprises to the extent information available with the Company and the payments in respect of such suppliers are made with in the appointed day.

31 Segment Reporting has been disclosed in Consolidated Financial Statement.

32 FINANCIAL INSTRUMENTS

Financial instruments – Fair values and risk management

A. Financial instruments by category

Particulars	Fair Value Hierarchy	March 31, 2018			March 31, 2017			April 01, 2016		
		FVTPL	**FVTOCI**	**Amortised Cost**	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets										
Non-current Assets										
Loans	Level 3	**-**	**-**	**35.32**	-	-	33.81	-	-	71.72
Investment in Subsidiary	Level 3	**-**	**-**	**1,453.65**	-	-	1,453.65	-	-	1,453.65
Investments others	Level 2	**-**	**848.46**	**-**	-	786.16	-	-	431.54	-
Others	Level 3	**-**	**-**	**175.40**	-	-	162.30	-	-	285.44
Current Assets										
Investments	Level 1	**5,279.34**	**-**	**-**	3,054.44	-	-	1,565.37	-	-
Trade receivables	Level 3	**-**	**-**	**7,557.54**	-	-	7,658.31	-	-	6,106.49
Cash and cash Equivalents	Level 3	**-**	**-**	**962.21**	-	-	180.68	-	-	383.44
Bank balance other than cash and cash equivalents	Level 3	**-**	**-**	**597.89**	-	-	1,153.87	-	-	616.12
Loans	Level 3	**-**	**-**	**498.14**	-	-	671.41	-	-	1,082.66
Other Current Assets	Level 3	**-**	**-**	**66.77**	-	-	94.56	-	-	99.18
TOTAL		**5,279.34**	**848.46**	**11,346.92**	3,054.44	786.16	11,408.59	1,565.37	431.54	10,098.70
Financial Liabilities										
Non-current Liabilities										
Borrowings	Level 3	**-**	**-**	**6,870.06**	-	-	6,354.46	-	-	2,136.94
Other financial Liabilities	Level 3	**-**	**-**	**26.73**	-	-	55.02	-	-	29.82
Current liabilities										
Borrowings	Level 3	**-**	**-**	**2,903.03**	-	-	2,250.47	-	-	4,075.95
Trade payables	Level 3	**-**	**-**	**2,115.29**	-	-	1,813.62	-	-	1,020.84
Other financial liabilities	Level 3	**-**	**-**	**2,172.54**	-	-	1,857.30	-	-	2,499.01
TOTAL		**-**	**-**	**14,087.65**	**-**	**-**	12,330.87	-	-	9,762.56

The fair value of cash and cash equivalents, bank balances other than cash and cash equivalents trade receivables, short term loans, current financial assets, trade payables, current financial liabilities and borrowings approximate their carrying amount.

Fair value hierarchy

The table shown above analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

Level 1 This includes financial instruments measured using quoted prices.

Level 2 The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. There are no transfers between level 1, level 2 and level 3 during the year.

Valuation technique used to determine fair value:
Specific valuation techniques used to value financial instruments include:
The use of quoted market prices

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date (MTM)

As per Para D-15 of Appendix D of Ind AS 101, the first time adopter may chose to measure its investment in Subsidiary at Cost or at Fair Value. Company has opted to value its investment in Subsidiary at Cost.

The fair values for security deposits (assets & liabilities) were based on their carrying values.

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

A. Financial risk factors

The Company is exposed to various financial risks i.e. market risk, credit risk and risk of liquidity. These risks are inherent and integral aspect of any business. The primary focus of the Risk Management Policy is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk consists of foreign exchange risk and interest rate risk. The Company calculates and compares the various proposals of funding by including cost of currency hedging also. The Company uses derivative financial instruments (Forward Covers) to reduce foreign exchange risk exposures.

i. Credit risk

The Company evaluates the customer credentials carefully from trade sources before extending credit terms and credit terms are extended to only financially sound customers. The Company secures adequate advance from its customers whenever necessary and hence risk of bad debt is limited. The credit outstanding is sought to be limited to the sum of advances and credit limit determined by the Company. The Company have stop supply mechanism in place in case outstanding goes beyond agreed limits.

Ageing Analysis of Trade Receivables **(Rs. in Lakhs)**

Ageing	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Not due	**5,974.19**	6,287.87	5,062.15
Upto Six months	**1,572.77**	1,324.26	1,027.52
Six to Twelve Months	**10.58**	46.18	16.82
Above Twelve Months	**-**	-	-
Gross Carrying Amount	**7,557.54**	**7,658.31**	**6,106.49**
Expected Credited Losses	**-**	-	-
Expected Provision for Doubtful Debts	**-**	-	-
Net Carrying Amount	**7,557.54**	7,658.31	6,106.49

ii Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of fluctuation in market prices. These comprise three types of risk i.e. currency rate , interest rate and other price related risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

a. Foreign Currency risk

The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to reduce foreign exchange risk exposures and follows its risk management policies to mitigate the same. After taking cognisance of the natural hedge, the company takes appropriate hedges to mitigate its risk resulting from fluctuations in foreign currency exchange rate(s).

(Foreign Currency and Indian Currency in Lakhs)

The following table analyses foreign currency risk from financial instruments as of March 31, 2018:

Particulars	**INR**	**USD**	**Euro**	**GBP**	**JPY**
Financial Assets					
Cash and cash equivalents	0.56	0.01	-	-	-
Trade receivables	4,110.93	28.65	27.21	0.58	-
Other Financial Assets	6.24	0.08	-	-	1.59
Total	**4,117.73**	**28.74**	**27.21**	**0.58**	**1.59**
Financial liabilities					
Trade payables	96.97	1.49	-	-	-
Borrowings	3,571.19	33.84	-	-	2,226.45
Other Laibilities	159.00	0.89	1.25	-	-
Total	**3,827.16**	**36.22**	**1.25**	**-**	**2,226.45**

(Foreign Currency and Indian Currency in Lakhs)

The following table analyses foreign currency risk from financial instruments as of March 31, 2017:

Particulars	INR	USD	Euro	GBP	JPY
Financial Assets					
Cash and cash equivalents	26.91	0.01	0.38	-	-
Trade receivables	4,660.87	40.16	29.70	-	-
Other Financial Assets	219.33	0.88	0.01	-	279.00
Total	**4,907.11**	**41.05**	**30.09**	**-**	**279.00**
Financial liabilities					
Trade payables	63.35	0.98	-	-	-
Borrowings	1,883.85	19.14	-	-	1,109.19
Other Laibilities	155.38	0.70	1.59	-	-
Total	**2,102.58**	**20.82**	**1.59**	**-**	**1,109.19**

The following table analyses foreign currency risk from financial instruments as of 1st April, 2016:

Particulars	INR	USD	Euro	GBP	JPY
Financial Assets					
Cash and cash equivalents	39.81	0.01	0.52	-	-
Trade receivables	2,684.66	14.37	22.65	0.32	-
Other Financial Assets	204.77	0.64	-	-	274.49
Total	**2,929.24**	**15.02**	**23.17**	**0.32**	**274.49**
Financial liabilities					
Trade payables	81.33	0.92	0.27	-	-
Borrowings	1,532.19	7.47	13.80	-	-
Other Laibilities	92.25	-	1.23	-	-
Total	**1,705.77**	**8.39**	**15.30**	**-**	**-**

The following significant exchange rates have been applied during the year.

INR	Year End Spot Rate As At		
	March 31, 2018	March 31, 2017	April 01, 2016
USD	**65.0441**	64.8386	66.3329
Euro	**80.6222**	69.2476	75.0955
GBP	**92.2846**	80.8797	95.0882
JPY(100)	**61.5400**	57.9600	59.0600

Sensitivity Analysis

A reasonable possible strengthening (weakening) of the Indian Rupee at March 31 would have affected the measurement of financial instruments denominated in Foreign Currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. A 1% increase or decrease is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonable possible change in foreign currency rate.

1% Increase and Decrease in Foreign Exchange rates will have the following impact on Profit before tax. (Rs. in Lakhs)

Particulars	**2017-2018**		2016-2017	
	1 % Increase	**1 % Decrease**	1 % Increase	1 % Decrease
USD Sensitivity	**(4.87)**	**4.87**	13.12	(13.12)
Euro Sensitivity	**20.93**	**(20.93)**	19.74	(19.74)
GBP Sensitivity	**0.54**	**(0.54)**	-	-
JPY (100) Sensitivity	**(13.69)**	**13.69**	(4.81)	4.81

(Foreign Currency and Indian Currency in Lakhs)

Forward Contract outstanding for the purpose of Hedging as at the Balance Sheet Date:

Currency	Cross Currency	**As at March 31, 2018**		As at March 31, 2017		As at April 01, 2016	
		Foreign Currency	**INR**	Foreign Currency	INR	Foreign Currency	INR
Financial Assets							
USD	INR	**63.00**	**4,097.78**	33.50	2,172.09	49.72	3,297.97
EURO	INR	**39.50**	**3,184.58**	-	-	17.45	1,310.42
EURO	USD	**2.00**	**161.24**	40.00	2,769.90	28.10	2,110.18
			7,443.60		4,941.99		6,718.57
Financial Liabilities							
USD @	INR	**34.42**	**2,238.76**	19.52	1,265.69	-	-
			2,238.76		1,265.69		-

@ Includes JPY/USD 500.00 Lakhs equivalent to USD/INR 4.60 Lakhs (as at March 31, 2017 JPY/USD 500.00 Lakhs equivalent to USD/INR 4.61 Lakhs ; as at April 01, 2016 Nil Lakhs)

(Foreign Currency and Indian Currency in Lakhs)

Foreign Currency Exposure not Hedged as at the Balance Sheet Date:

Currency	Cross Currency	**As at March 31, 2018**		As at March 31, 2017		As at April 01, 2016	
		Foreign Currency	**INR**	Foreign Currency	INR	Foreign Currency	INR
Financial Assets							
USD	INR	**0.09**	**5.82**	17.05	1,105.78	6.91	458.13
EURO	INR	**5.71**	**460.04**	6.09	421.55	10.96	823.21
GBP	INR	**0.58**	**53.70**	-	-	0.32	30.42
JPY	INR	**1.59**	**0.98**	279.00	161.71	274.49	162.12
			520.54		1,689.04		1,473.88
Financial Liabilities							
USD	INR	**6.40**	**416.43**	5.91	382.88	8.39	556.63
EURO	INR	**1.25**	**101.02**	1.59	110.03	15.30	1,149.14
JPY	INR	**1,726.45**	**1,062.46**	609.19	353.09	-	-
			1,579.91		846.00		1,705.77

b) Interest Rate Risk and Sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. Borrowings at variable rates expose the Company to cash flow interest rate risk. With all other variables held constant, the following table demonstrates composition of fixed and floating rate borrowing of the Company and impact of floating rate borrowings on Company's profitibality.

Interest Rate Risk Exposure

Particulars	**As at March 31, 2018**		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lakhs	**% of Total**	Rs. in Lakhs	% of Total	Rs. in Lakhs	% of Total
Fixed Rate Borrowings	**487.99**	**4.16%**	510.69	4.98%	553.36	6.47%
Variable Rate Borrowings	**11,244.28**	**95.84%**	9,751.93	95.02%	8,002.70	93.53%
Total Borrowings	**11,732.27**	**100.00%**	10,262.62	100.00%	8,556.06	100.00%

Sensitivity on Variable Rate Borrowings (Rs. in Lakhs)

Particulars	**Impact on Profit & Loss Account**		**Impact on Equity**	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
Interest Rate Increase by 25 bp	**(28.11)**	(24.38)	**(28.11)**	(24.38)
Interest Rate Decrease by 25 bp	**28.11**	24.38	**28.11**	24.38

iii Liquidity risk

Liquidity risk arises when the Company will not be able to meet its present and future cash and collateral obligations. The risk management action focuses on the unpredictability of financial markets and tries to minimise adverse effects. The Company uses derivative financial instruments to hedge risk exposures. Risk management is carried out by the Finance department under Forex Policies as adopted and duly approved by the Board. The Company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and Company monitors rolling forecasts of its liquidity requirements.

(Rs. in Lakhs)

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2018:

Particulars	Carrying Amount	Less than 1 Year	1-5 Years	Total
Borrowings - Current	2,903.03	2,903.03	-	2,903.03
Borrowings - Non-Current and Current Maturities	8,829.24	1,959.18	6,870.06	8,829.24
Trade payables	2,115.29	2,115.29	-	2,115.29
Other financial liabilities - Current (Exclusive of Current Maturities)	213.36	213.36	-	213.36
Other financial liabilities - Non-Current				
Interest accrued but not due on deposits	26.73	-	26.73	26.73

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2017:

Particulars	Carrying Amount	Less than 1 Year	1-5 Years	Total
Borrowings - Current	2,250.47	2,250.47	-	2,250.47
Borrowings - Non-Current and Current Maturities	8,012.15	1,657.69	6,354.46	8,012.15
Trade payables	1,813.62	1,813.62	-	1,813.62
Other financial liabilities - Current (Exclusive of Current Maturities)	199.61	199.61	-	199.61
Other financial liabilities - Non-Current				
Interest accrued but not due on deposits	55.02	-	55.02	55.02

The table below provides details regarding the contractual maturities of significant financial liabilities as of April 01, 2016:

Particulars	Carrying Amount	Less than 1 Year	1-5 Years	Total
Borrowings - Current	4,075.95	4,075.95	-	4,075.95
Borrowings - Non-Current and Current Maturities	4,480.11	2,343.17	2,136.94	4,480.11
Trade payables	1,020.84	1,020.84	-	1,020.84
Other financial liabilities - Current (Exclusive of Current Maturities)	155.84	155.84	-	155.84
Other financial liabilities - Non-Current				
Interest accrued but not due on deposits	29.82	-	29.82	29.82

B. Capital Risk Management

The Company's Policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. In order to strengthen the capital base, the Company may use appropriate means to enhance or reduce capital, as the case may be.

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Borrowings	**11,732.27**	10,262.62	8,556.06
Less: Cash and Cash Equivalents including bank balances	**1,560.10**	1,334.55	999.56
Less: Current Investments	**5,279.34**	3,054.44	1,565.37
Net Debt	**4,892.83**	5,873.63	5,991.13
Equity	**38,781.55**	34,287.99	29,705.23
Capital and Net Debt	**43,674.38**	40,161.62	35,696.36
Gearing Ratio	**11%**	15%	17%

34. RELATED PARTY DISCLOSURES

Related party disclosure, as required by Indian Accounting Standard-24, is as below:

I. Nature of Related Party relationship

(a)	Duncan Engineering Limited (Formerly known as Schrader Duncan Limited)	: Subsidiary Company
(b)	Duncan International (India) Limited	: Enterprise over which relative of key management personnel is having significant influence.
(c)	Cosmopolitan Investments Ltd.	: Enterprise over which key management personnel is having significant influence.
(d)	Haldia Investments Ltd.	: Subsidiary of Cosmopolitan Investments Ltd.
(e)	Disciplined Investments Ltd.	: Subsidiary of Cosmopolitan Investments Ltd.

II. Key Management Personnel (KMP) & their relatives with whom transactions have taken place:

(a) Key Management Personnel

(i)	Mr. J.P. Goenka - Chairman	: Chairman and Relative of Key Management Personnel *
(ii)	Mr. Arvind Goenka - Managing Director	: Key Management Personnel
(iii)	Mr. Akshat Goenka - Joint Managing Director	: Key Management Personnel
(iv)	Mr. S.J. Khaitan - Director	: Non-Executive Director *
(v)	Mr. O.P. Dubey - Director	: Non-Executive Director *
(vi)	Mr. B.B. Tandon - Director	: Non-Executive Director *
(vii)	Mr. K. Raghuraman - Director	: Non-Executive Director *
(viii)	Mr. H.S. Shashikumar - Nominee of Life Insurance Corporation of India	: Non-Executive Director *
(ix)	Mrs. Runa Mukherjee - Director	: Non-Executive Director *
(x)	Mr. Anurag Jain - Chief Financial Officer	: Key Management Personnel
(xi)	Mr. Pranab Kumar Maity - Company Secretary	: Key Management Personnel

* Director's Fees and Commission paid

(b) Relatives of Key Management Personnel

(i)	Mrs. Aparna Goenka	: Relative of Key Management Personnel
(ii)	Mr. Shreyans Goenka	: Relative of Key Management Personnel

III. Entities Controlled by Key Management Personnel with whom transactions have taken place:

(i)	OCCL CSR Trust	: Trust in which key management personnel are Trustees
(ii)	Oriental Carbon & Chemicals Limited Employees Gratuity Fund	: Trust in which key management personnel are Trustees

ORIENTAL CARBON & CHEMICALS LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

IV. The following transactions were carried out with related parties in the ordinary course of business: (Rs. in Lakhs)

	Particulars	Subsidiary Company		Enterprise over which relative of key management personnel is having significant influence		Enterprise over which key management personnel is having significant influence		Subsidiary Company of Cosmopolitan Investments Ltd.		Subsidiary Company of Cosmopolitan Investments Ltd.		Chairman and Relative of Key Management Personnel		Key Management Personnel		Key Management Personnel		Non-Executive Directors		Key Management Personnel		Key Manage-ment Personnel		Relative of Key Management Personnel		Relative of Key Management Personnel		Trust in Which Key Management personnel are Trustees		Trust in Which Key Management personnel are Trustees	
		(Refer I (a))		(Refer I (b))		(Refer I (c))		(Refer I (d))		(Refer I (e))		(Refer II a(i))		(Refer II a(ii))		(Refer II a(iii))		(Refer II a(iv to ix))		(Refer II a(x))		(Refer II a(xi))		(Refer II (b (i)))		(Refer II (b)(ii))		(Refer III (i))		(Refer III (ii))	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
(a)	Loans & Advances given (Net)	-	75.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Interest received on Loans & Advances	61.36	65.45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Service charges reimbursed	-	-	72.00	68.70	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Expenses Reimbursed / (Recovered) (Net)	(2.82)	(10.25)	(7.50)	(4.56)	65.43	61.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Purchases of Stores & Spares	10.32	7.95	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Remuneration @	-	-	-	-	-	-	-	-	-	-	-	-	189.36	173.22	172.14	155.82	-	-	132.79	119.70	16.93	16.07	-	-	-	-	-	-	-	-
(g)	Dividend Paid	-	-	99.46	84.54	190.45	161.88	59.18	50.31	3.00	2.55	-	-	10.75	8.50	10.00	8.50	-	-	-	-	-	-	20.00	17.00	2.02	11.23	-	-	-	-
(h)	Director's Fees & Commission	-	-	-	-	-	-	-	-	-	-	4.00	3.60	-	-	-	-	70.50	60.00	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Donations towards CSR Activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	54.00	71.50	-	-
(j)	Contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	109.09	55.50
(k)	Outstanding as on 31.03.2018																														
	Receivable	451.42	618.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Payable	-	-	-	-	-	-	-	-	-	-	2.96	2.43	56.35	57.15	50.81	47.44	52.25	40.50	-	-	-	-	-	-	-	-	-	-	64.06	109.09
	Corporate guarantee given (to the extent loan outstanding)	472.28	850.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

@ Excludes Acturial Valuation of Retirement Benefits.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

35. FIRST TIME ADOPTION OF IND AS

As stated in Note 1(II), these are the Company's first financial statements prepared in accordance with Ind AS

The accounting policies set out in Note 1(III) have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS statement of financial position at April 01 2016 (the Company's date of transition). In preparing its opening Ind AS statement of financial position, the Company has adjusted amounts reported previously in financial statements prepared in accordance with Indian GAAP (previous GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

Exemptions and exceptions availed:

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Ind AS optional exemptions:

i. Property, plant and equipment & Intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

ii. Investment in subsidiary

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its investment in subsidiary as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly, the Company has elected to measure its investments in subsidiary at their previous GAAP carrying value.

iii. Long-term foreign currency monetary items

Under previous GAAP, paragraph 46A of AS 11 The Effects of Changes in Foreign Exchange Rates, provided an alternative accounting treatment to companies with respect to exchange differences arising on restatement of long term foreign currency monetary items. Exchange differences on account of depreciable assets could be added/deducted from the cost of the depreciable asset, which would then be depreciated over the balance life of the asset. The Company has opted for the said Accounting Treatment as per Ind AS 101.

