

1. SIGNIFICANT ACCOUNTING POLICIES

Description of Business

The Company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on Bombay stock exchanges in India. The registered office of the company is located at K-56 MIDC Industrial Area, Tarapur, Boisar, Dist. Palghar-401506, Maharashtra. The company is dealing in API Business.

A. Statement of Compliance & Basis of Preparation of Financial Statements

The accompanying Standalone Financial Statements for the year ended March 31, 2018 have been prepared in accordance with Indian Accounting standards ('Ind AS') notified by the Ministry of Corporate Affairs in consultation with the National Advisory Committee on Accounting Standards, under section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act.

The Company has transitioned from Indian GAAP to Ind AS with effect from April 1, 2016 being the transition date as on which the opening Balance Sheet has been prepared. Accordingly, the company has prepared its financial statements to comply with Ind AS for the year ending 31 March 2018, together with comparative date as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the company's opening balance sheet was prepared as at 1 April 2016 being the date of transition to Ind AS.

These financial statements have been prepared under the historical cost convention.

The Management has assessed its liquidity position and its possible sources of funds. The Board of Directors is confident of the Company's ability to meet its obligations as and when they arise in the next twelve months from the balance sheet date. Accordingly, these financial statements have been prepared on a going concern basis.

The Company presents assets and liabilities in Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- (ii) Held primarily for the purpose of trading,
- (iii) Expected to be realised within twelve months after the reporting period, or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- (i) it is expected to be settled in normal operating cycle,
- (ii) it is held primarily for the purpose of trading,
- (iii) it is due to be settled within twelve months after the reporting period

All other liabilities are classified as non-current.

B. Use of Estimates and judgments:

The preparation of financial statements in accordance with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying

the Company's accounting policies. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Accounting Estimates made in Financial Statements:

i. Revenue

Sales and other Income are accounted on accrual basis and are taken to be inclusive of excise duty but excluding sales tax / GST. Export incentive/benefits are accounted on accrual basis. Custom duty benefits in the form of Advance license entitlements are recognized on the export of goods and set off from material cost. Dividend Income on investments is accounted for when the right to receive the payment is established.

ii. Income Tax and Deferred Tax

The Company's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows.

The complexity of the Company's structure makes the degree of estimation and judgment more challenging. The resolution of issues is not always within the control of the Company and it is often dependent on the efficiency of the legal processes in the relevant taxing jurisdictions in which the Company operates. Issues can, and often do, take many years to resolve. Payments in respect of tax liabilities for an accounting period result from payments on account and on the final resolution of open items. As a result there can be substantial differences between the tax charge in the Statement of Profit and Loss and tax payments.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

iii. Useful life of Property, Plant & Equipment

The useful life used to amortize/depreciate intangible assets or property, plant and equipment respectively relates to the expected future performance of the assets acquired and management's judgment of the period over which economic benefit will be derived from the asset. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the Statement of Profit and Loss.

The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

iv. Defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various

assumptions that may differ from actual development in the future. These include determinations of the discount rate, future salary increase, mortality rates and attrition rate. Due to the complexities involved in the valuation and long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date

v. Provisions and contingent liabilities

The Company exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

vi. Inventories

Inventories held in form of traded goods, consumables and spares have been valued at cost or net realizable value whichever is lower. The cost of traded goods, stores and spares is ascertained on FIFO basis. Cost comprises all cost of purchase, non-creditable taxes and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is estimated selling price in the ordinary course of business less estimated cost necessary to make the sale.

vii. Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost 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.

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

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

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

A financial asset which is not classified in any of the above categories is measured at FVTPL.

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company determines impairment loss based on the historical default rate and additional impairment based on Management's estimate on specific trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed.

viii. Financial liabilities

a) Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

b) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest 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.

ix. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

C. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

D. Foreign Currency Transactions

a) Functional and presentation currency

The financial statements of the Company are measured and presented in the currency of the primary economic environment in which the entity operates, which is the INR (its functional currency).

b) Transactions and balances

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction.

Monetary items denominated in foreign currencies at the year-end are translated at rates prevailing as at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction.

Investments in foreign companies are recorded at the exchange rates prevailing on the date of making the investments. Contingent Liabilities are translated at closing rate.