B. Ind AS mandatory exceptions

i. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimation that were consistent in conformity with previous GAAP.

ii. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Accordingly the Company has determined the classification of Financial Assets based on the facts and circumstances exist as on the date of transition

C. Reconciliation of Equity

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Particulars	Note No.	As at March 31, 2017			As at April 01, 2016		
		IGAAP*	Adjustments	IND AS	IGAAP*	Adjustments	IND AS
I ASSETS							
1. Non Current Assets							
a. Property, Plant & equipment		30,560.63	-	30,560.63	18,186.96	-	18,186.96
b. Capital work in Progress		243.96	-	243.96	3,951.20	-	3,951.20
c. Other Intangible Assets		49.62	-	49.62	94.67	-	94.67
d. Intangible Assets under developments		8.08	-	8.08	-	-	-
e Financial Assets							
i. Investments	1	1,470.53	769.28	2,239.81	1,470.53	414.66	1,885.19
ii. Loans		33.81	-	33.81	71.72	-	71.72
iii. Others		162.30	-	162.30	285.44	-	285.44
f. Other Non Current Assets		238.78	-	238.78	2,862.42	-	2,862.42
2.Current Assets							
a. Inventories		3,218.80	-	3,218.80	3,866.79	-	3,866.79

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2017			As at April 01, 2016		
		IGAAP*	Adjustments	IND AS	IGAAP*	Adjustments	IND AS
b. Financial Assets							
i. Trade Receivables	6	7,255.60	402.71	7,658.31	4,804.56	1,301.93	6,106.49
ii. Cash and cash Equivalents		180.68	-	180.68	383.44	-	383.44
iii. Bank Balances other than ii) above		1,153.87	-	1,153.87	616.12	-	616.12
iv. Investments	5	3,008.45	45.99	3,054.44	1,548.48	16.89	1,565.37
v. Loans		671.41	-	671.41	1,082.66	-	1,082.66
vi. Others		94.56	-	94.56	99.18	-	99.18
c. Current Tax Assets (Net)		31.90	-	31.90	60.57	-	60.57
d. Other Current Assets		1,112.85	27.00	1,139.85	1,004.34	25.52	1,029.86
TOTAL		**49,495.83**	**1,244.98**	**50,740.81**	**40,389.08**	**1,759.00**	**42,148.08**
II. EQUITY AND LIABILITIES							
1 Equity							
a. Equity Share Capital		1,031.13	-	1,031.13	1,031.13	-	1,031.13
b. Other Equity		32,604.09	652.77	33,256.86	27,632.62	1,041.48	28,674.10
2. Non Current Liabilities							
a. Financial Liabilities							
i. Borrowings	2(b)	6,366.93	(12.47)	6,354.46	2,139.08	(2.14)	2,136.94
ii. Other Financial Liabilities		55.02	-	55.02	29.82	-	29.82
b. Provisions		216.90	-	216.90	157.47	-	157.47
c. Deferred Tax Liabilities (Net)	4	1,224.96	209.77	1,434.73	770.36	117.33	887.69
3. Current Liabilities							
a. Financial Liabilities							
i. Borrowings	6	1,847.76	402.71	2,250.47	2,774.02	1,301.93	4,075.95
ii. Trade Payables		1,813.62	-	1,813.62	1,020.84	-	1,020.84
iii. Other Financial Liabilities	2(b)	1,865.10	(7.80)	1,857.30	2,504.60	(5.59)	2,499.01
b. Other Current Liabilities		2,447.81	-	2,447.81	1,625.33	(12.44)	1,612.89
c. Provisions		22.51	-	22.51	703.81	(681.57)	22.24
TOTAL		**49,495.83**	**1,244.98**	**50,740.81**	**40,389.08**	**1,759.00**	**42,148.08**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total comprehensive income for the year ended March 31, 2017

	Particulars	Note No.	IGAAP*	Adjustments	IND AS
I	**Revenue from Operations**		29,745.16	1,312.83	31,057.99
II	**Other Income**		659.96	18.15	678.11
III	**Total Revenue (I+II)**		**30,405.12**	**1,330.98**	**31,736.10**
IV	**Expenses:**				
	Cost of materials consumed		6,145.45	-	6,145.45
	Purchase of Stock in Trade		9.21	-	9.21
	Changes in Inventories of finished goods, work in progress and stock in trade		841.91	-	841.91
	Excise Duty	7	-	1,316.78	1,316.78
	Employee benefit expense	8	3,822.18	(82.70)	3,739.48
	Finance costs	2(b)	513.53	(12.53)	501.00
	Depreciation and amortisation expense		1,515.43	-	1,515.43
	Other expenses		10,199.08	(3.95)	10,195.13
	Total expenses (IV)		**23,046.79**	**1,217.60**	**24,264.39**
V	**Profit before tax (III-IV)**		**7,358.33**	**113.38**	**7,471.71**
VI	**Tax expense**				
	Current Tax		1,223.38	-	1,223.38
	Deferred Tax	4	791.72	39.24	830.96
VII	**Profit for the period (V-VI)**		**5,343.23**	**74.14**	**5,417.37**
VIII	**Other Comprehensive Income (Net of Tax)**				
	Items that will not be reclassified to profit or loss				
	Remeasurement Gain or (Loss) on Defined Benefit Plans		-	(82.70)	(82.70)
	Income Tax on the above item		-	28.62	28.62
	Net Gain or (Loss) on FVTOCI Equity Investments		-	354.62	354.62
	Income Tax on the above item		-	(81.82)	(81.82)
	Total Other Comprehensive Income (Net of Tax)		-	218.72	218.72
IX	**Total Comprehensive income for the period (VII+VIII) (Comprising profit (Loss) and Other Comprehensive Income for the period)**		**5,343.23**	**292.86**	**5,636.09**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Recnciliation of Other Equity: **(Rs. in Lakhs)**

PARTICULARS	March 31, 2017	April 01, 2016
Total Other Equity under Previous GAAP (A)	**32,604.09**	**27,632.62**
1. Net Gain on Fair Value of Current Investments	45.99	16.89
2. Effect of Fair Valuation of Derivative Financial Instruments	27.01	37.96
3. Effect of Amortisation of Term Loans	20.26	7.73
4. Adjustment of proposed dividend and tax thereon	-	681.57
5. Net Gain or (Loss) on FVOCI on Equity Investments	769.28	414.66
6. Deferred Tax on the above Ind AS Adjustments (Net)	(209.77)	(117.33)
Total Adjustment to Other Equity (B)	**652.77**	**1,041.48**
Total Other Equity under Ind AS (A+B)	**33,256.86**	**28,674.10**

D. Notes to first-time adoption:

1. Investments (Non-Current & Current)

i) The Company has elected to apply previous GAAP carrying amount of its investment in subsidiary as deemed cost as on the date of transition to Ind AS.

ii) For investment in Mutual Fund, Company has elected to fair value through Profit and Loss Account(FVTPL)

iii) For investment in Equity Instruments, Company has elected to fair value through OCI (FVTOCI)

2. Financial Instruments

a) Derivative Financial Instruments

Under Indian GAAP, derivative contracts are restated at each balance sheet date to the extent of any reduction in value is recognised in Statement of Profit and Loss. A gain on valuation is only recognised by the Company if it represents the subsequent reversal of an earlier loss. Also under IGAAP premium on forward contract is amortised over the contract period and value was calculated excluding the premium.

Under Ind AS, both reductions and increases to the fair values of derivative contracts are recognised in profit & loss. Premium is not separately accounted and amortised.

b) Cost of borrowing

Borrowing designated and carried at amortised cost are accounted on EIR method. The upfront fee or cost of borrowing incurred is deferred and accounted on EIR basis. Borrowings are shown as net of amortised amount of upfront fee incurred. Accordingly as at March 31, 2017, Finance Cost was decreased by Rs 20.26 lakhs in statement of profit and loss and the value of term loans were also decreased to that extent.

3. Proposed Dividend

Under Indian GAAP, proposed dividends are recognised as liability in the period to which they relate irrespective of the approval by shareholders. Under Ind AS a proposed dividend is recognised as liability in the period in which it is declared (on approval of shareholders in a general meeting) or paid. Therefore the proposed dividend and dividend distribution tax for the F.Y. 2015-16 has been derecognised and recognised during 2016-17 on payment basis.

4. Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

5. Fair Valuation of Financial Assets

Mutual Funds has been fair valued through Profit and Loss (FVTPL)

6. Trade Receivables

As per Ind AS 109 requirement, Trade Receivables are to be reported inclusive of Bills Discounted, accordingly Trade Receivables as at March 31, 2017 were increased by Rs. 402.71 Lakhs and the Current Bank Borrowings also increased to that extent.

7. Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2017 by Rs. 1,316.78 Lakhs. There is no impact on the total equity and profit.

8. Remeasurement of post-employment benefit obligations

Under Ind AS, remeasurement i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurement were forming part of the profit or loss for the year.

9. There is no significant reconciliation items between cash flow prepared under Previous GAAP and those prepared under Ind AS.

36 Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

As Per our Report of even date attached
For S S Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N
Naveen Aggarwal
Partner
Membership No. 094380
Place : Noida
Date : 29th May, 2018

For and on behalf of the Board of Directors

Arvind Goenka — Managing Director
O.P. Dubey — Director
P.K. Maity — Company Secretary
Anurag Jain — Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

To
The Members
Oriental Carbon & Chemicals Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **Oriental Carbon & Chemicals Limited** (hereinafter referred to as "the Holding Company") and its subsidiary Duncan Engineering Limited (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules made thereunder.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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

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

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

Opinion

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

Other Matters

1. We did not audit the financial statements of subsidiary whose financial statements reflect total assets of Rs. 3570.36 Lakhs as at March 31, 2018, total revenues of Rs. 4218.39 Lakhs and net cash outflows amounting to Rs. 21.79 Lakhs, Profit after Tax of Rs. 14.76 Lakhs and total Comprehensive Income of Rs. 12.44 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary

based solely on the reports of the other auditors.

2. The comparative financial information for the year ended 31st March, 2017 and transition date opening balance sheet as at 1st April, 2016 prepared in accordance with Ind AS included in these consolidated Ind AS financial statements are based on the previously issued statutory financial statements for the year ended 31st March 2017 and 31st March 2016 respectively prepared in accordance with Accounting Standard prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 (as amended) which were audited by the predecessor auditor whose reports dated 23rd May, 2017 and 30th May, 2016 respectively expressed unmodified opinion on those consolidated financial statements and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors & predecessor auditor.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, we report, to the extent applicable, that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
   (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the statement of change in equity and the consolidated statement of cash flow dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
   (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules made thereunder.
   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India none of the directors is disqualified as on March 31, 2018 from being appointed as a director of that company in terms of sub-section 2 of Section 164 of the Act.
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and Its subsidiary Company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A", 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. the consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group refer to Note 28 to the consolidated Ind AS financial statements;
      ii. provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
      iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For **S S KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Registration Number: 000756N

NAVEEN AGGARWAL
Partner
Membership Number: 094380

Place : Noida
Date : May 29, 2018

"Annexure A" to the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of Oriental Carbon & Chemicals Limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements'

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Oriental Carbon & Chemicals Limited ('the Holding Company') and its subsidiary Duncan Engineering Limited, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These

responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('the Act').

Auditors' Responsibility

Our responsibility is to express an opinion on the Group internal financial controls over financial reporting based on our audit.

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary, which is company incorporated in India, is based on the corresponding reports of the auditors of such Company.

For **S S KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Registration Number: 000756N

NAVEEN AGGARWAL
Partner
Membership Number: 094380

Place : Noida
Date : May 29, 2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
I ASSETS				
1. Non Current Assets				
a. Property, Plant & Equipment	2	**32,699.93**	32,622.82	20,553.37
b. Capital work in Progress		**4,035.97**	260.51	3,957.03
c. Other Intangible Assets	3	**77.33**	71.29	120.34
d. Intangible Assets under development	4	**-**	8.08	-
e Financial Assets				
i. Investments	5a	**848.46**	786.16	444.29
ii. Loans	5c	**35.32**	33.81	71.72
iii. Other Financial Assets	5g	**182.46**	181.39	306.87
f. Other Non Current Assets	7	**1.02**	242.58	2,866.80
TOTAL NON CURRENT ASSETS		**37,880.49**	34,206.64	28,320.42
2. Current Assets				
a. Inventories	6	**4,670.49**	4,074.86	5,081.41
b. Financial Assets				
i. Investments	5b	**5,279.34**	3,057.71	1,565.37
ii. Trade Receivables	5d	**8,100.36**	8,415.21	7,392.59
iii. Cash and cash Equivalents	5e	**963.94**	204.22	404.82
iv. Bank Balances other than (iii) above	5f	**602.55**	1,159.94	692.47
v. Loans	5c	**52.44**	56.75	544.30
vi. Other Financial Assets	5g	**70.72**	94.74	103.33
c. Current Tax Assets (Net)	8	**94.73**	174.20	281.85
d. Other Current Assets	7	**1,177.91**	1,276.21	1,161.69
TOTAL CURRENT ASSETS		**21,012.48**	18,513.84	17,227.83
TOTAL ASSETS		**58,892.97**	52,720.48	45,548.25
II. EQUITY AND LIABILITIES				
A Equity				
a. Equity Share Capital	9	**1,031.13**	1,031.13	1,031.13
b. Other Equity	10	**37,121.01**	32,621.22	28,337.30
Equity attributable to Owners of the Parent		**38,152.14**	33,652.35	29,368.43
c. Non Controlling Interest		**823.79**	817.57	1,116.23
TOTAL EQUITY		**38,975.93**	34,469.92	30,484.66
B Liabilities				
1. Non Current Liabilities				
a. Financial Liabilities				
i. Borrowings	11a	**6,873.65**	6,361.49	2,136.94
ii. Other Financial Liabilities	11d	**41.01**	67.94	43.11
b. Provisions	12	**264.87**	246.91	198.62
c. Deferred Tax Liabilities (Net)	13	**2,052.99**	1,434.73	887.69
TOTAL NON CURRENT LIABILITIES		**9,232.52**	8,111.07	3,266.36
2. Current Liabilities				
a. Financial Liabilities				
i. Borrowings	11b	**3,375.31**	3,101.23	5,409.77
ii. Trade Payables	11c	**2,741.50**	2,376.34	1,979.61
iii. Other Financial Liabilities	11e	**2,176.21**	1,861.52	2,501.16
b. Other Current Liabilities	14	**2,351.02**	2,747.59	1,871.69
c. Provisions	12	**40.48**	52.81	35.00
TOTAL CURRENT LIABLITIES		**10,684.52**	10,139.49	11,797.23
TOTAL EQUITY AND LIABILITIES		**58,892.97**	52,720.48	45,548.25

Notes to Accounts 1 - 37

The accompanying notes referred to above form an integral part of the consolidated financial statements

As per our Report of even date attached
For S S Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

Naveen Aggarwal
Partner
Membership No. 094380

Place : Noida
Date : 29th May, 2018

For and on behalf of the Board of Directors

Arvind Goenka
Managing Director

O.P. Dubey
Director

P.K. Maity
Company Secretary

Anurag Jain
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018 **(Rs. in Lakhs)**

	Particulars	Note No.	For the Year ended 31st March,2018	For the Year ended 31st March,2017
I.	**Revenue from Operations**	15	**37,376.09**	34,910.41
II.	**Other Income**	16	**527.67**	701.36
III.	**Total Revenue (I+II)**		**37,903.76**	35,611.77
IV.	**Expenses:**			
	Cost of materials consumed	17	**10,571.29**	8,346.44
	Purchase of Stock in Trade	18a	**20.90**	49.72
	Changes in Inventories of finished goods, work in progress and stock in trade	18b	**(482.00)**	783.92
	Excise Duty		**491.71**	1,755.85
	Employee benefits expense	19	**4,741.22**	4,552.39
	Finance costs	23	**879.87**	653.02
	Depreciation and amortisation expense	22	**1,817.16**	1,694.89
	Other expenses	20	**11,889.94**	10,663.73
	Total (IV)		**29,930.09**	28,499.96
V.	**Profit before tax from continuing operations (III-IV)**		**7,973.67**	7,111.81
VI.	**Tax expense**	24		
	Current tax		**1,692.19**	1,223.20
	Deferred Tax (Net)		**596.11**	830.96
VII.	**Profit for the period from continuing operations after tax (V-VI)**		**5,685.37**	5,057.65
VIII.	**Profit /(Loss) from discontinued operations**		**4.41**	(227.87)
IX.	**Tax Expense of discontinued operations**		**-**	-
X.	**Profit /(Loss) from discontinued operations after tax (VIII-IX)**		**4.41**	(227.87)
XI.	**Profit for the period (VII+X)**		**5,689.78**	4,829.78
XII.	**Profit for the period attributable to:**			
	Owners of the Parent		**5,682.40**	5,123.49
	Non-Controlling Interest		**7.38**	(293.71)
XIII.	**Other Comprehensive Income (Net of Tax)**			
	Items that will not be reclassified to Profit or Loss			
	Remeasurement Gain or (Loss) on Defined Benefit Plans		**12.78**	(92.62)
	Income Tax on the above item		**(5.28)**	28.62
	Net Gain or (Loss) on FVTOCI on Equity Investments		**62.30**	354.62
	Income Tax on the above item		**(14.37)**	(81.82)
	Total Other Comprehensive Income for the Period (Net of Tax)		**55.43**	208.80
XIV.	**Total Other Comprehensive Income for the Period attributable to:**			
	Owners of the Parent		**56.59**	213.76
	Non-Controlling Interest		**(1.16)**	(4.96)
XV.	**Total Comprehensive income for the period (XI+XIII)**		**5,745.21**	5,038.58
XVI.	**Total Comprehensive income for the period attributable to:**			
	Owners of the Parent		**5,738.99**	5,337.25
	Non-Controlling Interest		**6.22**	(298.67)
XVII.	Basic & Diluted Earnings per equity share (of Rs. 10/- each) (Rs.)			
	-For Continuing Operations	26	**55.17**	50.87
	-For Continuing & Discontinued Operations	26	**55.19**	49.76
Notes to Accounts		**1 - 37**		