E. Employee Benefits

(i) Short Term Employee Benefits The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

(ii) Post employee benefits:

a) Defined Contribution Plan

The Company makes contributions towards provident fund for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. Contribution to defined contribution plans are recognized as expense in the Profit and Loss Account, as they are incurred.

b) Defined Benefit Plan and Other Long term benefit plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

F. Borrowing Cost

Borrowing costs incurred for directly attributable to the acquisition, construction or production of qualifying asset, which are assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

G. Income Tax

a) Current tax

Income tax expense represents the sum of the current tax and deferred tax.

Current tax payable or recoverable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Statement of Profit and Loss because some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. The Company's liability for current tax is calculated using Indian tax rates and laws that have been enacted by the reporting date.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred Tax

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the reporting date.

A deferred tax asset shall be recognized for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.

Such assets and liabilities are not recognized if the temporary difference arises from the initial

recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax liabilities are not recognized to the extent they arise from the initial recognition of non-tax deductible goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when,

- (a) the Company currently has a legally enforceable right to set-off the current income tax assets and liabilities, and
- (b) when the Deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Tax is charged or credited to the Statement of Profit and Loss, except when it relates to items charged or credited to other comprehensive income/(loss) or directly to equity, in which case the tax is recognized in other comprehensive income/(loss) or in equity.

c) Minimum Alternate Tax

Minimum Alternate Tax ('MAT') credit entitlement is generally recognized as a deferred tax asset if it is probable (more likely than not) that MAT credit can be used in future years to reduce the regular tax liability.

H. Provisions

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

Provisions are measured at the Company's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Information on contingent liabilities is disclosed in the notes to the consolidated financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

I. Contingent Liabilities and Contingent Assets

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

Contingent Assets are neither recognised nor disclosed in the financial statements.

J. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit 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 earnings per share, the net profit or loss for the period attributable to the equity shareholders, and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

K. Impairment reviews

Ind AS requires management to undertake an annual test for impairment of indefinite lived assets and, for finite lived assets, to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Impairment testing is an area involving management judgment, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

- i) growth in Earnings before interest, tax, depreciation and amortization (EBITDA), calculated as adjusted operating profit before depreciation and amortization;
- ii) timing and quantum of future capital expenditure;
- iii) long-term growth rates; and
- iv) selection of discount rates to reflect the risks involved.

Changing the assumptions selected by management, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect the Company's impairment evaluation and hence results

Standards issued but not yet effective

Ind AS 115 Revenue from Contract with Customers: MCA issued Ind AS 15, Revenue from Contract with Customers, but subsequently the same has been deferred by a notification dated 30 March 2016. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The Company has evaluated the impact of Ind AS 115 on the financial statements and the same is not material.

L. First- time adoption of Ind AS

a) First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2017, are the first, the Company has prepared in accordance with Ind AS. For the periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Account) Rules, 2014 (Indian GAAP).

Accordingly, the company has prepared its financial statements to comply with Ind AS for the year ending 31 March 2017, together with comparative date as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the company's opening balance sheet was prepared as at 1 April 2015, the company's date of transition to Ind AS. This note explains the principal adjustments made by the company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

b) Exemptions from retrospective application

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the below exemptions:

c) Deemed cost for Financial assets and Intangible assets

The company has recognized financial assets and intangible assets based on the previous GAAP carrying amounts as at the date of transition.

d) Deemed cost for Property, Plant and Equipment (PPE), Intangible assets and investment property

The company has elected to continue the carrying value for all its Property, plant and equipment, intangible assets and investment property as recognized in its Indian GAAP financial as deemed cost at the date of transition

e) The remaining voluntary exemptions as per Ind AS 101 - First time adoption either do not apply or are not relevant to the Company**f) Exceptions from full retrospective application:**

The mandatory exceptions either do not apply or are not relevant to the Company.

M. Reconciliation of differences on transition to Ind AS

a) Reconciliation of Balance Sheet as at 1st April 2016				
Particulars		Regrouped previous GAAP	IND AS adjustment	IND AS
		Amt. in Rs.	Amt. in Rs.	Amt. in Rs.
A	ASSETS			
1	(I) Non-Current Assets			
	(a) Property, Plant and Equipment	9,13,06,234	-	9,13,06,234
	(b) Capital Work -in-Progress	3,33,11,726	-	3,33,11,726
	(c) Investment Property	-		-
	(d) Financial Assets			
	(i) Investments	4,87,982		4,87,982
	(ii) Loans	-		-
	(iii) Others	-		-
	(e) Other non-current assets - Capital Advance	-		-
2	Current assets			
	(a) Inventories	4,30,89,056	-	4,30,89,056
	(b) Financial Assets	-		-
	(i) Investments	-		-
	(ii) Trade Receivables	5,04,67,631	1,16,422	5,05,84,053
	(iii) Cash and cash equivalents	5,20,982	-	5,20,982
	(iv) Bank balances other than (iii) above	47,98,695	-	47,98,695
	(v) Loans	-	-	-
	(vi) Others	3,29,68,756	-	3,29,68,756
	(c) Other Current Assets	-	-	-
	TOTAL ASSETS	25,69,51,062	1,16,422	25,70,67,484

B	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share Capital	6,23,25,000	-	6,23,25,000
	(b) Other Equity	2,35,41,810	4,91,895	2,40,33,705
	Liabilities			
	(I) Non-Current Liabilities			
	(a) Financial Liabilities	5,39,11,926	-	5,39,11,926
	(i) Other Financial Liabilities	7,23,27,910	-	7,23,27,910
	(b) Provisions	-	-	-
	(c) Deferred Tax Liabilities (Net)	-	-	-
	(II) Current Liabilities			
	(a) Financial Liabilities	-	-	-
	(i) Trade Payables	-	-	-
	a) Due to Micro and Small Enterprises	-	-	-
	b) Due to other than Micro and Small Enterprises	3,58,23,282	-3,75,473	3,54,47,809
	(b) Other Current Liabilities	56,38,670	-	56,38,670
	(c) Provisions	33,82,464	-	33,82,464
	(d) Current Tax Liabilities (net)			-
	TOTAL EQUITY AND LIABILITIES	25,69,51,062	1,16,422	25,70,67,484

b) Reconciliation of Balance Sheet as on 31 st March 2017				
	Particulars	Regrouped previous GAAP	IND AS adjustment	IND AS
		Amt. in Rs.	Amt. in Rs.	Amt. in Rs.
A	ASSETS			
1	(I) Non-Current Assets			
	(a) Property, Plant and Equipment	13,00,01,839	-	13,00,01,839
	(b) Capital Work -in-Progress	22,61,987	-	22,61,987
	(c) Investment Property	-		-
	(d) Financial Assets			
	(i) Investments	4,87,982	-	4,87,982
	(ii) Loans	-		-
	(iii) Others	-		-
	(e) Other non-current assets - Capital Advance	-		-
2	Current assets			
	(a) Inventories	1,32,58,207	-	1,32,58,207
	(b) Financial Assets	-		-
	(i) Investments	-		-
	(ii) Trade Receivables	7,72,73,434	3,94,858	7,68,78,576
	(iii) Cash and cash equivalents	49,77,376	-	49,77,376

	(iv) Bank balances other than (iii) above	50,75,079	-	50,75,079
	(v) Loans	-	-	-
	(vi) Others	3,51,04,436	-	3,51,04,436
	(c) Other Current Assets	-		-
	TOTAL ASSETS	26,84,40,340	-3,94,858	26,80,45,482
B	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share Capital	6,23,25,000	-	6,23,25,000
	(b) Other Equity	3,16,93,735	1,11,751	3,18,05,486
	Liabilities			
	(I) Non-Current Liabilities			
	(a) Financial Liabilities	4,94,97,316	-	4,94,97,316
	(i) Other Financial Liabilities	4,93,30,218	-	4,93,30,218
	(b) Provisions	-		-
	(c) Deferred Tax Liabilities (Net)	1,51,97,840	-	1,51,97,840
	(II) Current Liabilities			
	(a) Financial Liabilities	-	-	-
	(i) Trade Payables	-	-	-
	a) Due to Micro and Small Enterprises	-		-
	b) Due to other than Micro and Small Enterprises	4,97,72,203	5,06,609	4,92,65,594
	(b) Other Current Liabilities	66,15,401		66,15,401
	(c) Provisions	40,08,627		40,08,627
	(d) Current Tax Liabilities (net)	-		-
	TOTAL EQUITY AND LIABILITIES	26,84,40,340	-3,94,858	26,80,45,482

N. The following explain the material adjustments made while transition from previous Accounting Standards to Ind AS.

a. Fair value of security deposits:

Under the previous GAAP, interest free security deposits are recorded at transactions value. Under Ind AS, all financial assets are required to be fair valued.

b. Other comprehensive income:

Under Ind AS all items of income and expenses recognised in the period should be included in the profit & loss for the period, unless a Standard requires or permits otherwise.