The accompanying notes referred to above form an integral part of the consolidated financial statements

As per our Report of even date attached
For S S Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

Naveen Aggarwal
Partner
Membership No. 094380

For and on behalf of the Board of Directors

Arvind Goenka
Managing Director

O.P. Dubey
Director

P.K. Maity
Company Secretary

Anurag Jain
Chief Financial Officer

ORIENTAL CARBON & CHEMICALS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Lakhs)

a) Equity Share Capital	**Amounts in Rs**
Balance as at April 01, 2016	1,031.13
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at March 31, 2017	1,031.13
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at March 31, 2018	1,031.13

b) Other Equity

Particulars	**Reserves & Surplus**					**Other Comprehensive Income (OCI)**		**Total Other Equity**
	Capital Reserve	**Securities Premium Reserve**	**Capital Redemption Reserve**	**General Reserve**	**Retained Earnings**	**Items that will not be Reclassified to Profit or loss**		
						Remeasurement Gain / (Loss) of the defined benefit plans (Net of Tax)	**Equity Instruments through OCI (Net of Tax)**	
Balance as at April 01, 2016	**2,008.99**	**1,792.64**	**0.25**	**2,613.88**	**21,622.81**	**(20.26)**	**318.99**	**28,337.30**
Profit/(Loss) for the Year March 31, 2017	-	-	-	-	5,123.49	-	-	5,123.49
Other comprehensive income (net of tax) for the year March 31, 2017	-	-	-	-	-	(59.04)	272.80	213.76
Dividend including Corporate Dividend Tax	-	-	-	-	(1,053.33)	-	-	(1,053.33)
Balance as at March 31, 2017	**2,008.99**	**1,792.64**	**0.25**	**2,613.88**	**25,692.97**	**(79.30)**	**591.79**	**32,621.22**
Profit/(Loss) for the Year March 31, 2018	-	-	-	-	5,682.40	-	-	5,682.40
Other comprehensive income (net of tax) for the year March 31, 2018	-	-	-	-	-	8.66	47.93	56.59
Dividend including Corporate Dividend Tax	-	-	-	-	(1,239.20)	-	-	(1,239.20)
Balance as at 31 March 2018	**2,008.99**	**1,792.64**	**0.25**	**2,613.88**	**30,136.17**	**(70.64)**	**639.72**	**37,121.01**

As per our Report of even date attached

For S S Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

Naveen Aggarwal
Partner
Membership No. 094380

Place : Noida
Date : 29th May, 2018

For and on behalf of the Board of Directors

Arvind Goenka
Managing Director

O.P. Dubey
Director

P.K. Maity
Company Secretary

Anurag Jain
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Rs. in Lakhs)

		Current Year		Previous Year	
A.	**Cash Flow From Operating Activities**				
	Net Profit before tax and Extra ordinary items	**7,973.67**		7,111.81	
	Adjustments for:				
	Profit/(loss) from Discontinued operations	**4.41**		(227.87)	
	Depreciation and Amortisation including Impairment Loss	**1,817.16**		1,694.89	
	Loss on Sale / Discard of Property, Plant & Equipment (Net)	**130.88**		119.40	
	Finance Costs	**879.87**		653.02	
	Interest Income	**(75.14)**		(118.91)	
	Effect of Exchange Rate Change on Borrowings	**143.04**		(260.41)	
	Loans and Debts earlier written off, now recovered	**(5.69)**		(7.24)	
	Bad Advances / Debts	**55.73**		92.68	
	Provision for Doubtful Debts	**1.97**		34.90	
	(Gain) / Loss on Redemption / Sale of Current Investments	**(111.98)**		(12.00)	
	Remeasurement Gain / (Loss) on Defined Benefit Plans	**12.78**		(92.62)	
	(Gain) / Loss on financial assets measured at fair value through Profit or loss (Net)	**(110.57)**		(20.40)	
	Dividend on Current Investments	**(71.33)**		(67.06)	
	Provision for Doubtful Debts Written back	**(20.02)**		(11.00)	
	Provision for Diminution in value of Investment	**-**		0.02	
	Operating Profit before Working Capital Changes	**10,624.78**		8,889.21	
	Adjustments for :				
	Trade and Other Receivables	**416.12**		(865.58)	
	Inventories	**(595.62)**		938.04	
	Trade and Other Payables	**528.35**		722.28	
	Cash generated from Operations	**10,973.63**		9,683.95	
	Direct Tax Paid (Net)	**(1,609.90)**		(1,531.65)	
	Net cash from Operating Activities		**9,363.73**		8,152.30
B.	**Cash Flow From Investing Activities**				
	Payments for purchase of Property, Plant & Equipment including Capital work in progress, Intangible Assets and Capital Advances	**(6,214.82)**		(7,060.46)	
	Proceeds from sale of Property, Plant & Equipment	**83.64**		232.49	
	Loans to Other Companies (Net)	**-**		495.94	
	Purchase and Sale of Non Current Investments (Net)	**-**		12.94	
	Purchase and Sale of Current Investments (Net)	**(1,999.07)**		(1,460.14)	
	Movement in Fixed deposits with Banks	**571.59**		(573.63)	
	Decrease in value of Investment	**-**		(0.02)	
	Dividend on Current Investments	**71.32**		67.02	
	Dividend on Non-Current Investments	**0.01**		0.04	
	Interest Received	**93.05**		86.69	
	Net Cash used in investing activities		**(7,394.28)**		(8,199.13)
C.	**Cash Flow From Financing Activities**				
	Dividend Paid	**(1,029.60)**		(875.17)	
	Tax on Dividend	**(209.60)**		(178.16)	
	Proceeds from Borrowing - Non Current	**2,286.98**		5,735.97	
	Repayment of Borrowing - Non Current	**(1,540.42)**		(2,133.30)	
	Borrowing - Current (Net)	**198.25**		(2,108.21)	
	Interest and Financial Costs paid (excluding Transfer to Capital Work-in-Progress)	**(915.34)**		(594.91)	
	Net Cash From Financing Activities		**(1,209.73)**		(153.78)
	Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)		**759.72**		(200.61)
	Opening Balance of Cash and Cash Equivalents		**204.22**		404.83
	Closing Balance of Cash and Cash Equivalents		**963.94**		204.22
	Cash & Cash Equivalents Comprise				
	Cash on Hand		**3.02**		3.76
	Cheques on Hand		**-**		5.61
	Balance with Scheduled Banks in Current Accounts and fixed deposits maturing within 3 months		**960.92**		194.85
			963.94		204.22

Notes: (i) Figures in bracket represent outflows.

(ii) Cash & cash equivalents excludes Rs. 124.25 Lakhs (Previous Year Rs. 109.00 Lakhs) lying in designated account with scheduled banks on account of unclaimed dividend and Rs. 478.10 Lakhs (Previous Year Rs. 1,050.94 Lakhs) in fixed deposits with banks and Margin Money maturing beyond three months are shown under investing activities.

(iii) Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

Change in Liability arising from financing activities **(Rs. in Lakhs)**

	April 01, 2017	Cash Flow	Foreign Exchange Movement	March 31, 2018
Borrowings - Non Current & Current Maturities (Refer Note 11(a))	8,022.69	746.56	67.21	8,836.46
Borrowings - Current (Refer Note 11(b))	3,101.23	198.25	75.83	3,375.31
	11,123.92	**944.81**	**143.04**	**12,211.77**

As per our Report of even date attached

For S S Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

Naveen Aggarwal
Partner
Membership No. 094380

Place : Noida
Date : 29th May, 2018

For and on behalf of the Board of Directors

Arvind Goenka
Managing Director

O.P. Dubey
Director

P.K. Maity
Company Secretary

Anurag Jain
Chief Financial Officer

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

1: COMPANY OVERVIEW, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

I CORPORATE INFORMATION

Oriental Carbon and Chemicals Limited ("OCCL" or "the Holding Company") is a public limited company domiciled in India and has its registered office at Kolkata. The shares of the Holding Company are listed on National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd.

The Consolidated Financial Statements comprise the Holding Company and its subsidiary (referred to collectively as "the Group"). The Holding Company's core business is manufacturing and sales of Insoluble Sulphur. The Holding Company is a global supplier of Insoluble Sulphur and about two-third of the turnover of the Holding Company is from Exports. The Holding Company has two manufacturing facilities, one in Haryana and other one in Gujrat. The principal activities of the subsidiary Company is manufacturing & trading of tyre valves and accessories, fluid power and automation products. The Subsidiary Company has its manufacturing facility in Maharashtra. The Subsidiary Company is a Public Limited Company and is listed on the Bombay Stock Exchange (BSE).

II BASIS OF PREPARATION

a) Statement of compliance

These financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (‘Ind AS’) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (‘the Act’) and other relevant provisions of the Act to the extent applicable.

The financial statement up to year ended March 31, 2017 were prepared in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) and other relevant provisions of the Act.

As these are the Group’s first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Group is provided in Note 36.

These financial statements were authorised for issue by the Board of Directors on May 29, 2018.

b) Basis of measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following:

i. Certain financial assets and liabilities (including derivative instruments) measured at Fair Value / Amortised Cost;

ii. Defined benefit plan assets measured at Fair Value;

c) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (“the functional currency”). The financial statements are presented in Indian National Rupee (‘INR’), which is the Group’s functional and presentation currency. All amounts have been rounded to two decimal points of lakhs, unless otherwise indicated.

d) Current or Non current classification

All Assets and Liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of business of the Group and its business time cycle from inception of an order and its completion on realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

e) Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent liabilities and contingent assets as at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to estimates are recognised prospectively.

Application of accounting policies that require critical accounting estimates and assumption judgements having the most significant effect on the amounts recognised in the financial statements are:

Measurement of defined benefit obligations;

Recognition of deferred tax assets & MAT credit entitlement;

Useful life and residual value of Property, plant and equipment and intangible assets;

Measurement of Fair Value of Current Investments;

Measurement of fair value of Equity Investments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

III SIGNIFICANT ACCOUNTING POLICY

The Group has consistently applied the following accounting policies to all periods presented in the financial statements.

a) Principle of Consolidation

i) The consolidated Financial statement includes the financial statement of the parent company, its subsidiary company. The consolidated financial statement have been prepared in accordance with Ind AS 110 on " Consolidated financial statement" as per Companies (Indian Accounting Standard) Rules 2015 notified under section 133 of the Companies Act , 2013 ('the Act) and other relevant provisions of the act to the extent possible.

ii) The Financial Statement of the Parent Company and its Subsidiary company are prepared on line by line adding together like items of assets, liabilities equity, income and expenses , intercompany balances and transactions and any unrealised gains arising from inter company transactions are eliminated. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidences of impairment.

iii) The consolidated Financial Statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements except provision for depreciation for some assets, which is not material to the Consolidated Financial Statements.

iv) Non controlling Interest in the consolidated financial statement is identified and recognised after taking into consideration the amount of equity attributable to non controlling interest at date on which investment in subsidiary is made

v) Non Controlling Interest in Equity since the date Parent/ Subsidiary relationship came into existence, the losses attributable to the minorities are adjusted against the minority interest in the equity of the subsidiary

vi) Financial statement of Subsidiary used for the purpose of Consolidation are drawn up to the same reporting date as that of the company i.e. year ended 31st March 2018.

vii) The Subsidiary company which is included in the consolidation and the parent company's holding are as under:

Name of the Company	% of Share Holding		Place of Incorporation
Duncan Engineering Limited (Formerly Known as Schrader Duncan Limited)	As on March 31, 2018	As on March 31, 2017	India
	50.01%	50.01%	

b) Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Borrowing costs relating to acquisition of qualifying fixed assets, if material, are also included in cost to the extent they relate to the period till such assets are ready to be put to use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The cost of replacing part of an item of property, plant and equipment are recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of all other repairs and maintenance are recognised in the Statement of Profit & Loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other noncurrent assets.

An item of property, plant and equipment is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii) Transition to Ind AS

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

iii) Depreciation

Depreciation on property, plant and equipment is provided on the Straight Line Method based on the useful life of assets as prescribed under Schedule II of the Companies Act, 2013, which are as follows:

Buildings including Factory Buildings and Roads	: 5 - 60 years
Plant & Equipment (Including Continuous Process Plant, Components & Laboratory Equipment)	: 5 - 25 years
Electrical Installations	: 10 years
Furniture and Fixtures	: 10 years
Office Equipment	: 5 - 10 years
Motor Vehicles	: 5 years
Computer and Servers & Networks	: 3 - 6 years

The Holding Company has estimated the useful lives based on the Assessment made by technical expert, of Air-Conditioners & Coolers different from the life prescribed in Schedule-II to the Companies Act,2013 from 10 years to 5 years and in respect of Motor Vehicle the Group has estimated the useful life from 8 years to 5 years. Moreover in case of Subsidiary Company Property, Plant and Equipment purchased for value not exceeding Rs. 5000/- is fully depreciated in the year of purchase, so as no material impact on the profit before tax and fixed assets of the Group.

Leasehold land is being amortised over the lease period. Buildings constructed on Leasehold land are depreciated based on the useful life prescribed in the Schedule II of the Companies Act, 2013.

Depreciation on additions to or on disposal of assets is calculated on pro-rata basis i.e. from (upto) the date on which the property, plant and equipment is available for use (disposed off).

c) Intangible assets

i) Recognition and measurement

Intangible Assets Acquired Separately

Intangible assets that are acquired by the Group are measured at cost. Subsequent to initial recognition, the assets are measured at cost, less accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate.

All intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. Impairment losses, if any, are recognised immediately in profit or loss.

An item of intangible asset is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of intangible assets is recognised in profit or loss.

ii) Transition to Ind AS

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

iii) Amortisation

Amortization is recognised in the income statement on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use.

The estimated useful lives are as follows:
Software : 5 years

The amortization period and the amortization method for intangible assets are reviewed at each reporting date.

d) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use or fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in Statement of Profit and Loss

In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date

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

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

e) Financial Instruments

i) Initial recognition

The Group recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ii) Subsequent measurement

(a) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) Method to gross carrying amount of the financial asset, if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. When the financial asset is derecognised or impaired, the gain or loss is recognised in the statement of profit and loss.

(b) Financial assets at fair value through other comprehensive income

Equity instruments are subsequently measured at fair value. On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. Fair value gains and losses recognised in OCI are not reclassified to profit and loss.

(c) Financial assets at fair value through profit or loss

Financial assets which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(d) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(e) Reclassification of Financial Assets and Financial Liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. Except Trade receivables, expected credit losses are measured at an amount equal to the 12-month Expected Credit Loss (ECL), unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime ECL.

With regard to trade receivable, the Group applies the simplified approach , which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

iv) Derecognition

Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

v) Derivative financial instruments

The Group is exposed to exchange rate risk which arises from its foreign exchange revenues, primarily in Euro and US Dollars. The Group uses foreign exchange forward contracts (derivative financial instruments), to hedge foreign currency risk associated with highly probable forecasted transactions and classifies them as cash flow hedges.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are taken directly to profit and loss.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

The Group makes an assessment, on an on-going basis, of whether the hedging instruments are expected to be "highly effective" in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk.

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

f) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair values for measurement and/ or disclosure purposes are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 - This includes financial instruments measured using quoted prices.

Level 2 - The fair value of financial instrument that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs require to fair value an instrument are observable, the instrument is included in level 2. Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

g) Inventories

Inventories are valued at lower of Cost and Net Realisable value. The cost of finished goods is determined by taking material, labour and related factory overheads including depreciation. Cost of material is determined on weighted average cost basis. Further the cost for Work-in-Progress includes material cost, stage wise direct cost and other related manufacturing overheads including depreciation. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and making the sale.

Cost of raw materials, packing materials, stores and spares are determined on weighted average basis.

Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, the same are written off or provision is made for such inventories.

h) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

i) Revenue Recognition

i) Sale of goods

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when the significant risk and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods to the degree usually associated with the ownership, and the amount of revenue can be measured reliably, regardless of when the payment is being made. Amounts disclosed as revenue are inclusive of excise duty, till it was applicable, and net of returns, trade discounts and rebates.

Incentives on exports are recognised in books after due consideration of certainty of utilization/ receipt of such incentives.

ii) Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is included in other income in the statement of profit and loss.

iii) Dividends

Dividend income is recognised when the Group's right to receive dividend is established, and is included in other income in the statement of profit and loss.

j) Employee Benefits

i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Defined contribution plans

Employees benefits in the form of the Group's contribution to Provident Fund, Pension scheme, Superannuation Fund and Employees State Insurance are defined contribution schemes. The Group recognises contribution payable to these schemes as an expense, when an employee renders the related service.

If the contribution payable exceeds contribution already paid, the deficit payable is recognised as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the Group recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

iii) Defined benefit plans

Retirement benefits in the form of gratuity are considered as defined benefit plans. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Group provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The Group contributes to the gratuity fund, which are recognised as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognised in the Balance Sheet.

When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) Other long-term employee benefits

Employee benefits in the form of long term compensated absences are considered as long term employee benefits. The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have

earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement are recognised in profit or loss in the period in which they arise.