Items of income and expenses that are not recognised in the statement of profit & loss but are shown in the statement of profit or loss as other comprehensive income includes re-measurement of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

c. Deferred tax :

Deferred tax impact on the above adjustments.

d. Retained earnings:

Retained earnings as at 1st April, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

O. Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

The Ageing analysis of Account receivables has been considered from the date the invoice falls due:

Amounts in Rupees

Unsecured considered good	As on 31.03.18	As on 31.03.17	As on 01.04.16
Over six months	21,38,388	7,19,226	7,69,129
Less than six months	8,16,10,804	7,61,59,350	4,98,14,924
Total	8,37,49,192	7,68,78,576	5,05,84,053

P. Capital Management

The company's objectives when managing capital are to

- i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

Q. Balance of Trade Receivables and Trade payable are subject to confirmations

Statement of Changes in Equity**Equity Share capital**

Particulars	Nos.	Rs.			
Equity Shares of Rs. 10 each issued, subscribed and fully paid					
Balance at 1st April 2016	6232500	62325000			
Changes in equity share capital during the year	-	-			
Balance at 31st March 2017	6232500	62325000			
Equity Shares of Rs. 10 each issued, subscribed and fully paid					
Balance at 1st April 2017	6232500	62325000			
Changes in equity share capital during the year	-	-			
Balance at 31st March 2018	6232500	62325000			
Other Equity - Attributable to owners					
	Reserve & Surplus				
Particulars	Capital Reserve State subsidy	Capital Reserve Share Premium	Retained Earnings	Comprehensive Income	Total
Balance at 1st April 2016 (I)	1500000	5175000	16866810	491895	24033705
Last year Comprehensive trf.to retained earning			0	(491895)	(491895)
Other Comprehensive income for the year				111752	111752
Profit for the year			8151924		8151924
Balance at 31st March 2017 (I + II)	1500000	5175000	25018734	111752	31805486

Other Equity - Attributable to owners (Continued)

	Reserve & Surplus				
Particulars	Capital Reserve State subsidy	Capital Reserve Share Premium	Retained Earnings	Comprehensive Income	Total
Balance at 1st April 2017 (I)	1500000	5175000	25018734	111752	31805486
Last year Comprehensive trf.to retained earning				(111752)	(111752)
Other Comprehensive income for the year				463059	463059
Profit for the year			35295345		35295345
Balance at 31st March 2018 (I + II)	1500000	5175000	60314079	463059	67452138

In terms of our report attached.

For and on behalf of the Board of Directors

For KHURDIA JAIN & COChartered Accountants
FIRM REG.NO. 120263W**SHARAT DEORAH**
Chairman and Managing Director**SIDDHARTHA DEORAH**
Whole Time Director**SAMPAT KHURDIA**
PARTNER
M. NO. 33615**AMIT SHAH**
Chief Financial Officer**SHANU NAG**
Company SecretaryPlace : Mumbai
Date : 29.05.2018Place : Mumbai
Date : 29.05.2018

Note 2 : Property, Plant and Equipment

Year ended 31st March 2017	Lease Hold Land	Factory Buildings	Office Buildings	Roads	Plant & Equipment	Furniture & Fixtures	Vehicles	Computers	Miscellaneous Assets	Laboratory Equipment	Total	Capital Work in Process
Gross Carrying amount												
Carrying amount as at 01.04.2016	439701	20894784	7019447	337634	106849804	10089583	659132	1527678	781635	6357073	154956271	-
Additions	-	4547271	-	-	35946722	2083563	0	526153	61173	4534580	47699462	-
Disposals	-	-	-	-	5025810	-	-	-	-	-	-	-
Closing gross carrying amount	439701	25442055	7019447	337634	137770516	12173146	659132	2053831	842808	10891653	197629923	2261987
Accumulated Depreciation	111081	7800774	1555977	337634	39342915	7284381	623415	1386430	549384	4658049	63650040	-
Depreciation charge during the year	4397	805665	111141	-	5738760	807623	0	201021	43571	926054	8638232	-
Disposals	-	-	-	-	4660185	-	-	-	-	-	-	-
Closing accumulated depreciation	115478	8606439	1667118	337634	40421490	8092004	623415	1587451	592955	5584103	67628087	-
Net carrying amount 31.03.2017	324223	16835616	5352329	-	97349026	4081142	35717	466380	249853	5307550	130001839	2261987
Net carrying amount 31.03.2016	328620	13094010	5463470	-	67506689	2805202	35717	141248	232251	1699024	91306234	33311726