The liability for long term compensated absences are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

k) Foreign currency transactions

Initial recognition:

Transactions in foreign currencies are translated into the Group's functional currency at the exchange rates at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Nonmonetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange difference:

Exchange differences are recognised in Statement of profit & loss. In accordance with Ind-AS 101 'First Time Adoption of Indian Accounting Standards', the Group has continued the policy of capitalisation of exchange differences on foreign currency loans taken before the transition date. Accordingly, exchange differences arising on translation of long term foreign currency monetary items relating to acquisition of depreciable fixed assets taken before the transition date are capitalized and depreciated over the remaining useful life of the asset.

l) Research and Development Expenses

Revenue Expenditure on Research and Development is charged to Statement of Profit and loss in the year in which it is incurred and capital expenditure is added to Property, Plant & Equipment.

m) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

n) Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in Other Comprehensive Income

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year after taking credit of the benefits available under the Income Tax Act and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

A deferred income tax asset is recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

For operations carried out in tax free units, deferred tax assets or liabilities, if any, have been recognised for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset only if:

a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is probable evidence that the Group will pay normal income tax in future. Accordingly, MAT is recognised as deferred tax asset in the Balance Sheet.

o) Segment Reporting

The accounting policies adopted for the segment reporting are in conformity with the accounting policies adopted for the Group. Primary Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Revenue, Expense, Assets and Liabilities, which relate to the Group as a whole and could not be allocated to segments on a reasonable basis, have been classified as unallocated. Secondary segment is identified based on geography by location of customers i.e. in India and outside India. Inter-segment revenue have been accounted for based on the transaction price agreed to between the segments, which is primarily market based.

p) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

q) Cash flow statement

Cash flow statements are prepared in accordance with "Indirect Method" as explained in the Accounting Standard on Statement of Cash Flows (Ind AS - 7). The cash flows from regular revenue generating, financing and investing activity of the Group are segregated.

r) Lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease, based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Group as lessee under operating lease

Payments made under operating leases are recognised in profit or loss. The payments are in line with the expected general inflation to compensate the lessors expected inflationary cost increase.

s) Earning per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted Earning per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2 Property, Plant & Equipment **(Rs. in Lakhs)**

Description	Gross Carrying Value				Depreciation				Net Carrying Value	
	As at April 1, 2016 @	Additions/ adjust-ments	Sales/ adjust-ments	As at March 31, 2017	As at March 31, 2016	Addi-tions/ Adjust-ments	Sales/ Adjust-ments	As at March 31, 2017	As at March 31, 2017	As at April 1, 2016
Land - Freehold	141.34	-	-	141.34	-	-	-	-	141.34	141.34
- Leasehold	1,033.23	-	-	1,033.23	142.97	31.01	-	173.98	859.25	890.26
Building	8,972.74	6,829.82	61.99	15,740.57	1,806.73	341.92	46.61	2,102.04	13,638.53	7,166.01
Plant & Equipment	19,070.92	6,259.82	1,231.73	24,099.01	8,188.39	872.96	938.09	8,123.26	15,975.75	10,882.53
Electrical Installations	1,937.68	592.13	22.71	2,507.10	1,071.13	170.27	13.04	1,228.36	1,278.74	866.55
Furniture and Fixture	438.60	151.26	8.23	581.63	228.48	43.98	4.88	267.58	314.05	210.12
Vehicles	498.02	25.83	71.97	451.88	264.37	93.92	62.94	295.35	156.53	233.65
Air Conditioners and coolers	100.96	103.37	8.31	196.02	40.28	37.54	5.13	72.69	123.33	60.68
Office Equipment	383.10	83.96	12.09	454.97	280.87	49.53	10.73	319.67	135.30	102.23
Total	32,576.59	14,046.19	1,417.03	45,205.75	12,023.22	1,641.13	1,081.42	12,582.93	32,622.82	20,553.37

@ Represent Deemed Cost on the date of transition to Ind AS

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Notes:

(i) Gross Block includes Rs. 129.69 Lakhs (Previous year Rs. 176.21 Lakhs) purchased under Car Finance Scheme.

(ii) The Expansion at Mundra has commenced commercial production on 20th December'2016. Pre-Operative and start up expenses aggregating Rs. 810.03 Lakhs (including cumulative borrowing cost Rs. 59.32 Lakhs Previous year Rs. Nil) has been allocated to fixed assets proportionate to their direct cost.

(iii) Building includes properties costing Rs. 3,496.42 Lakhs pending for registration (Previous year Rs. 49.20 Lakhs)

(iv) The Holding Company has exercised option under notification no. GIR 914 (E) dated 29th December'2011 issued by Ministry of Corporate Affairs and accordingly net exchange loss for the year amounting to Rs. 34.37 Lakhs (Previous year Rs. 138.39 Lakhs) on long term foreign currency loans have been capitalised.

(v) During the year 2016-17, the Holding Company has changed the useful life of Air conditioners and Coolers from 10 years to 5 years resulting in an increase in depreciation by Rs. 22.76 Lakhs; (Previous year Nil).

(Rs. in Lakhs)

Description	Gross Carrying Value				Depreciation				Net Carrying Value	
	As at April 1, 2017	Additions/ adjustments	Sales/ adjustments	**As at March 31, 2018**	As at March 31, 2017	Additions/ Adjustments	Sales/ Adjustments	**As at March 31, 2018**	**As at March 31, 2018**	As at March 31, 2017
Land - Freehold	141.34	21.25	-	**162.59**	-	-	-	**-**	**162.59**	141.34
- Leasehold	1,033.23	-	-	**1,033.23**	173.98	31.01	-	**204.99**	**828.24**	859.25
Building	15,740.57	435.08	2.07	**16,173.58**	2,102.04	372.39	0.74	**2,473.69**	**13,699.89**	13,638.53
Plant & Equipment	24,099.01	1,385.73	434.63	**25,050.11**	8,123.26	971.14	219.95	**8,874.45**	**16,175.66**	15,975.75
Electrical Installations	2,507.10	39.70	1.51	**2,545.29**	1,228.36	202.03	0.83	**1,429.56**	**1,115.73**	1,278.74
Furniture and Fixture	581.63	10.86	0.36	**592.13**	267.58	53.31	0.36	**320.53**	**271.60**	314.05
Vehicles	451.88	156.59	66.63	**541.84**	295.35	83.04	63.30	**315.09**	**226.75**	156.53
Air Conditioners and coolers	196.02	3.54	2.51	**197.05**	72.69	30.51	1.47	**101.73**	**95.32**	123.33
Office Equipment	454.97	35.45	2.54	**487.88**	319.67	46.20	2.14	**363.73**	**124.15**	135.30
Total	45,205.75	2,088.20	510.25	**46,783.70**	12,582.93	1,789.63	288.79	**14,083.77**	**32,699.93**	32,622.82

Notes:

(i) Gross Block includes Rs. 47.95 Lakhs (Previous year Rs. 129.69 Lakhs) purchased under Car Finance Scheme.

(ii) Building includes properties costing Rs. 3,447.22 Lakhs pending for registration (Previous year Rs. 3,496.42 Lakhs)

(iii) The Holding Company has exercised option under notification no. GIR 914 (E) dated 29th December'2011 issued by Ministry of Corporate Affairs and accordingly net exchange loss for the year amounting to Rs. 99.94 Lakhs (Previous year Rs. 34.37 Lakhs) on long term foreign currency loans have been capitalised.

3 INTANGIBLE ASSETS

Description	Gross Carrying Value				Amortisation				Net Carrying Value	
	As at April 1, 2016 @	**Additions/ adjust-ments**	**Sales/ adjust-ments**	**As at March 31, 2017**	**As at March 31, 2016**	**Additions/ Adjust-ments**	**Sales/ Adjust-ments**	**As at March 31, 2017**	**As at March 31, 2017**	**As at April 1, 2016**
Computer Software	330.95	10.59	1.82	339.72	210.61	58.61	0.79	268.43	71.29	120.34
Total	**330.95**	**10.59**	**1.82**	**339.72**	**210.61**	**58.61**	**0.79**	**268.43**	**71.29**	**120.34**

@ Represent Deemed Cost on the date of transition to Ind AS

Description	Gross Carrying Value				Amortisation				Net Carrying Value	
	As at April 1, 2017	**Additions/ adjust-ments**	**Sales/ adjust-ments**	**As at March 31, 2018**	**As at March 31, 2017**	**Additions/ Adjust-ments**	**Sales/ Adjust-ments**	**As at March 31, 2018**	**As at March 31, 2018**	**As at March 31, 2017**
Computer Software	339.72	33.57	-	373.29	268.43	27.53	-	295.96	77.33	71.29
Total	**339.72**	**33.57**	**-**	**373.29**	**268.43**	**27.53**	**-**	**295.96**	**77.33**	**71.29**

4 INTANGIBLE ASSETS UNDER DEVELOPMENT

Description	Gross Carrying Value				Amortisation				Net Carrying Value	
	As at April 1, 2017	**Additions/ adjust-ments**	**Sales/ adjust-ments**	**As at March 31, 2018**	**As at March 31, 2017**	**Additions/ Adjust-ments**	**Sales/ Adjust-ments**	**As at March 31, 2018**	**As at March 31, 2018**	**As at March 31, 2017**
Computer Software	8.08	-	8.08	-	-	-	-	-	-	8.08
Total	**8.08**	**-**	**8.08**	**-**	**-**	**-**	**-**	**-**	**-**	**8.08**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Rs. in Lakhs)

5 FINANCIAL ASSETS

5(a) NON CURRENT INVESTMENTS	Face Value / Share	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		No. of Share	Value	No. of Share	Value	No. of Share	Value
(i) Quoted, Equity shares fully paid up							
Investments Carried at Fair Value Through OCI							
New India Investment Corporation Limited*	75.00	-	-	-	-	3353	289.90
Investments Carried at Fair Value Through Profit & Loss (FVTPL)							
Swan Energy Limited (formerly known as Swan Mills Limited)	1.00	-	-	-	-	1600	0.97
Apollo Tyres Limited	1.00	-	-	-	-	1000	1.75
Ceat Limited	10.00	-	-	-	-	75	0.81
Summit Securities Limited	10.00	-	-	-	-	4	0.01
Goodyear India Limited	10.00	-	-	-	-	100	0.48
J. K. Tyre & Industries Limited	2.00	-	-	-	-	280	0.24
Dhampur Sugar Limited (Previously known as J. K. Sugar Limited)	10.00	-	-	-	-	4	-
TVS Srichakra Tyres Limited	10.00	-	-	-	-	100	2.31
Falcon Tyres Limited	5.00	-	-	-	-	600	0.04
MRF Limited	10.00	-	-	-	-	13	4.99
Triton Valves Limited	10.00	-	-	-	-	100	0.88
Modi Rubber Limited	10.00	-	-	-	-	100	0.04
J. K. Agri Genetics Limited	10.00	-	-	-	-	6	0.02
Florence Investech Limited (Demerged from J. K. Agri Genetics Limited)	10.00	-	-	-	-	4	0.01
Bengal & Assam Company Ltd. (Netfiler Finco Ltd. merged in Bengal & Assam Company Ltd.)	10.00	-	-	-	-	4	0.02
(ii) Unquoted, Equity shares fully paid up							
Investments Carried at Fair Value Through OCI							
Duncan International (India) Limited	100.00	**8351**	**319.54**	8351	297.02	8351	141.64
New India Investment Corporation Limited	75.00	**3353**	**528.92**	3353	489.14	-	-
Investments Carried at cost							
Duncan Services Limited	100.00	-	-	-	-	360	0.18
TOTAL			**848.46**		786.16		444.29

* During the year 2016-17 the Company has been delisted and shown in the same under unquoted

Agreegate Value of Quoted Investments	-	-	302.47
Agreegate Value of Unquoted Investments	848.46	786.16	141.82

(Rs. in Lakhs)

5(b) CURRENT INVESTMENTS

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Investment in Equity instruments Carried at FVTPL (Quoted, Equity Shares fully paid up)			
a.	Swan Energy Limited formerly known as Swan Mills Limited Face Value Rs. 1; (March 31, 2018 Nil Units; March 31, 2017 1600 Units; April 01, 2016 Nil Units)	-	2.26	-
b.	Ceat Limited Face Value Rs. 10; (March 31, 2018 Nil Units; March 31, 2017 75 Units; April 01, 2016 Nil Units)	-	0.99	-
c.	Falcon Tyres Limited Face Value Rs. 5; (March 31, 2018 Nil Units; March 31, 2017 600 Units; April 01, 2016 Nil Units)	-	0.02	-
	Investment in Mutual Funds at FVTPL (Quoted)			
a.	SBI Magnum Insta Cash Fund-Regular Plan Daily Dividend Face Value Rs. 1000; (March 31, 2018 Nil Units; March 31, 2017 55411.024 Units; April 01, 2016 15741.184 Units)	-	928.15	263.67
b.	SBI Arbitrage Opportunities Fund-Direct-Dividend Plan Face Value Rs. 10; (March 31, 2018 1278725.570 Units; March 31, 2017 1204874.146 Units; April 01, 2016 1151170.47 Units)	**180.93**	169.79	159.33
c.	SBI Treasury Advantage Fund-Direct Plan-Daily Dividend Face Value Rs. 1000; (March 31, 2018 30428.410 Units; March 31, 2017 55884.026 Units; April 01, 2016 53008.600 Units)	**601.95**	564.85	534.48
d.	SBI Fixed Interval Debt Fund Series 90 days 01- Direct Plan Face Value Rs. 10; (March 31, 2018 Nil Units; March 31, 2017 Nil Units; April 01, 2016 1498591.324 Units)	-	-	150.91
e.	SBI Ultra Short Term Debt Fund-Regular Plan-Daily Dividend Face Value Rs. 1000; (March 31, 2018 Nil Units; March 31, 2017 15098.879 Units; April 01, 2016 14354.785 Units)	-	151.94	144.41
f.	SBI Premier Liquid Fund-Regular Plan-Growth Face Value Rs. 1000; (March 31, 2018 Nil Units; March 31, 2017 11787.874 Units; April 01, 2016 13127.974 Units)	-	335.07	312.57
g.	SBI Corporate Bond Fund - Direct Plan Growth Face Value Rs. 10; (March 31, 2018 753843.660 Units; March 31, 2017 753843.660 Units; April 01, 2016 Nil Units)	**216.82**	201.82	-
h.	SBI Short Term Debt Fund-Direct Plan-Growth Face Value Rs. 10; (March 31, 2018 Nil Units; March 31, 2017 1046955.976 Units; April 01, 2016 Nil Units)	-	201.34	-
i.	SBI Premier Liquid Fund-Direct Plan-Growth Face Value Rs. 1000; (March 31, 2018 Nil Units; March 31, 2017 13127.974 Units; April 01, 2016 Nil Units)	-	300.08	-
j.	Kotak Floater Short Term-Daily Dividend-Regular Plan Face Value Rs. 1000; (March 31, 2018 Nil Units; March 31, 2017 19908.317 Units; April 01, 2016 Nil Units)	-	201.40	-
k.	SBI Equity Savings Fund-Dir Gr Face Value Rs. 10; (March 31, 2018 1248312.947 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**162.00**	-	-
l.	DSP BlackRock India Enhanced Equity Fund Face Value Rs. Nil; (March 31, 2018 Nil Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**632.52**	-	-
m.	Avendus Absolute Return Fund Class A2 Face Value Rs. 1000; (March 31, 2018 30000 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**323.76**	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Rs. in Lakhs)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
n.	DSP BlackRock Liquidity Fund-Institutional Plan-Growth Face Value Rs. 1000; (March 31, 2018 27.670 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**0.68**	-	-
o.	BNP Paribas Enhanced Arbitrage Fund Regular Face Value Rs. 10; (March 31, 2018 2991623.454 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**300.99**	-	-
p.	Edelweiss Arbitrage Fund Dividend-DR Face Value Rs. 10; (March 31, 2018 1936279.528 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**202.67**	-	-
q.	Edelweiss Alpha Fund Face Value Rs. Nil; (March 31, 2018 Nil Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**253.66**	-	-
r.	DSP BlackRock India Enhanced Equity Sat Core Fund-Class B-1.12 Face Value Rs. Nil; (March 31, 2018 Nil Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**250.40**	-	-
s.	Avendus Absolute Return Fund Class A3 Face Value Rs. 1000; (March 31, 2018 30000 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**315.16**	-	-
t.	Avendus Enhanced Return Fund Collection Account Face Value Rs. Nil; (March 31, 2018 Nil Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**521.32**	-	-
u.	ICICI Prudential Regular Saving Fund Growth Face Value Rs. 10; (March 31, 2018 1081209.657 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**200.84**	-	-
v.	ICICI Prudential Equity Arbitrage Fund Dividend-DR Face Value Rs. 10; (March 31, 2018 2227297.793 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**303.81**	-	-
w.	Kotak Equity Arbitrage Fund Regular Plan Monthly Dividend-DR Face Value Rs. 10; (March 31, 2018 3791639.870 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**405.43**	-	-
x.	Reliance Arbitrage Advantage Fund Monthly Dividend Plan-DR Face Value Rs. 10; (March 31, 2018 3841165.636 Units; March 31, 2017 Nil Units; April 01, 2016 Nil Units)	**406.40**	-	-
	TOTAL	**5,279.34**	**3,057.71**	**1,565.37**
	Agreegate Value of Quoted Investments	**5,279.34**	**3,057.71**	**1,565.37**

5(c) LOANS

Particulars	Non- Current			Current		
	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016	**As At March 31, 2018**	As At March 31, 2017	As At April 01, 2016
Unsecured, considered good						
Other Companies	**-**	-	39.00	-	-	500.00
Other Loans and advances						
Employee Advances	**35.32**	33.81	32.72	52.44	56.75	44.30
TOTAL	**35.32**	33.81	71.72	**52.44**	56.75	544.30

5(d) TRADE RECEIVABLE

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured, Considered Good	**2.40**	8.05	6.09
Unsecured, Considered Good	**8,097.96**	8,407.16	7,386.50
Unsecured, considered doubtful	**148.50**	167.16	138.68
Less : Allowance for doubtful debts	**(148.50)**	(167.16)	(138.68)
TOTAL	**8,100.36**	8,415.21	7,392.59

(Rs. in Lakhs)

5(e) CASH AND CASH EQUIVALENTS

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
i. Cash and cash Equivalents			
Balance with banks			
In Current Accounts	**260.92**	194.85	399.01
Cash on hand	**3.02**	3.76	2.56
Cheques on hand	**-**	5.61	3.25
Fixed Deposit with Maturity less than 3 Months	**700.00**	-	-
TOTAL	**963.94**	**204.22**	**404.82**

5(f) OTHER BANK BALANCES

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Other Fixed Deposit with original Maturity more than 12 months *	**410.94**	991.32	501.83
Fixed Deposit with Maturity less than 12 Months *	**4.66**	4.12	56.43
Deposit Repayment reserve Account	**62.50**	55.50	35.00
Unpaid Dividend Accounts	**124.45**	109.00	99.21
TOTAL	**602.55**	1,159.94	692.47

* Includes Rs. Nil Lakhs; pledged with Government Authority (as at March 31, 2017 Rs. Nil Lakhs; as at April 01, 2016 Rs. 98.65 Lakhs) and Rs. 28.31 Lakhs; against margin money (as at March 31, 2017 Rs. 24.16 Lakhs; as at April 01, 2016 Rs. 57.97 Lakhs).

5(g) OTHER FINANCIAL ASSETS

Particulars	**Non- Current**			**Current**		
	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016	**As At March 31, 2018**	As At March 31, 2017	As At April 01, 2016
Considered good unless stated otherwise						
Measured at Amortised Cost						
Security Deposit	**182.46**	181.39	306.87	**53.57**	49.78	62.55
Claims Receivable	**-**	-	-	**-**	8.39	-
Accrued Interest Income	**-**	-	-	**17.15**	36.57	40.78
TOTAL	**182.46**	181.39	306.87	**70.72**	94.74	103.33

6 INVENTORIES

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Raw Materials (Includes Stock-in-transit Rs. 99.26 Lakhs; as at March 31, 2017 Rs. 93.49 Lakhs; as at April 01, 2016 Rs. 76.93 Lakhs)	**1,757.90**	1,646.91	1,750.06
Work in Progress	**125.81**	217.86	213.88
Finished Goods	**2,084.98**	1,559.80	2,453.18
Stores & Spares (Includes Stock-in-transit Rs . 23.44 Lakhs; as at March 31, 2017 Rs. 35.04 Lakhs; as at April 01, 2016 Rs. 5.67 Lakhs)	**627.33**	574.28	610.24
Traded Goods	**4.52**	7.60	8.42
Scrap	**2.51**	10.99	15.54
Fuel	**67.44**	57.42	30.09
TOTAL	**4,670.49**	4,074.86	5,081.41

(Rs. in Lakhs)

7 OTHER ASSETS

Particulars	Non- Current			Current		
	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016	**As At March 31, 2018**	As At March 31, 2017	As At April 01, 2016
Considered good unless stated otherwise						
Export incentive Receivable	**-**	-	-	**484.74**	371.55	304.25
Capital Advances *	**-**	238.78	2,862.42	**215.21**	202.55	212.39
Fixed Assets held for sale (At lower of Book Value and Net Realisable Value)	**-**	-	-	**11.28**	13.17	14.54
Other Receivables (Comprises of Excise Duty receivable, CST, Service Tax etc.)	**-**	-	-	**200.34**	313.07	243.94
Balance with Central Excise Authorities, Customs etc.	**-**	-	-	**-**	51.46	79.17
Prepaid Expenses	**1.02**	3.80	4.38	**125.35**	110.77	150.23
Other Miscellaneous Advances	**-**	-	-	**140.99**	213.64	157.17
TOTAL	**1.02**	242.58	2,866.80	**1,177.91**	1,276.21	1,161.69

* Includes Rs. 75.00 Lakhs(as at March 31, 2017 Rs. 75.00 Lakhs; as at April 01, 2016 Rs. 75.00 Lakhs) to a company under liquidation against the use of an office premises. The same is pending transfer in favour of the Company.

8 CURRENT TAX ASSETS (NET)

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Advance Income tax / Tax Deducted at Source (Net of Provision)	**94.73**	174.20	281.85
TOTAL	**94.73**	174.20	281.85

9 EQUITY SHARE CAPITAL

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Authorised Shares			
1,49,90,000 (March 31, 2017 : 1,49,90,000, April 01 2016 : 1,49,90,000) Equity Shares of Rs.10 each (March 31, 2017 : Rs. 10 each, April 01 2016 : Rs. 10 each)	**1,499.00**	1,499.00	1,499.00
1,000 (March 31, 2017 : 1,000, April 01 2016 : 1,000) Redeemable Cumulative Preference Shares of Rs. 100 each (March 31, 2017 : Rs. 100 each, April 01 2016 : Rs. 100 each)	**1.00**	1.00	1.00
	1,500.00	1,500.00	1,500.00
Issued Shares			
1,03,29,814 (March 31, 2017 : 1,03,29,814 April 01 2016 : 1,03,29,814) Equity Shares of Rs. 10 each (March 31, 2017 : Rs. 10 each, April 01 2016 : Rs. 10 each)	**1,032.98**	1,032.98	1,032.98
	1,032.98	1,032.98	1,032.98
Subscribed & Fully Paid up Shares			
1,02,96,062 (March 31, 2017 : 1,02,96,062, April 01 2016 : 1,02,96,062) Equity Shares of Rs.10 each (March 31, 2017 :Rs. 10 each, April 01 2016 : Rs. 10 each)	**1,029.61**	1,029.61	1,029.61
Add: Forfeited Shares (Amount Originally paid up)	**1.52**	1.52	1.52
Total subscribed and fully paid up share capital	**1,031.13**	1,031.13	1,031.13

a. Terms / rights attached to Equity Shares

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend. However, same except interim dividend is subject to the approval of the shareholders in the Annual General Meeting.

b. Reconciliation of Shares outstanding at the beginning and at the end of the reporting period

Issued Share Capital

Equity Shares

Particulars	Equity Share (No. of Shares)			Equity Share (Value of Shares)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Share outstanding at beginning of period	**10329814**	10329814	10329814	**1,032.98**	1,032.98	1,032.98
Share outstanding at end of period	**10329814**	10329814	10329814	**1,032.98**	1,032.98	1,032.98

(Rs. in Lakhs)

Subscribed & Paid up
Equity Shares

Particulars	Equity Share (No. of Shares)			Equity Share (Value of Shares)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Share outstanding at beginning of period	**10296062**	10296062	10296062	**1,029.61**	1,029.61	1,029.61
Share outstanding at end of period	**10296062**	10296062	10296062	**1,029.61**	1,029.61	1,029.61

c. Details of shareholders holding more than 5% shares in the Company
Equity Shares

Name of Shareholders	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No of Shares	**% of Holding**	No of Shares	% of Holding	No of Shares	% of Holding
Cosmopolitan Investments Ltd	**1904528**	**18.50%**	1904528	18.50%	1904528	18.50%
New India Investment corporation Ltd.	**1202136**	**11.68%**	1202136	11.68%	1202136	11.68%
Duncan International (India) Ltd	**994616**	**9.66%**	994616	9.66%	994616	9.66%
HDFC Trustee Company Ltd	**897250**	**8.71%**	697335	6.77%	275000	2.67%
Haldia Investment Company Ltd	**591895**	**5.75%**	591895	5.75%	591895	5.75%

10 OTHER EQUITY

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(I) Reserves & Surplus			
a. Capital Reserve			
Balance at the beginning of the Financial year	**2,008.99**	2,008.99	2,008.99
	2,008.99	2,008.99	2,008.99
b. Securities Premium Reserve			
Balance at the beginning of the Financial year	**1,792.64**	1,792.64	1,792.64
	1,792.64	1,792.64	1,792.64
c. Capital Redemption Reserve			
Balance at the beginning of the Financial year	**0.25**	0.25	0.25
	0.25	0.25	0.25
d. General Reserve			
Balance at the beginning of the Financial year	**2,613.88**	2,613.88	2,613.88
	2,613.88	2,613.88	2,613.88
e. Surplus in Statement of Profit & Loss			
Balance at the beginning of the Financial year	**25,692.97**	21,622.81	21,622.81
Addition during the Financial year	**5,682.40**	5,123.49	-
	31,375.37	26,746.30	21,622.81
Less: Appropriations			
Interim Dividend @	**308.88**	308.88	-
Tax on Interim Dividend	**62.88**	62.88	-
Dividend paid during the year	**720.72**	566.29	-
Tax on Dividend paid during the year	**146.72**	115.28	-
	30,136.17	25,692.97	21,622.81
TOTAL (I)	**36,551.93**	**32,108.73**	**28,038.57**
(II) Items of other comprehensive income			
Balance at the beginning of the Financial year	**512.49**	298.73	298.73
Add: Other Comprehensive Income for the Financial year			
Remeasurement Gain or (Loss) on Defined Benefit Plans (Net of Tax)	**8.66**	(59.04)	-
Net Gain or (Loss) on FVOCI Non Current Investments (Net of Tax)	**47.93**	272.80	-
TOTAL (II)	**569.08**	512.49	298.73
TOTAL OTHER EQUITY (I + II)	**37,121.01**	32,621.22	28,337.30

@ During the year, the Company has paid Interim dividend of Rs. 3.00; (Previous year Rs. 3.00) per equity share.
Now, final dividend Rs. 7.00 (2016-17 Rs. 7.00; 2015-16 Rs. 5.50) per equity share for financial year 2017-18 is recommended by the Board of Directors, which is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(Rs. in Lakhs)

11 FINANCIAL LIABILITIES

a) Borrowings (Non-Current)

Particulars	Non - Current Maturities			Current Maturities		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Term Loans - From Banks (i)	**6,659.16**	6,133.83	1,715.63	**1,682.09**	1,367.63	2,211.12
Vehicle Loans from Banks (ii)	**4.02**	19.01	30.03	**15.19**	24.60	45.05
Public Deposits (iii)	**210.47**	208.65	391.28	**265.53**	268.97	87.00
Less : Current Maturities of Long Term Borrowings	**-**	-	-	**(1,962.81)**	(1,661.20)	(2,343.17)
TOTAL	**6,873.65**	6,361.49	2,136.94	**-**	**-**	**-**

Notes:

(i) (a) Securities:

Secured by (i) First exclusive charge on entire fixed assets including equitable mortgage of factory land and building of Dharuhera unit of Holding Company with State Bank of India; (ii) First pari-pasu charge with Exim Bank and Kotak Mahindra Bank Ltd on entire fixed assets including equitable mortgage of factory land and building of SEZ Mundra Unit of Holding Company; (iii) Second pari-pasu charge with Exim Bank on entire fixed assets of Dharuhera Unit of Holding Company including equitable mortgage of factory land and building of Dharuhera Unit of Holding Company; (iv) Second pari-pasu charge with Exim Bank on entire current assets of the Company of Holding Company.

(b) Terms of Repayments of Non-Current portion of Term Loans from Banks

As at March 31, 2018			As at March 31, 2017			As at April 01, 2016		
As at March 31, 2018	**Repayments**		As at March 31, 2017	Repayments		As at April 01, 2016	Repayments	
	No. of outstanding Instalments	**Periodicity**		No. of outstanding Instalments	Periodicity		No. of outstanding Instalments	Periodicity
-	**-**	**-**	53.84	1	Quarterly Equal	275.15	5	Quarterly Equal
582.45	**16**	**Quarterly Equal**	963.20	20	Quarterly Equal	-	-	-
967.16			-			-	-	-
195.51	**20**	**Quarterly Equal**	-	-	-	-	-	-
-	**-**	**-**	482.07	6	Monthly Equal	1,440.48	18	Monthly Equal
3,915.17	**16**	**Quarterly Graded (Includes Buyer's Credit of Rs. 1363.73 Lakhs part of Term Loan)**	3,637.82	20	Quarterly Graded (Includes Buyer's Credit of Rs. 637.56 Lakhs part of Term Loan)	-	-	-
798.56	**16**	**Quarterly Equal**	996.90	20	Quarterly Equal	-	-	-
200.31	**20**	**Quarterly Graded**	-	-	-	-	-	-
6,659.16			6,133.83			1,715.63		

(ii) Secured by hypothecation of vehicles purchased under the scheme and non-current portion of Rs. 4.02 Lakhs (as at March 31, 2017 Rs. 19.01 Lakhs; as at April 01, 2016 Rs. 30.03 Lakhs) is repayable in 2 to 11 equated monthly instalments (as at March 31, 2017 1 to 35; as at April 01, 2016 2 to 23) in 2018-19 onwards as per the repayment schedule

(iii) Deposits from public carries rate of interest @ 7.75% to 8.00% (as at March 31, 2017 9.00% to 11.00%; as at April 01, 2016 9.50% to 10.00%) p.a. and non-current portion of Rs. 210.37 Lakhs (as at March 31, 2017 Rs. 208.65 Lakhs; as at April 01, 2016 Rs. 391.28 Lakhs) is repayable after 1 to 3 years (as at March 31, 2017 1 to 3 years; as at April 01, 2016 1 to 3 years) from the date of acceptance of deposits.

(b) Borrowings (Current)

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Loans Repayable on Demand			
Working Capital Loans from Banks (secured)			
Cash Credit, Packing Credit and Bill Discounting Facilities	**3,375.31**	3,101.23	5,409.77
TOTAL	**3,375.31**	3,101.23	5,409.77

(Rs. in Lakhs)

Security:

Cash Credit, Packing Credit and Bill Discounting Facilities of the Holding Company amounting to Rs. 2,903.03 Lakhs (as at March 31, 2017 Rs. 2,250.47 Lakhs; as at April 01, 2016 Rs. 4,075.95 Lakhs) are secured by first exclusive charge on entire current assets of the Company and second exclusive charge over the entire fixed assets including equitable mortgage of factory land and building of Mundra SEZ Unit of Holding Company. In respect of Subsidiary Company, Cash Credit, Packing Credit and Bill Discounting Facilities amounting to Rs. 472.28 Lakhs (as at March 31, 2017 Rs. 850.76 Lakhs; as at April 01, 2016 Rs. 1,333.81 Lakhs) is secured by primary first exclusive charge on the current assets of the Subsidiary Company and collateral charge on the tangible movable/ immovable fixed assets of the Subsidiary Company at Ranjangaon, Pune and further by Corporate Guarantees of the Holding Company and Cosmopolitan Investments Ltd.

(c) Trade Payables

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Trade Payables			
Due to Micro and Small enterprises (Refer Note 29)	**60.66**	67.86	192.00
Other Trade Payables	**2,680.84**	2,308.48	1,787.61
TOTAL	**2,741.50**	2,376.34	1,979.61
(d) Other Financial Liabilities (Non current)			
Interest Accrued but not due on deposits	**26.73**	55.02	29.82
Trade deposits	**14.28**	12.92	13.29
TOTAL	**41.01**	67.94	43.11
(e) Other Financial Liabilities (current)			
Current maturities of Long-Term Borrowings	**1,682.09**	1,367.63	2,211.12
Current maturities of Vehicle Loans	**15.19**	24.60	45.05
Current maturities of Deposits	**265.53**	268.97	87.00
Interest accrued but not due on Borrowings	**53.46**	60.60	28.47
Unpaid Dividend	**124.45**	109.00	99.21
Unpaid and Unclaimed Matured Deposits & Interest accrued thereon #	**26.43**	21.66	21.41
Security Deposits	**9.06**	9.06	8.90
TOTAL	**2,176.21**	**1,861.52**	**2,501.16**

Includes Rs. 12.95 Lakhs (as at March 31, 2017 Rs. 12.95 Lakhs; as at 1st April, 2016 Rs. 12.95 Lakhs) under legal dispute between the Joint Holders of the deposit.

12 PROVISIONS

Particulars	Non- Current Maturities			Current Maturities		
	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016	**As At March 31, 2018**	As At March 31, 2017	As At April 01, 2016
Provision for Employee Benefits						
Compensated Absences	**264.87**	246.91	198.62	**27.29**	24.99	25.66
Gratuity	**-**	-	-	**13.19**	27.82	9.34
TOTAL	**264.87**	246.91	198.62	**40.48**	52.81	35.00

13 DEFERRED TAX LIABILITIES (Net)

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
The balance comprises temporary differences attributable to:			
Deferred Tax Liabilities			
Property, Plant & Equipment and Intangible Assets	**3,823.49**	3,181.54	2,424.71
Deferred Tax Liability on FVOCI on Equity Investments	**191.86**	177.49	95.67
Deferred Tax Liability on Current Investment at Fair Value	**55.69**	15.92	5.85
Deferred Tax Liability on Amortised Value of Upfront Fees of Long Term Loans	**4.29**	7.01	2.67
Deferred Tax Liability on Exchange Difference on Forward Contracts	**-**	9.35	13.14
A	**4,075.33**	3,391.31	2,542.04

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Rs. in Lakhs)

Particulars		As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Deferred Tax Assets				
Provision for employee benefits & others.		**146.71**	112.01	113.09
Unabsorbed Depreciation/Carry forward Loss		**197.69**	164.13	197.94
MAT credit entitlement		**1,677.94**	1,680.44	1,343.32
	B	**2,022.34**	1,956.58	1,654.35
Net	**A-B**	**2,052.99**	1,434.73	887.69

14 OTHER LIABILITIES

Particulars	Non- Current			Current		
	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016	**As At March 31, 2018**	As At March 31, 2017	As At April 01, 2016
Advance received from and Credit balance of Customers	**-**	-	-	**168.76**	143.67	142.80
Creditors for Capital Goods	**-**	-	-	**535.31**	1,085.67	469.81
Interest Payable to MSME	**-**	-	-	**0.06**	-	-
Statutory dues payable	**-**	-	-	**285.58**	294.10	363.67
Employees liabilities	**-**	-	-	**1,039.59**	979.15	672.35
Directors' Commission	**-**	-	-	**55.21**	42.93	42.41
Other payable	**-**	-	-	**266.51**	202.07	180.65
TOTAL	**-**	-	-	**2,351.02**	2,747.59	1,871.69

15 REVENUE FROM OPERATIONS

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
Revenue from Operations includes				
a) Sale of products (including Excise Duty)*				
Insoluble Sulphur	**30,266.39**		28,553.46	
Sulphuric Acid and Oleum	**2,560.06**		2,173.07	
Passenger and Truck Valves	**162.64**		197.20	
Hydraulic and Pneumatic Equipment	**3,727.38**		3,438.02	
Others	**283.56**		217.20	
Less: Cash Discount	**(2.86)**	**36,997.17**	(3.95)	34,575.00
b) Other operating revenues				
Export Incentives		**378.92**		335.41
Revenue From Operations (Net) (a+b)		**37,376.09**		34,910.41

* The above amount includes Excise Duty of Rs. 491.71 lakhs (Rs. 1,755.85 lakhs for previous year)

16 OTHER INCOME

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
Dividend on Current Investment		**71.33**		67.06
Profit on Sale / Redemption of Investments		**111.98**		12.00
Interest Income				
On deposit	**70.96**		49.31	
On Loans	**2.47**		34.26	
Others	**1.71**	**75.14**	35.34	118.91
Loans and Debts earlier Written off, now recovered		**5.69**		7.24
Net Gain on foreign Currency translation and transaction		**-**		348.01
Rent received		**7.23**		11.51
Provision for Doubtful Debts Written Back		**20.02**		11.00
Provision no longer Required / Advance Received written back		**71.84**		57.98
Scrap Sales		**46.31**		43.33
Net Gain on Fair Value of Current Investments		**110.57**		20.40
Miscellaneous Income		**7.56**		3.92
TOTAL		**527.67**		701.36

(Rs. in Lakhs)

17 COST OF MATERIAL CONSUMED

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Sulphur	**3,518.52**	2,527.15
Carbon Di Sulphide	**335.58**	331.13
Coating Oil	**3,559.57**	2,808.88
Brass	**104.43**	78.26
Rubber	**17.26**	25.20
Hydraulic and Pneumatic Equipment	**2,014.65**	1,844.17
Others	**1,021.28**	771.46
	10,571.29	8,386.25
Less: Consumption for Trial Run Production	**-**	39.81
TOTAL	**10,571.29**	8,346.44

18 a) PURCHASE OF TRADED GOODS

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Sulphuric Acid	**-**	9.21
Valve Cores & High Pressure Valves	**20.90**	40.51
TOTAL	**20.90**	49.72

b) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

Inventories at the beginning of the Financial year				
Finished Goods		**1,559.80**		2,372.06
Work in Progress		**217.86**		177.20
Stock in trade		**7.60**		8.42
Scrap		**10.99**		1.73
		1,796.25		2,559.41
Add: Transferred from Trial Run Production				
Finished Goods	**-**		65.51	
Work-in-Progress	**-**	**-**	31.46	96.97
		1,796.25		2,656.38
Inventories at the end of the Financial year				
Finished Goods		**2,084.98**		1,559.80
Work in Progress		**125.81**		217.86
Stock in trade		**4.52**		7.60
Scrap		**2.51**		10.99
		2,217.82		1,796.25
Change in Excise Duty on Finished Goods Stock		**(60.43)**		(76.21)
Change in Inventories		**(482.00)**		783.92