Note 2 : Property, Plant and Equipment (Continued)												
Year ended 31st March 2018	Lease Hold Land	Factory Buildings	Office Buildings	Roads	Plant & Equipment	Furniture & Fix- tures	Vehicles	Comput- ers	Miscel- laneous Assets	Laborato- ry Equip- ment	Total	Capital Work in Process
Gross Carrying amount												
Carrying amount as at 01.04.2017	439701	25442065	7019447	337634	137770516	12173146	659132	2053831	842808	10891653	197629923	-
Additions	-	2829330	-	-	4075213	696776	1220098	76255	323857	320544	9542073	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	439701	28271385	7019447	337634	141845729	12869922	1879230	2130086	1166665	11212197	207171996	10729041
Accumulated Depreciation	115478	8606439	1667118	337634	40421490	8092004	623415	1587451	592955	5584103	67628087	-
Depreciation charge during the year	4397	895261	111141		6243184	750280	115909	223733	68350	898363	9310618	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	119875	9501700	1778259	337634	46664674	8842284	739324	1811184	661305	6482466	76938705	-
Net carrying amount 31.03.2018	319826	18769685	5241188	-	95181055	4027638	1139906	318902	505360	4729731	130233292	10729041
Net carrying amount 31.03.2017	324223	16835616	5352329	-	97349026	4081142	35717	466380	249853	5307550	130001839	2261987

Note 3 : Investments			
Particulars	As at 31.03.2018	As at 31.03.2017	As on 01.04.2016
	Total	Total	Total
	Amount in Rs.	Amount in Rs.	Amount in Rs.
Long Term at cost, unless otherwise specified			
A. Trade Investments			
(a) Quoted:			
680 Shares of Zee Entertainment Enterprises Ltd. face value of Rs. 1/- each	484982	484982	484982
178 Equity Shares of Dish TV limited			
155 Equity shares of Siti Cable Network Limited			
140 Equity Shares of Zee Media Corporation Limited			
85 Equity Shares Zee Learn Ltd.			
1428 Zee entertainment 6% non convertible Pref. Shares			
Total (A)	484982	484982	484982
(b) Unquoted			
35 (5) Shares of worli Ind. Properties Limited of face value of Rs. 100/- each (of the above	3000	3000	3000
5 shares were issued on purchase of assets and included in the value of asset.			
Total (B)	3000	3000	3000
Total (A+B)	487982	487982	487982
Aggregate amount of quoted investments	484982	484982	484982
Aggregate market value of listed and quoted investments	412518	431700	303516
Aggregate amount of unquoted investments	3000	3000	3000
Note 4 : Inventories			
(At lower of cost and net realisable value)			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
	Amount in Rs.	Amount in Rs.	Amount in Rs.
(a) Raw materials	13078166	10727597	17235008
(b) Work-in-progress	500000	1000000	22950260
(c) Finished goods (other than those acquired for trading)	981575	1105500	2571450
(d) Stores and spares	349969	425110	332338
Total	14909710	13258207	43089056
Note 5 : Trade receivables			
Unsecured considered good			
More than six months	2138388	719226	769129
Others (less than Six Months)	81610804	76159350	49814924
Total	83749192	76878576	50584053