19 EMPLOYEE BENEFIT EXPENSES

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Salaries, Wages and Bonus	**4,015.76**	3,915.50
Contribution to Provident & other funds	**227.16**	206.73
Gratuity	**94.65**	48.06
Long term compensated absences	**58.32**	98.35
Employees Welfare Expenses	**414.63**	408.78
	4,810.52	4,677.42
Less: Transfer to Capital Work-in-Progress / Capitalised	**69.30**	125.03
TOTAL	**4,741.22**	4,552.39

(Rs. in Lakhs)

20 OTHER EXPENSES

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Stores Consumed	**104.56**	104.46
Packing cost	**1,064.24**	841.56
Power and Fuel	**3,848.59**	3,655.92
Water Charges	**89.62**	87.14
Rent *	**178.53**	239.21
Rates and Taxes	**121.40**	52.50
Insurance	**141.74**	130.08
Repairs to Buildings	**140.10**	98.84
Repairs to Machinery	**916.48**	788.11
Repairs to Others	**205.41**	155.26
Job Charges	**75.44**	35.36
Freight & Forwarding	**2,226.70**	1,939.86
Commission and Discount	**451.00**	410.59
Travelling	**283.70**	358.83
Legal & Professional	**336.51**	345.41
Provision for Doubtful Debts	**1.97**	34.90
Service Charges	**220.46**	200.99
Loss on sale/discard of Property, Plant & Equipment (Net)	**130.88**	119.40
Net Loss on Foreign Currency Translations and Transactions (Other than considered as Finance Cost)	**244.97**	-
Bad Advances / Debts	**55.73**	92.68
Donations (Includes for CSR Activities Rs. 134.20 (Previous Year Rs. 119.00))	**134.67**	194.00
Directors' Commission & Fees	**82.40**	72.40
Auditor's Remuneration (Refer Note 20(a))	**34.19**	32.87
Cost Auditor Fees	**1.30**	1.25
Miscellaneous	**857.23**	863.55
	11,947.82	10,855.17
Less: Transfer to Capital Work-in-Progress / Capitalised	**57.88**	191.44
TOTAL	**11,889.94**	10,663.73

* Net of Recovery Rs. Nil Lakhs (Previous year Rs. 5.40 Lakhs)

a. Auditors' Remuneration

Audit Fees	**24.54**	23.79
Certificates & other matters	**3.80**	3.78
For Tax Audit	**4.50**	4.70
Reimbursement of expenses	**1.35**	0.61
TOTAL	**34.19**	32.88

21 AMOUNT SPENT ON CSR ACTIVITIES

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
a) Gross amount required to be spent by the Company during the year	**134.20**	118.60
b) Amount spent during the year :		
Health, Hygiene and Sanitation	**6.00**	0.90
Education, Skill Development Programme and Livelihood enhancement	**122.04**	114.68
Training and capacity building of CSR team and administrative expenses	**6.16**	3.42
TOTAL	**134.20**	119.00

(Rs. in Lakhs)

22 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Depreciation on Property, Plant and Equipment (Refer Note 2)	**1,789.63**	1,636.28
Amortisation of Intangible Assets (Refer Note 3)	**27.53**	58.61
TOTAL	**1,817.16**	1,694.89

23 FINANCE COST

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Interest on financial liabilities measured at amortised cost	**791.75**	689.43
Other Borrowing Costs	**103.17**	101.55
	894.92	790.98
Less: Transfer to Capital Work-in-Progress / Capitalised	**15.05**	137.96
TOTAL	**879.87**	653.02

24 INCOME TAX EXPENSES

a) Income tax recognised in Profit and Loss

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Current tax expense		
Current tax on profits for the year	**1,713.91**	1,560.50
Adjustment of Current Tax for Prior year Periods	**-**	(0.18)
Less: MAT Credit Entitlement (Net) for Previous year	**21.72**	337.12
	1,692.19	1,223.20
Deferred tax expense		
Origination and reversal of temporary differences	**596.11**	830.96
Income tax charged to profit and loss	**2,288.30**	2,054.16
b) Deferred tax related to items recognised in OCI during the year		
Remeasurement on defined Benefit Plans	**(5.28)**	28.62
FVTOCI Equity Investments	**(14.37)**	(81.82)
Income tax charged to OCI	**(19.65)**	(53.20)

25 RESEARCH AND DEVELOPMENT EXPENSES

Details of Expenditure on Research and Development Facilities/ divisions of the company recognised by Department of Scientific and Industrial Research.

a) Revenue Expenditure

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Employee Benefit Expenses		
Salaries, Wages and Bonus	**62.92**	64.36
Contributions to Provident & Other Funds	**2.68**	0.05
Employee welfare Expenses.	**6.59**	0.82
TOTAL	**72.19**	65.23
Consumption of Consumables	**2.40**	2.29
Repair to Machinery	**3.59**	1.63
Repair to Others	**-**	0.12
Job Charges	**1.48**	-
Rates Taxes and Fees	**-**	0.02
Insurance Charges	**0.01**	-
Auditor's Remuneration	**0.20**	0.20
Travelling and Conveyance	**0.50**	1.58
Miscellaneous Expenses	**8.07**	8.13
TOTAL	**16.25**	13.97

(Rs. in Lakhs)

Particulars		Year Ended March 31, 2018	Year Ended March 31, 2017
Depreciation			
Depreciation	**7.77**		7.72
TOTAL	**7.77**		7.72
Total Expenditure Allowed	**96.21**		86.92

b) Capital expenditure

Description	March 31, 2017	Additions during the Year	March 31, 2018
Buildings	-	-	**-**
Equipments and Others	78.07	0.29	**78.36**
TOTAL	78.07	0.29	**78.36**

26 EARNINGS PER SHARE

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
a) Net Profit/loss from Continuing Operations for Basic & Diluted EPS	**5,680.19**	5,237.46
b) Net Profit/loss from Continuing & Discontinued Operations for Basic & Diluted EPS	**5,682.40**	5,123.49
c) Number of Equity Shares at the beginning of the year	**10296062**	10296062
d) Earning Per Share - Basic & Diluted from continuing operations (Rs.)	**55.17**	50.87
e) Earning Per Share - Basic & Diluted from continuing & discontinued operations (Rs.)	**55.19**	49.76
f) Face value per share (Rs.)	**10.00**	10.00

27 CAPITAL COMMITMENT

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016
Estimated Amount of Capital Commitments outstanding and not provided for (Gross) (Advance paid Rs. 13.84 Lakhs (March 31, 2017 Rs. 366.33 Lakhs; April 01, 2016 Rs. 2,999.81 Lakhs)	**592.64**	1,519.62	5,645.77

28 CONTINGENT LIABILITIES

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016
a. Claims against the company not acknowledged as debt*;			
Income Tax (Deposited Rs. 10.35 Lakhs; as at March 31, 2017 Rs. 10.35 Lakhs; as at April 01, 2016 Rs. Nil Lakhs) (Gross)	**51.57**	92.19	76.51
Excise Duty (Deposited Rs. Nil; as at March 31, 2017 Rs. Nil; as at April 01, 2016 Rs. 85.58 Lakhs) (Gross)	**35.64**	35.64	140.12
Other matters, including claims relating to third parties etc. (Deposited Rs. 12.00 Lakhs; as at March 31, 2017 Rs. 12.00 Lakhs; as at April 01, 2016 Rs. 12.00 Lakhs) (Gross)	**22.69**	22.69	22.69
Sales Tax Matters	**-**	21.25	50.76
b. Guarantees excluding financial guarantees;			
Bank Guarantees given to various Govt authorities/ others (Gross) (Margin Money / Short Term Deposits Rs. 28.31 Lakhs; as at March 31, 2017 Rs. 25.40 Lakhs; as at April 01, 2016 Rs. 8.96 Lakhs)	**206.26**	188.56	65.20
c. Subsidiary Company's Statutory Bonus Liabilities for the Financial year 2014-15 persuant to the retrospective amendments in the Bonus Act, 1965.	**30.36**	30.36	30.36

* The Company is hopeful of favourable decision and expect no outflow of resources, hence no provision is made in the books of account.

(Rs. in Lakhs)

29 THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

In case of Holding Company there were no outstanding dues to Micro, Small and Medium Enterprises to the extent information available with the Holding Company and the payments in respect of such suppliers are made with in the appointed day.

In case of Subsidiary Company, it has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

	Particulars	2017-2018	2016-2017	2015-2016
a)	Principal amount and the interest due remaining unpaid at the end of the accounting year			
	- Principal	**60.66**	67.86	192.00
	- Interest due there on	**0.06**	-	1.65
b)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	**-**	-	-
	-Financial Year 2014-15	**1.61**	-	-
	-Financial Year 2015-16	**1.65**	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	**0.06**	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year			
	-Financial Year 2014-15	**-**	1.61	1.61
	-Financial Year 2015-16	**-**	1.65	1.65
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	**0.06**	3.26	3.26

The above information regarding Micro and Small Enterprises has been determined on the basis of information available with the Subsidiary Company.

30 FINANCIAL INSTRUMENTS

Financial instruments – Fair values and risk management

A. Financial instruments by category

Particulars	Fair Value Hierarchy	March 31, 2018			March 31, 2017			April 01, 2016		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets										
Non-current Assets										
Loans	Level 3	**-**	**-**	**35.32**	-	-	33.81	-	-	71.72
Investments others	Level 2	**-**	**848.46**	**-**	-	786.16	-	12.75	431.54	-
Others	Level 3	**-**	**-**	**182.46**	-	-	181.39	-	-	306.87
Current Assets										
Investments	Level 1	**5,279.34**	**-**	**-**	3,057.71	-	-	1,565.37	-	-
Trade receivables	Level 3	**-**	**-**	**8,100.36**	-	-	8,415.21	-	-	7,392.59
Cash and cash Equivalents	Level 3	**-**	**-**	**963.94**	-	-	204.22	-	-	404.82
Bank balance other cash and cash equivalents	Level 3	**-**	**-**	**602.55**	-	-	1,159.94	-	-	692.47
Loans	Level 3	**-**	**-**	**52.44**	-	-	56.75	-	-	544.30
Other Current Assets	Level 3	**-**	**-**	**70.72**	-	-	94.74	-	-	103.33
TOTAL		**5,279.34**	**848.46**	**10,007.79**	3,057.71	786.16	10,146.06	1,578.12	431.54	9,516.10
Financial Liabilities										
Non-current Liabilities										
Borrowings	Level 3	**-**	**-**	**6,873.65**	-	-	6,361.49	-	-	2,136.94
Other financial Liabilities	Level 3	**-**	**-**	**41.01**	-	-	67.94	-	-	43.11
Current liabilities										
Borrowings	Level 3	**-**	**-**	**3,375.31**	-	-	3,101.23	-	-	5,409.77
Trade payables	Level 3	**-**	**-**	**2,741.50**	-	-	2,376.34	-	-	1,979.61
Other financial liabilities	Level 3	**-**	**-**	**2,176.21**	-	-	1,861.52	-	-	2,501.16
TOTAL		**-**	**-**	**15,207.68**	-	-	13,768.52	-	-	12,070.59

The fair value of cash and cash equivalents, bank balances other than cash and cash equivalents trade receivables, short term loans, current financial assets, trade payables, current financial liabilities and borrowings approximate their carrying amount.

(Rs. in Lakhs)

Fair value hierarchy

The table shown above analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

Level 1 This includes financial instruments measured using quoted prices.

Level 2 The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. There are no transfers between level 1, level 2 and level 3 during the year.

Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

The use of quoted market prices

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date (MTM)

The fair values for security deposits (assets & liabilities) were based on their carrying values.

31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

A. Financial risk factors

The Group is exposed to various financial risks i.e. market risk, credit risk and risk of liquidity. These risks are inherent and integral aspect of any business. The primary focus of the Risk Management Policy is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk consists of foreign exchange risk and interest rate risk. The Group calculates and compares the various proposals of funding by including cost of currency hedging also. The Group uses derivative financial instruments (Forward Covers) to reduce foreign exchange risk exposures.

i. Credit risk

The Group evaluates the customer credentials carefully from trade sources before extending credit terms and credit terms are extended to only financially sound customers. The Group secures adequate advance from its customers whenever necessary and hence risk of bad debt is limited. The credit outstanding is sought to be limited to the sum of advances and credit limit determined by the Group. The Group have stop supply mechanism in place in case outstanding goes beyond agreed limits.

Ageing Analysis of Trade Receivables **(Rs. in Lakhs)**

Ageing	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Not due	6,179.90	6,471.61	5,062.15
Upto Six months	1,927.29	1,847.66	2,238.87
Six to Twelve Months	29.33	93.07	128.11
Above Twelve Months	112.34	170.03	102.14
Gross Carrying Amount	**8,248.86**	**8,582.37**	**7,531.27**
Expected Credited Losses	-	-	-
Expected Provision for Doubtful Debts	(148.50)	(167.16)	(138.68)
Net Carrying Amount	**8,100.36**	**8,415.21**	**7,392.59**

ii Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of fluctuation in market prices. These comprise three types of risk i.e. currency rate , interest rate and other price related risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

a. Foreign Currency risk

The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments to reduce foreign exchange risk exposures and follows its risk management policies to mitigate the same. After taking cognisance of the natural hedge, the Group takes appropriate hedges to mitigate its risk resulting from fluctuations in foreign currency exchange rate(s).

The following table analyses foreign currency risk from financial instruments as of March 31, 2018:

(Foreign Currency and Indian Currency in Lakhs)

Particulars	INR	USD	Euro	GBP	JPY
Financial Assets					
Cash and cash equivalents	0.56	0.01	-	-	-
Trade receivables	4,130.33	28.95	27.21	0.58	-
Other Financial Assets	6.24	0.08	-	-	1.59
Total	**4,137.13**	**29.04**	**27.21**	**0.58**	**1.59**
Financial liabilities					
Trade payables	149.90	1.87	0.35	-	-
Borrowings	3,571.19	33.84	-	-	2,226.45
Other Liabilities	159.18	0.89	1.25	-	-
Total	**3,880.27**	**36.60**	**1.60**	**-**	**2,226.45**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Foreign Currency and Indian Currency in Lakhs)

The following table analyses foreign currency risk from financial instruments as of March 31, 2017:

Particulars	INR	USD	Euro	GBP	JPY
Financial Assets					
Cash and cash equivalents	26.91	0.01	0.38		
Trade receivables	4,671.56	40.32	29.70	-	-
Other Financial Assets	219.65	0.88	0.01	-	279.00
Total	**4,918.12**	**41.21**	**30.09**	**-**	**279.00**
Financial liabilities					
Trade payables	104.62	1.57	0.04	-	-
Borrowings	1,883.85	19.14	-	-	1,109.19
Other Laibilities	157.07	0.73	1.59	-	-
Total	**2,145.54**	**21.44**	**1.63**	**-**	**1,109.19**

The following table analyses foreign currency risk from financial instruments as of 1st April, 2016:

Particulars		USD	Euro	GBP	JPY
Financial Assets					
Cash and cash equivalents	39.81	0.01	0.52	-	-
Trade receivables	2,684.66	14.37	22.65	0.32	-
Other Financial Assets	204.77	0.64	-	-	274.49
Total	**2,929.24**	**15.02**	**23.17**	**0.32**	**274.49**
Financial liabilities					
Trade payables	199.36	2.42	0.50	-	-
Borrowings	1,532.19	7.47	13.80	-	-
Other Liabilities	92.25	-	1.23	-	-
Total	**1,823.80**	**9.89**	**15.53**	**-**	**-**

The following significant exchange rates have been applied during the year.

INR	Year End Spot Rate As At		
	March 31, 2018	March 31, 2017	April 01, 2016
USD	**65.0441**	64.8386	66.3329
Euro	**80.6222**	69.2476	75.0955
GBP	**92.2846**	80.8797	95.0882
JPY(100)	**61.5400**	57.9600	59.0600

Sensitivity Analysis

A reasonable possible strengthening (weakening) of the Indian Rupee at March 31 would have affected the measurement of financial instruments denominated in Foreign Currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. A 1% increase or decrease is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonable possible change in foreign currency rate.

1% Increase and Decrease in Foreign Exchange rates will have the following impact on Profit before tax. (Rs. in Lakhs)

Particulars	2017-2018		2016-2017	
	1 % Increase	**1 % Decrease**	1 % Increase	1 % Decrease
USD Sensitivity	**(4.92)**	**4.92**	12.82	(12.82)
Euro Sensitivity	**20.65**	**(20.65)**	19.71	(19.71)
GBP Sensitivity	**0.54**	**(0.54)**	-	-
JPY (100) Sensitivity	**(13.69)**	**13.69**	(4.81)	4.81

(Foreign Currency and Indian Currency in Lakhs)

Forward Contract outstanding for the purpose of Hedging as at the Balance Sheet Date:

Currency	Cross Currency	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
		Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR
Financial Assets							
USD	INR	63.00	4,097.78	33.50	2,172.09	49.72	3,297.97
EURO	INR	39.50	3,184.58	-	-	17.45	1,310.42
EURO	USD	2.00	161.24	40.00	2,769.90	28.10	2,110.18
Financial Liabilities							
USD @	INR	34.42	2,238.76	19.52	1,265.69	-	-

@ Includes JPY/USD 500.00 Lakhs equivalent to USD/INR 4.60 Lakhs (as at March 31, 2017 JPY/USD 500.00 Lakhs equivalent to USD/INR 4.61 Lakhs ; as at April 01, 2016 Nil Lakhs)

(Foreign Currency and Indian Currency in Lakhs)

Foreign Currency Exposure not Hedged as at the Balance Sheet Date:

Currency	Cross Currency	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
		Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR
Financial Assets							
USD	INR	0.39	25.22	17.21	1,116.47	6.91	458.13
EURO	INR	5.71	460.04	6.09	421.55	10.96	823.21
GBP	INR	0.58	53.70	-	-	0.32	30.42
JPY	INR	1.59	0.98	279.00	161.71	274.49	162.12
Financial Liabilities							
USD	INR	6.78	441.11	6.52	422.73	9.89	657.80
EURO	INR	1.60	129.46	1.63	113.14	15.53	1,166.00
JPY	INR	1,726.45	1,062.46	609.19	353.09	-	-

b. Interest Rate Risk and Sensitivity

The Group's exposure to the risk of changes in market interest rates relates primarily to long term debt. Borrowings at variable rates expose the Group to cash flow interest rate risk. With all other variables held constant, the following table demonstrates composition of fixed and floating rate borrowing of the Group and impact of floating rate borrowings on Group's profitibality.