Note 6 : Cash and cash equivalents

	As at 31.03.2018	As at 31.03.2017	As on 01.04.2016
(a) Cash on hand	111269	10632	4778
(b) Balances with banks			
(i) In current accounts	17863181	4966744	516204
Total	17974450	4977376	520982
Note 7 : Bank balances other than Note 6 above			
(ii) In deposit accounts			
- Balances held as margin money or security against borrowings, guarantees and other commitments	4527178	5075079	4798695
Total	4527178	5075079	4798695
Note 8 : Other Financial Assets			
Short-term loans and advances			
(a) Prepaid expenses - Unsecured, considered good	307081	371620	327537
(b) Balances with government authorities			
Unsecured, considered good			
(i) CENVAT credit and other incentive receivable	3545102	14001743	10863111
(ii) VAT credit receivable	8980808	9716221	11751576
(iii) GST Receivable	20017905	-	-
(c) Inter-corporate deposits			
Unsecured, considered good	-	-	-
Doubtful	749633	749633	749633
(d) Others (specify nature)			
Unsecured, considered good	1915017	2702367	1884353
Doubtful	-	-	-
Long-term loans and advances			
(a) Security deposits			
With Government Bodies	1104875	948787	948787
With others	468138	468138	233138
(b) MAT Credit Entitlements	4335423	6145927	6210621
(c) Taxes	-	-	-
Total	41423981	35104436	32968756

Note 9 Share capital						
Particulars	As at 31st March, 2018		As at 31st March, 2017		As on 01st April, 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
(a) Authorised						
Equity shares of Rs 10 each	7,000,000	70,000,000	7,000,000	70,000,000	7,000,000	70,000,000
(b) Issued, Subscribed and fully paid up						
Equity shares of Rs 10 each	6,232,500	62,325,000	6,232,500	62,325,000	6,232,500	62,325,000
Total	6,232,500	62,325,000	6,232,500	62,325,000	6,232,500	62,325,000
Notes:						
[a] Reconciliation of the number of shares outstanding at the beginning and at the end of the year						
Equity shares						
	Number	Amount	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	6232500	62325000	6232500	62325000	6232500	62325000
Shares issued during the year	Nil	Nil	Nil	Nil	Nil	Nil
Shares bought back during the year	Nil	Nil	Nil	Nil	Nil	Nil
Redemption of shares	Nil	Nil	Nil	Nil	Nil	Nil
Shares outstanding at the end of the year	6232500	62325000	6232500	62325000	6232500	62325000
[b] Shares in the Company held by each Shareholder holding more than 5% shares						
	Number	%	Number	%	Number	%
Siddhartha Deorah	406060	6.515%	391850	6.287%	370286	5.941%
Auro Impex Private Limited	1168781	18.753%	1168781	18.753%	1168781	18.753%
Sharat Deorah	1164100	18.678%	1164100	18.678%	628755	10.088%
Meena Deorah	0	0.000%	0	0.000%	514481	8.255%
Note 10 Other Equity						
Capital Reserve Account						
State Cash Subsidy		1500000		1500000		1500000
Share Premium Account		5175000		5175000		5175000
TOTAL		6675000		6675000		6675000
Retained Earnings						
As per Last Balance Sheet		25130486		17358705		8047896
Net Profit/(Loss) for the year		35295345		8151924		8818914
Amount available for appropriation		60425830		25510629		16866810
Opening Comprehensive Income (Net of Tax)		-111752		-491895		0
Comprehensive Income (Net of Tax)		463059		111752		491895
Dividend		-		-		-
Income Tax		-		-		-
Closing Balance		60777138		25130486		17358705
Total		67452138		31805486		24033705

Note 11 : Financial Liabilities			
Particulars	As at	As at	As on
	31.03.2018	31.03.2017	01.04.2016
	Amount	Amount	Amount
Secured Loans			
(b) Term loan from Bank			
From banks	34256676	13631681	-
(Exclusively charge by way of hypothecation of assets)			
(a) Loans repayable on demand			
From banks			
Secured	27527674	35865635	53911926
(Exclusively hypothecation charge on the entire Stocks, Book Derbts and Other current assets)			
Total	61784350	49497316	53911926
Note 12 : Other Financial Liabilities			
Loans and advances from related parties			
Unsecured	30200000	49330218	72327910
Total	30200000	49330218	72327910
Note 13 : Trade Payables			
Due to other than Micro and small Enterprises	53010906	49265594	35447809
Total	53010906	49265594	35447809
Note 14 : Other Current Liabilities			
(i) Payables on purchase of fixed assets	2390994	1404394	2377704
(ii) Others	4936818	5211007	3260966
Total	7327812	6615401	5638670
Note 15 : Provisions			
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	4551926	847272	421678
(iii) Contractually reimbursable expenses	2941336	3161355	2960785
Total	7493262	4008627	3382463