Interest Rate Risk Exposure

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lakhs	% of Total	Rs. in Lakhs	% of Total	Rs. in Lakhs	% of Total
Fixed Rate Borrowings	**495.21**	**4.06%**	521.23	4.69%	553.36	5.60%
Variable Rate Borrowings	**11,716.56**	**95.94%**	10,602.69	95.31%	9,336.52	94.40%
Total Borrowings	**12,211.77**	**100.00%**	11,123.92	100.00%	9,889.88	100.00%

(Rs. in Lakhs)

Sensitivity on Variable Rate Borrowings

Particulars	Impact on Profit & Loss Account		Impact on Equity	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Interest Rate Increase by 25 bp	**(29.29)**	(26.51)	**(29.29)**	(26.51)
Interest Rate Decrease by 25 bp	**29.29**	26.51	**29.29**	26.51

iii Liquidity risk

Liquidity risk arises when the Group will not be able to meet its present and future cash and collateral obligations. The risk management action focuses on the unpredictability of financial markets and tries to minimise adverse effects. The Group uses derivative financial instruments to hedge risk exposures. Risk management is carried out by the Finance department under Forex Policies as adopted and duly approved by the Board. The Group's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and Group monitors rolling forecasts of its liquidity requirements.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2018:

Particulars	Carrying Amount	Less than 1 Year	1-5 Years	Total
Borrowings - Current	3,375.31	3,375.31	-	3,375.31
Borrowings - Non-Current and Current Maturities	8,836.46	1,962.81	6,873.65	8,836.46
Trade payables	2,741.50	2,741.50	-	2,741.50
Other financial liabilities - Current (Exclusive of Current Maturities)	213.40	213.40	-	213.40
Other financial liabilities - Non-Current				
Interest accrued but not due on deposits	26.73	-	26.73	26.73
Trade Deposits	14.28	-	14.28	14.28

(Rs. in Lakhs)

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2017:

Particulars	Carrying Amount	Less than 1 Year	1-5 Years	Total
Borrowings - Current	3,101.23	3,101.23	-	3,101.23
Borrowings - Non-Current and Current Maturities	8,022.69	1,661.20	6,361.49	8,022.69
Trade payables	2,376.34	2,376.34	-	2,376.34
Other financial liabilities - Current (Exclusive of Current Maturities)	200.32	200.32	-	200.32
Other financial liabilities - Non-Current				
Interest accrued but not due on deposits	55.02	-	55.02	55.02
Trade Deposits	12.92	-	12.92	12.92

The table below provides details regarding the contractual maturities of significant financial liabilities as of April 01, 2016:

Particulars	Carrying Amount	Less than 1 Year	1-5 Years	Total
Borrowings - Current	5,409.77	5,409.77	-	5,409.77
Borrowings - Non-Current and Current Maturities	4,480.11	2,343.17	2,136.94	4,480.11
Trade payables	1,979.61	1,979.61	-	1,979.61
Other financial liabilities - Current (Exclusive of Current Maturities)	157.99	157.99	-	157.99
Other financial liabilities - Non-Current				
Interest accrued but not due on deposits	29.82	-	29.82	29.82
Trade Deposits	13.29	-	13.29	13.29

B Capital Risk Management

The Group's Policy is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development. Capital includes issued capital, share premium and all other equity reserves attributable to equity holders. In order to strengthen the capital base, the Group may use appropriate means to enhance or reduce capital, as the case may be.

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Borrowings	**12,211.77**	11,123.92	9,889.88
Less: Cash and Cash Equivalents including bank balances	**1,566.49**	1,364.16	1,097.29
Less: Current Investments	**5,279.34**	3,057.71	1,565.37
Net Debt	**5,365.94**	6,702.05	7,227.22
Equity	**38,975.93**	34,469.92	30,484.66
Capital and Net Debt	**44,341.87**	41,171.97	37,711.88
Gearing Ratio	**12%**	16%	19%

32 Segment Reporting

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group.

As part of Secondary reporting, revenues are attributed to Geographic areas based on the location of the customers.

The following tables present the Revenue, Profit, Assets and Liabilities information relating to the Business/Geographical segment for the year ended 31.03.2018

Information about Business Segment - Primary **(Rs. In Lakhs)**

Reportable Segments	Chemicals		General Engineering Products		Total	
	2017-2018	2016-2017	**2017-2018**	2016-2017	**2017-2018**	2016-2017.
Revenue	33,202.51	31,057.99	4,173.58	3,852.42	37,376.09	34,910.41
Total Revenue from operations	33,202.51	31,057.99	4,173.58	3,852.42	37,376.09	34,910.41
Result						
Segment Result	8,630.19	8,033.62	83.33	(256.55)	8,713.52	7,777.07
Less : Interest					879.87	653.02
Less : Other unallocable expenditure net off unallocable income					(140.02)	12.24
Profit before Tax					7,973.67	7,111.81
Less: Provision for Taxation(Including Deferred Tax)					2,288.30	2,054.16

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Rs. in Lakhs)

Reportable Segments	Chemicals		General Engineering Products		Total	
	2017-2018	2016-2017	**2017-2018**	2016-2017	**2017-2018**	2016-2017.
Profit for the period from Continuing Operations					5,685.37	5,057.65
Profit / (Loss) from Discontinued Operations					4.41	(227.87)
Profit for the period					**5,689.78**	**4,829.78**
Profit for the period attributable to:						
Owners of the Parent					5,682.40	5,123.49
Non-Controlling Interest					7.38	(293.71)
Other Comprehensive Income (Net of Tax)					**55.43**	**208.80**
Other Comprehensive Income for the Period attributable to:						
Owners of the Parent					56.59	213.76
Non-Controlling Interest					(1.16)	(4.96)
Total Comprehensive income for the period					**5,745.21**	**5,038.58**
Total Comprehensive income for the period attributable to:						
Owners of the Parent					5,738.99	5,337.25
Non-Controlling Interest					6.22	(298.67)
Other Information						
Segment Assets	49,055.74	44,632.82	3,427.75	3,905.10	52,483.49	48,537.92
Unallocated Corporate Assets					6,409.48	4,182.56
Total Assets	49,055.74	44,632.82	3,427.75	3,905.10	58,892.97	52,720.48
Segment Liabilities	4,374.60	4,466.96	992.80	953.78	5,367.40	5,420.74
Unallocated Corporate Liabilities					14,549.64	12,829.82
Total Liabilities	4,374.60	4,466.96	992.80	953.78	19,917.04	18,250.56
Secondary Segment - Geographical by location of customers						
Reportable Segments	**Domestic**		**Export**		**Total**	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Revenue	17,044.79	15,362.08	20,331.30	19,548.33	37,376.09	34,910.41
Carrying amount of Trade Receivables	3,175.01	3,304.19	4,925.35	5,111.02	8,100.36	8,415.21
Finished Goods Stock	463.49	362.57	1,626.01	1,204.83	2,089.50	1,567.40
Other Information: The company has common assets for producing goods for domestic market and overseas market.						

Notes:

(i) The Group is organised into two main business segments, namely;
- Chemicals
- General Engineering Products

Segments have been identified and reported taking into account, the nature of products, the differing risks and returns, the organisation structure, and the internal financial reporting systems.

(ii) The segment revenue in the geographical segments considered for disclosure are as follows:
(a) Revenue within India includes sales to customers located within India and earnings in India.
(b) Revenue outside India includes sales to customers located outside India and earnings outside India and export incentives/ benefits.

(iii) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

(Rs. in Lakhs)

33 Discontinued Operations

The Subsidiary Company, in its Board meeting held on 16th April 2016 had decided to discontinue its Tube Valve product line as it was incurring cash losses and the same was not commercially viable and the operations of the Tube Valve product line were closed on 31st May, 2016. Consequently, for the purpose of discontinuing operations, tangible assets, current assets and current liabilities, others etc. related to Tube Valve product line were identified. The Company has disclosed information to the extent identifiable in compliance with the requirement of Ind AS-105 on Non-Current Assets Held for Sale and Discontinuing Operation.

(a) The carrying amounts of total assets and total liabilities attributable to the discontinuing operation, as at March 31, 2018 :

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
I ASSETS			
(1) Non Current Assets			
(a) Plant, Property and Equipment	**-**	-	212.06
Total Non Current Assets	**-**	-	212.06
(2) Current Assets			
(a) Inventory	**-**	4.94	266.15
(b) Financial Assets			
(i) Trade Receivables	**-**	9.32	388.00
(c) Non Current Assets classified as held for sale	**0.15**	9.01	-
Total Current Assets	**0.15**	23.27	654.15
TOTAL ASSETS	**0.15**	23.27	866.21
II LIABILITIES			
(1) Non Current Liabilities			
(a) Provisions	-	-	7.17
Total Non Current Liabilities	-	-	7.17
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	**-**	-	219.35
(b) Provisions	**12.49**	12.49	12.49
(c) Other Current Liabilities	**38.83**	47.37	-
Total Current Liabilities	**51.32**	59.86	231.84
TOTAL LIABILITIES	**51.32**	59.86	239.01

(b) The amounts of revenue and expenses from ordinary activities attributable to the discontinuing operation, for the year ended March 31, 2018 :

	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Revenue from Operations	**-**	254.47
Other Income (Includes Profit on Disposal of Fixed Assets of Rs. 4.41 Lakhs; Previous year Rs. Nil Lakhs arising out of discontinued operations of the said product line)	**4.41**	-
Total Revenue	**4.41**	254.47
Expenditure		
Cost of raw materials consumed	**-**	104.31
Changes in inventories of finished goods, work-in-progress and stock-in-trade	**-**	126.67
Employee benefits expenses	**-**	121.75
Finance costs	**-**	20.36
Depreciation & amortisation expenses including impairment loss	**-**	4.85
Other expenses (Includes Loss on Disposal of Fixed Assets Rs. Nil Lakhs; for Previous year Rs. 38.34 Lakhs arising out of discontinued operations of the said product line)	**-**	104.40
Total Expenditure	**-**	482.34
Profit / (Loss) before tax	**4.41**	(227.87)
Profit / (loss) after tax	**4.41**	(227.87)

(Rs. in Lakhs)

(c) The amounts of net cash flow attributable to the operating, investing and financial activities of the discontinuing operation, for the year ended March 31, 2018 :

	For the Year ended 31 March 2018	For the Year ended 31 March 2017
A. Cash flow from Operating Activities		
Profit / (Loss) before tax	**4.41**	(227.87)
Adjustments for:		
Depreciation and amortisation expense including impairment loss	**-**	4.85
Finance costs	**-**	20.36
(Profit) / Loss on Sale / discard of Fixed Assets	**(4.41)**	38.34
Bad Debts written off	**-**	1.13
Advance written off	**-**	6.31
Provision for Doubtful Debts	**-**	4.58
Operating profit / (loss) before working capital changes	**-**	**(152.30)**
Increase / (Decrease) in Current and Non Current Liabilities	**(8.54)**	47.38
(Increase) / Decrease in Inventories	**4.94**	261.21
(Increase) / Decrease in Trade receivables	**9.33**	378.68
(Increase) / Decrease in Trade payables	**-**	(219.35)
(Increase) / Decrease in Non-Current Provisions	**-**	(7.17)
(Increase) / Decrease in Loans and Advances and Other Current and Non Current Assets	**8.86**	(9.01)
Cash generated from operations	**14.59**	451.74
Net cash generated from Operating Activities	**14.59**	299.44
B. Cash flow from Investing Activities		
Proceeds from Sale of Tangible / Intangible assets (net)	**13.41**	161.67
Net cash generated from investing activities	**13.41**	161.67
C. Cash flow from Financing Activities		
Interest & finance cost paid	**-**	(20.36)
Net cash used in Financing Activities	**-**	(20.36)
Net increase / (Decrease) in cash and cash equivalents (A+B+C)	**28.00**	440.75

As per the present system of maintenance of books of accounts the relevant records do not provide clearly identifiable cash flow from operating activities / Investing activities / Financing Activities pertaining to this product line and hence the same has not been disclosed above.

The Subsidiary Company has recognised profit on assets of Rs. 4.41 Lakhs (Previous year loss Rs.38.34 Lakhs) arising out of disposal/ discontinued operations of said product line.

In view of the above discontinued operation, Subsidiary Company has retrenched 57 workmen and provided a liability of Rs. 34.29 Lakhs during the Previous financial year based on statutory dues payable. The labour union has approached the Hon'ble High Court, Bombay against closure of the tube valve product line and the Subsidiary Company does not expect any additional liability in this regard.

34 (a) Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary:

Particulars	**As at 31st March 2018**							
	Net Assets i.e. Total Asset less Total Liabilities		**Share in Profit/ (Loss)**		**Share in Other Comprehensive Income**		**Share in Total Comprehensive Income**	
	As % of Consolidated Net Assets	**Amount (Rs. in Lakhs)**	**As % of Consolidated Profit/ (Loss)**	**Amount (Rs. in Lakhs)**	**As % of Consolidated Other Comprehensive Income**	**Amount (Rs. in Lakhs)**	**As % of Consolidated Total Comprehensive Income**	**Amount (Rs. in Lakhs)**
Parent								
Oriental Carbon & Chemical Limited *	95.77	37,327.91	99.74	5,675.01	104.20	57.76	99.78	5,732.77
Subsidiary Company								
Duncan Engineering Limited	4.23	1,648.02	0.26	14.77	(4.20)	(2.33)	0.22	12.44
(Formerly Known as Schrader Duncan Limited)								
Total	**100.00**	**38,975.93**	**100.00**	**5,689.78**	**100.00**	**55.43**	**100.00**	**5,745.21**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Rs. in Lakhs)

Particulars	As at 31st March 2017							
	Net Assets i.e. Total Asset less Total Liabilities		Share in Profit/ (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (Rs. in Lakhs)	As % of Consolidated Profit/ (Loss)	Amount (Rs. in Lakhs)	As % of Consolidated Other Comprehensive Income	Amount (Rs. in Lakhs)	As % of Consolidated Total Comprehensive Income	Amount (Rs. in Lakhs)
Parent								
Oriental Carbon & Chemical Limited *	95.26	32,834.34	112.17	5,417.36	104.75	218.72	111.86	5,636.08
Subsidiary Company								
Duncan Engineering Limited	4.74	1,635.58	(12.17)	(587.58)	(4.75)	(9.92)	(11.86)	(597.50)
(Formerly Known as Schrader Duncan Limited)								
Total	**100.00**	**34,469.92**	**100.00**	**4,829.78**	**100.00**	**208.80**	**100.00**	**5,038.58**

*after eliminating investment in subsidiary company

(b) Statement containing salient features of the financial statement of Subsidiary Company, Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed form AOC-1 related to Subsidiary Company

Name of the subsidiary : Duncan Engineering Limited (formerly known as Schrader Duncan Limited)

The date since when subsidiary was acquired : April 13, 2012

Particulars	**As at 31st March 2018**	As at 31st March 2017
Reporting period	**1st April 2017 to 31st March 2018**	1st April 2016 to 31st March 2017
Reporting currency	**INR**	INR
Share capital	**369.60**	369.60
Other Equity	**1,278.42**	1,265.98
Total assets	**3,570.37**	4,051.37
Total Liabilities	**1,922.35**	2,415.79
Investments	**-**	3.28
Revenue from Operations	**4,183.90**	3,860.37
Profit/ (Loss) before tax from Continuing Operations	**10.36**	(359.89)
Tax Expenses for Continuing Operations	**-**	(0.18)
Profit/ (Loss) after tax from Continuing Operations	**10.36**	(359.71)
Profit/ (Loss) before tax from Discontinuing Operations	**4.41**	(227.87)
Tax Expenses for Disontinuing Operations	**-**	-
Profit/ (Loss) after tax from Discontinuing Operations	**4.41**	(227.87)
Profit/(Loss) for the year after taxation	**14.77**	(587.58)
Other Comprehensive Income	**(2.33)**	(9.91)
Total Comprehensive Income	**12.44**	(597.49)
Percentage of shareholding	**50.01%**	50.01%

(Rs. in Lakhs)

35. RELATED PARTY DISCLOSURES

Related party disclosure, as required by Indian Accounting Standard-24, is as below:

I. Nature of Related Party relationship

(a) Duncan International (India) Limited	:	Enterprise over which relative of key management personnel is having significant influence.
(b) Cosmopolitan Investments Ltd.	:	Enterprise over which key management personnel is having significant influence.
(c) Haldia Investments Ltd.	:	Subsidiary of Cosmopolitan Investments Ltd.
(d) Disciplined Investments Ltd.	:	Subsidiary of Cosmopolitan Investments Ltd.

II. Key Management Personnel (KMP) & their relatives with whom transactions have taken place:

(a) Key Management Personnel

(i)	Mr. J.P. Goenka - Chairman	:	Chairman and Relative of Key Management Personnel *
(ii)	Mr. Arvind Goenka - Managing Director	:	Key Management Personnel
(iii)	Mr. Akshat Goenka - Joint Managing Director of Holding Company and Managing Director of Subsidiary Company	:	Key Management Personnel
(iv)	Mr. Shantanu Parvati - Managing Director of Subsidiary Company upto 31st Jan, 2017	:	Key Management Personnel
(v)	Mr. S.J. Khaitan - Director	:	Non-Executive Director *
(vi)	Mr. O.P. Dubey - Director	:	Non-Executive Director *
(vii)	Mr. B.B. Tandon - Director	:	Non-Executive Director *
(viii)	Mr. K. Raghuraman - Director	:	Non-Executive Director *
(ix)	Mr. H.S. Shashikumar - Nominee of Life Insurance Corporation of India	:	Non-Executive Director *
(x)	Mrs. Runa Mukherjee - Director	:	Non-Executive Director *
(xi)	Mr. Anurag Jain - Chief Financial Officer	:	Key Management Personnel
(xii)	Mr. Pranab Kumar Maity - Company Secretary	:	Key Management Personnel

* Director's Fees and Commission paid

(b) Relatives of Key Management Personnel

(i) Mrs. Aparna Goenka	:	Relative of Key Management Personnel
(ii) Mr. Shreyans Goenka	:	Relative of Key Management Personnel

III. Entities Controlled by Key Management Personnel with whom transactions have taken place:

(i) OCCL CSR Trust : Trust in which key management personnel are Trustees

(ii) Oriental Carbon & Chemicals Limited Employees Gratuity Fund : Trust in which key management personnel are Trustees

IV. The following transactions were carried out with related parties in the ordinary course of business:

	Particulars	Enterprise over which relative of key management personnel is having significant influence		Enterprise over which key management personnel is having significant influence		Subsidiary Company of Cosmopolitan Investments Ltd.		Subsidiary Company of Cosmopolitan Investments Ltd.		Chairman and Relative of Key Management Personnel		Key Management Personnel		Key Management Personnel		Key Management Personnel		Non-Executive Directors		Key Management Personnel		Key Management Personnel		Relative of Key Management Personnel		Relative of Key Management Personnel		Trust in Which Key Management personnel are Trustees		Trust in Which Key Management personnel are Trustees	
		(Refer I (a))		(Refer I (b))		(Refer I (c))		(Refer I (d))		(Refer II a(i))		(Refer II a(ii))		(Refer II a(iii))		(Refer II a(iv))		(Refer II a(v to x))		(Refer II a(xi))		(Refer II a(xii))		(Refer II (b (i)))		(Refer II (b)(ii))		(Refer III (i))		(Refer III (ii))	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
(a)	Loans & Advances given (Net)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Interest received on Loans & Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Service charges reimbursed	72.00	68.70	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Expenses Reimbursed / (Recovered) (Net)	(5.39)	0.58	65.43	61.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Purchases of Stores & Spares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Remuneration @	-	-	-	-	-	-	-	-	-	-	189.36	173.22	172.26	155.84	-	48.90	-	-	132.79	119.70	16.93	16.07	-	-	-	-	-	-	-	-
(g)	Dividend Paid	99.46	84.54	190.45	161.88	59.18	50.31	3.00	2.55	-	-	10.75	8.50	10.00	8.50	-	-	-	-	-	-	-	-	20.00	17.00	2.02	11.23	-	-	-	-
(h)	Director's Fees & Commission	-	-	-	-	-	-	-	-	4.00	3.60	-	-	-	-	-	-	70.50	60.00	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Donations towards CSR Activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	54.00	71.50	-	-
(j)	Contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	109.09	55.50
(k)	Outstanding as on 31.03.2018																														
	Receivable	-	0.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Payable	0.16	-	-	-	-	-	-	-	2.96	2.43	56.35	57.15	50.81	47.44	-	-	52.25	40.50	-	-	-	-	-	-	-	-	-	-	64.06	109.09
																				-	-	-	-					-	-		

@ Excludes Acturial Valuation of Retirement Benefits.

(Rs. in Lakhs)

36 FIRST TIME ADOPTION OF IND AS

As stated in Note 1(II), these are the Group's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1(III) have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS statement of financial position at April 01 2016 (the Group's date of transition). In preparing its opening Ind AS statement of financial position, the Group has adjusted amounts reported previously in financial statements prepared in accordance with Indian GAAP (previous GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

Exemptions and exceptions availed:

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Ind AS optional exemptions:

i. Property, plant and equipment & Intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

ii. Long-term foreign currency monetary items

Under previous GAAP, paragraph 46A of AS 11 The Effects of Changes in Foreign Exchange Rates, provided an alternative accounting treatment to the Group with respect to exchange differences arising on restatement of long term foreign currency monetary items. Exchange differences on account of depreciable assets could be added/deducted from the cost of the depreciable asset, which would then be depreciated over the balance life of the asset. The Group has opted for the said Accounting Treatment as per Ind AS 101.

B. Ind AS mandatory exceptions

i. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimation that were consistent in conformity with previous GAAP.

ii. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Accordingly the Group has determined the classification of Financial Assets based on the facts and circumstances exist as on the date of transition

C. Reconciliation of Equity

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Particulars	Note No.	As at March 31, 2017			As at April 01, 2016		
		IGAAP*	Adjustments	IND AS	IGAAP*	Adjustments	IND AS
I ASSETS							
1. Non Current Assets							
a. Property Plant equipment		32,622.82	-	32,622.82	20,553.37	-	20,553.37
b. Capital work in Progress		260.51	-	260.51	3,957.03	-	3,957.03
c. Other Intangible Assets		71.29	-	71.29	120.34	-	120.34
d. Intangible Assets under developments		8.08	-	8.08	-	-	-
e Financial Assets							
i. Investments	1,5	16.88	769.28	786.16	17.68	426.61	444.29
ii. Loans		33.81	-	33.81	71.72	-	71.72
iii. Others		181.39	-	181.39	306.87	-	306.87
f. Other Non Current Assets		242.58	-	242.58	2,866.80	-	2,866.80

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2017			As at April 01, 2016		
		IGAAP*	Adjustments	IND AS	IGAAP*	Adjustments	IND AS
2.Current Assets							
a. Inventories		4,074.86	-	4,074.86	5,081.41	-	5,081.41
b. Financial Assets							
i. Trade Receivables	6	8,012.50	402.71	8,415.21	6,090.66	1,301.93	7,392.59
ii. Cash and cash Equivalents		204.22	-	204.22	404.82	-	404.82
iii. Bank Balances other than ii above		1,159.94	-	1,159.94	692.47	-	692.47
iv. Investments	1,5	3,008.48	49.23	3,057.71	1,548.49	16.88	1,565.37
v. Loans		56.75	-	56.75	544.30	-	544.30
vi. Others		94.74	-	94.74	103.33	-	103.33
c. Current Tax Assets (Net)		174.20	-	174.20	281.85	-	281.85
d. Other Current Assets		1,249.21	27.00	1,276.21	1,136.17	25.52	1,161.69
TOTAL		**51,472.26**	**1,248.22**	**52,720.48**	**43,777.31**	**1,770.94**	**45,548.25**
II. EQUITY AND LIABILITIES							
1. Equity							
a. Equity Share Capital		1,031.13	-	1,031.13	1,031.13	-	1,031.13
b. Other Equity		31,966.83	654.39	32,621.22	27,289.85	1,047.45	28,337.30
c. Non-Controlling Interest		815.95	1.62	817.57	1,110.27	5.96	1,116.23
2. Non Current Liabilities							
a. Financial Liabilities							
i. Borrowings	2(b)	6,373.96	(12.47)	6,361.49	2,139.08	(2.14)	2,136.94
ii. Other Financial Liabilities		67.94	-	67.94	43.11	-	43.11
b. Provisions		246.91	-	246.91	198.62	-	198.62
c. Deferred Tax Liabilities (Net)	4	1,224.96	209.77	1,434.73	770.36	117.33	887.69
3. Current Liabilities							
a. Financial Liabilities							
i. Borrowings	6	2,698.52	402.71	3,101.23	4,107.83	1,301.94	5,409.77
ii. Trade Payables		2,376.34	-	2,376.34	1,979.61	-	1,979.61
iii. Other Financial Liabilities	2(b)	1,869.32	(7.80)	1,861.52	2,506.75	(5.59)	2,501.16
b. Other Current Liabilities		2,747.59	-	2,747.59	1,884.13	(12.44)	1,871.69
c. Provisions		52.81	-	52.81	716.57	(681.57)	35.00
TOTAL		**51,472.26**	**1,248.22**	**52,720.48**	**43,777.31**	**1,770.94**	**45,548.25**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total comprehensive income for the year ended March 31, 2017

	Particulars	Note No.	IGAAP*	Adjustments	IND AS
I	**Revenue from Operations**		33,158.51	1,751.90	34,910.41
II	**Other Income**		691.91	9.45	701.36
III	**Total Revenue (I+II)**		**33,850.42**	**1,761.35**	**35,611.77**
IV	**Expenses:**				
	Cost of materials consumed		8,346.44	-	8,346.44
	Purchase of Stock in Trade		49.72	-	49.72
	Changes in Inventories of finished goods, work in progress and stock in trade		783.92	-	783.92
	Excise Duty	7	-	1,755.85	1,755.85
	Employee benefit expense	8	4,643.01	(90.62)	4,552.39
	Finance costs	2(b)	665.56	(12.54)	653.02
	Depreciation and amortisation expense		1,694.89	-	1,694.89
	Other expenses		10,669.67	(5.94)	10,663.73
	Total expenses (IV)		**26,853.21**	**1,646.75**	**28,499.96**

(Rs. in Lakhs)

V	**Profit before tax (III-IV)**		**6,997.21**	**114.60**	**7,111.81**
VI	**Tax expense**				
	Current Tax		1,223.20	-	1,223.20
	Deferred Tax	4	791.72	39.24	830.96
VII	**Profit for the period from Continuing Operations (V-VI)**		**4,982.29**	**75.36**	**5,057.65**
VIII	**Profit / (Loss) from Discontinued Operations**		(227.87)	-	(227.87)
IX	**Tax Expense of discontinued operations**		-	-	0.00
X	**Profit /(Loss) from discontinued operations after tax (VIII-IX)**		**(227.87)**	**-**	**(227.87)**
XI	**Profit for the period (VII+X)**		**4,754.42**	**75.36**	**4,829.78**
XII	**Profit for the period attributable to:**				
	Owners of the Parent		**5,048.74**	**74.75**	**5,123.49**
	Non-Controlling Interest		**(294.32)**	**0.61**	**(293.71)**
XIII	**Other Comprehensive Income (Net of Tax)**				
	Items that will not be reclassified to profit or loss				
	Remeasurement Gain or (Loss) on Defined Benefit Plans		-	(92.62)	(92.62)
	Income Tax on the above item		-	28.62	28.62
	Net Gain or (Loss) on FVTOCI Equity Investments		-	354.62	354.62
	Income Tax on the above item		-	(81.82)	(81.82)
	Total Other Comprehensive Income (Net of Tax)		**-**	**208.80**	**208.80**
XIV	**Total Other Comprehensive Income for the Period attributable to:**				
	Owners of the Parent		**-**	**213.76**	**213.76**
	Non-Controlling Interest		**-**	**(4.96)**	**(4.96)**
XV	**Total Comprehensive income for the period (XI+XIII)**		**4,754.42**	**284.16**	**5,038.58**
XVI	**Total Comprehensive income for the period attributable to:**				
	Owners of the Parent		**5,048.74**	**288.51**	**5,337.25**
	Non-Controlling Interest		**(294.32)**	**(4.35)**	**(298.67)**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of other Equity:

PARTICULARS	March 31, 2017	April 01, 2016
Total Other Equity under Previous GAAP (A)	**31,966.83**	**27,289.85**
1 Net Gain on Fair Value of Current Investments	47.61	16.89
2 Effect of Fair Valuation of Derivative Financial Instruments	27.01	37.96
3 Effect of Amortisation of Term Loans	20.26	7.73
4 Adjustment of proposed dividend and tax thereon	-	681.57
5 Net Gain or (Loss) on FVOCI on Equity Investments	769.28	414.66
6 Net Gain or (Loss) on Equity Investments Carried at Fair Value throgh Profit & Loss Account	-	5.97
7 Deferred Tax on the above Ind AS Adjustments (Net)	(209.77)	(117.33)
Total Adjustment to Other Equity (B)	**654.39**	**1,047.45**
Total Other Equity under Ind AS (A+B)	**32,621.22**	**28,337.30**

D. Notes to first-time adoption:

1. Investment (Non-Current & Current)

i) For investment in Mutual Fund, the Group has elected to fair value through Profit and Loss Account (FVTPL).

ii) For investment in Equity Instruments, the Holding Company has elected to fair value through OCI (FVTOCI) and Subsidiary Company has elected to fair value through Profit & Loss (FVTPL)

2. Financial Instruments

a) Derivative Financial Instruments

Under Indian GAAP, derivative contracts are restated at each balance sheet date to the extent of any reduction in value is recognised in Statement of Profit and Loss. A gain on valuation is only recognised by the Company if it represents the subsequent

reversal of an earlier loss. Also under IGAAP premium on forward contract is amortised over the contract period and value was calculated excluding the premium.

Under Ind AS, both reductions and increases to the fair values of derivative contracts are recognised in profit & loss. Premium is not separately accounted and amortised.

b) Cost of borrowing

Borrowing designated and carried at amortised cost are accounted on EIR method. The upfront fee or cost of borrowing incurred is deferred and accounted on EIR basis. Borrowings are shown as net of amortised amount of upfront fee incurred. Accordingly as at March 31, 2017, Finance Cost was decreased by Rs 20.26 lakhs in statement of profit and loss and the value of term loans were also decreased to that extent.

3. Proposed Dividend

Under Indian GAAP, proposed dividends are recognised as liability in the period to which they relate irrespective of the approval by shareholders. Under Ind AS a proposed dividend is recognised as liability in the period in which it is declared (on approval of shareholders in a general meeting) or paid. Therefore the proposed dividend and dividend distribution tax for the F.Y. 2015-16 has been derecognised and recognised during 2016-17 on payment basis.

4. Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

5. Fair Valuation of Financial Assets

Mutual Funds has been fair valued through Profit and Loss (FVTPL)

6. Trade Receivables

As per Ind AS 109 requirement, Trade Receivables are to be reported inclusive of Bills Discounted, accordingly Trade Receivables as at March 31, 2017 were increased by Rs. 402.71 Lakhs and the Current Bank Borrowings also increased to that extent.

7. Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2017 by Rs. 1,755.85 Lakhs. There is no impact on the total equity and profit.

8. Remeasurement of post-employment benefit obligations

Under Ind AS, remeasurement i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurement were forming part of the profit or loss for the year.

9. There is no significant reconciliation items between cash flow prepared under Previous GAAP and those prepared under Ind AS.

37 Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

As per our Report of even date attached

For S S Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

Naveen Aggarwal
Partner
Membership No. 094380

Place : Noida
Date : 29th May, 2018

For and on behalf of the Board of Directors

Arvind Goenka
Managing Director

O.P. Dubey
Director

P.K. Maity
Company Secretary

Anurag Jain
Chief Financial Officer

ATTENDANCE SLIP

ORIENTAL CARBON & CHEMICALS LIMITED
CIN – L24297WB1978PLC031539
Regd. Off.: 31, Netaji Subhas Road, Kolkata – 700 001
Email: investorfeedback@occlindia.com; Website: www.occlindia.com

PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP Id*		Folio No.	
Client Id*		No. of Shares	

NAME AND ADDRESS OF SHAREHOLDER

I hereby record my/our presence at 38th Annual General Meeting of the Company on Friday, the 27th July, 2018 at 10.30 a.m. at Williamson Magor Hall (1st Floor), The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata - 700001

* Applicable for investors holding shares in electronic form

Signature of shareholder/Proxy

Note:
Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue duly signed.

……..... cut here……..

PROXY FORM

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

ORIENTAL CARBON & CHEMICALS LIMITED
CIN – L24297WB1978PLC031539
Regd. Off.: 31, Netaji Subhas Road, Kolkata – 700 001
Email: investorfeedback@occlindia.com; Website: www.occlindia.com

Name of the member(s):		Email Id:	
Registered address:		Folio No./*Client Id:	
		DP Id:	

I/We, being the member(s) of …….....… shares of the above named Company hereby appoint:

1) Name .....Address.....
Email ID.....Signature..... or failing him/her

2) Name .....Address.....
Email ID.....Signature..... or failing him/her

3) Name .....Address.....
Email ID.....Signature..... or failing him/her

as my / our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Company on Friday, the 27th July, 2018 at 10.30 a.m. at Williamson Magor Hall (1st Floor), The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata - 700001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions		For	Against
ORDINARY:			
1.	To receive, consider and adopt: a. the audited financial statements of the Company for the financial year ended March 31, 2018, and Reports of the Directors and Auditors thereon; and b. the audited consolidated financial statements of the Company for the financial year ended March 31, 2018.		
2.	To confirm the interim dividend paid during the year and to declare a final dividend for the financial year ended March 31, 2018		
3	To appoint a Director in place of Mr. Akshat Goenka [DIN: 07131982], who retires by rotation and being eligible, offers himself for re-appointment.		
4.	Ratification of Remuneration payable to Cost Auditor for financial year 2018-19		
SPECIAL:			
5.	To approve the revised remuneration w.e.f. 01.04.2018 and to consider the re-appointment of Mr. Arvind Goenka [DIN: 00135653], Managing Director for a period of 5 years with effect from October 01, 2018.		
6.	To approve the revised remuneration w.e.f. 01.04.2018 and to consider the re-appointment of Mr. Akshat Goenka [DIN: 07131982], Jt. Managing Director for a period of 5 years with effect from June 01, 2018		
7.	To consider the continuation of Mr. J P Goenka as Non-Executive Director of the Company.		
8.	Approval under Section 180(1)(a) of the Companies Act, 2013 for creating mortgage/charge on the Company's movable and immovable assets, both present and future.		

Signed this ……. day of ……2018.

Affix revenue stamp of not less than ₹0.15

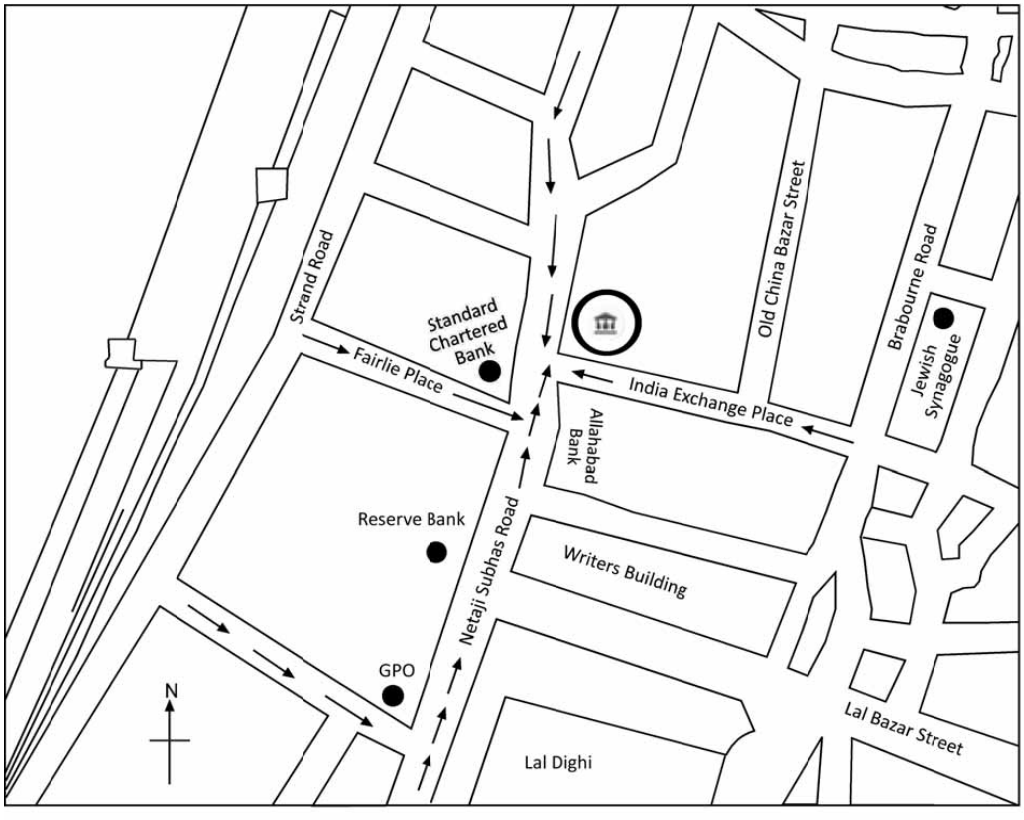
……..
Signature of member

…….
Signature of proxy holder(s)

Notes:

Note: This form of proxy in order to be effective should be duly completed, stamped, dated and signed and deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

Route Map to the AGM Venue



Williamson Magor Hall,
The Bengal Chamber of Commerce and Industry,
6 Netaji Subhas Road
Kolkata 700 001

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