Note 16 Revenue from operations

	Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
		Amount in Rs.	Amount in Rs.
(a)	Sale of products @ (Refer Note (i) below)	404466507	358806620
(b)	Other operating revenues (Refer Note (ii) below)	7018147	11224155
		411484654	370030775
	Less:		
(c)	Excise duty	3544806	15283365
	Total	407939848	354747410
Note (i)	Sale of products comprises		
	Manufactured goods		
	Metformin HCL & CRZ	403867985	358629380
	Total - Sale of manufactured goods	403867985	358629380
	Traded goods	598522	177240
	Total - Sale of traded goods	598522	177240
	Total - Sale of products	404466507	358806620
Note (ii)	Other operating revenues # comprise:		
	Sale of scrap	-	-
	Duty drawback and other export incentives	3059047	3684495
	M E I S incentives	3959100	7,539,660
	Total - Other operating revenues	7018147	11224155
Note 17 Other income			
(a)	Interest income (Refer Note (i) below)	498643	644712
(b)	Dividend income:		
	from long-term investments		
	others	5576	2412
(c)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	145166	88376
(d)	Net Foreign Exchange Gain	4489794	4605924
	Total	5139179	5341424
Note (i)	Interest income comprises:		
	Interest from banks on:		
	deposits	399940	374363
	Others	98703	270349
	Total - Interest income	498643	644712
Note (ii)	Other non-operating income comprises:		
	Misc. Receipts	135620	3784
	Sundry Balacne W/off	0	0
	Profit on sale of fixed assets	0	79727
	Commission Recd.	9546	4865
	Total - Other non-operating income	145166	88376

Note 18.a : Cost of materials consumed		
Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
	Amount in Rs	Amount in Rs
Opening stock	11152707	17567346
Add: Purchases	248440739	194221180
Less: Closing stock	13428135	11152707
Cost of material consumed	246165311	200635819
Total	246165311	200635819
Note 18.b : Purchase of traded goods		
Traded good	406500	131000
Total	406500	131000
Note 18.c : Changes in inventories of finished goods, work-in-progress and stock-in-trade		
<u>Inventories at the end of the year:</u>		
Finished goods	981575	1105500
Work-in-progress	500000	1000000
Stock-in-trade		
	1481575	2105500
<u>Inventories at the beginning of the year:</u>		
Finished goods	1105500	2571450
Work-in-progress	1000000	22950260
Stock-in-trade		
	2105500	25521710
Net (increase) / decrease	623925	23416210
Note 19 : Employee benefits expense		
Salaries and wages	27240736	26271688
Contributions to provident and other funds	409399	396301
Staff welfare expenses	266058	445442
Director Remuneration	9000000	3650000
Directors Setting Fees	37500	45000
Total	36953693	30808431
Note 20 : Finance costs		
(a) Interest expense on:		
(i) Borrowings	6984108	4383666
(ii) Others - on unsecured loans	3901030	6342722
Total	10885138	10726388

Note 21 : Other expenses

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Amount in Rs.	Amount in Rs.
Consumption of stores and spare parts	1419819	1486763
Power and fuel	13637191	11732057
Water	1141301	1165818
Repairs and maintenance - Buildings	575517	908881
Repairs and maintenance - Machinery	1648122	1492487
Repairs and maintenance - Others	436605	325067
Insurance	431897	634968
Rates and taxes	1421032	1046665
Communication	349515	507974
Travelling and conveyance	3346122	2937676
Printing and stationery	1109326	1293098
Freight and forwarding	6695576	5629948
Commission & Brokerage	144887	399574
Laboratory Chemicals	1344168	1695849
Factory and Office Expenses	7034374	6448876
Bank Charges	1249181	1034217
Profession Tax (Company)	2500	2500
Profession Tax (Directors)	10000	10000
Export Expenses	6033656	5597776
Donations and contributions	2860000	2555000
Legal and professional	3713534	2583594
Payments to auditors (Refer Note (i) below)	150000	125000
Miscellaneous expenses	6706391	6886736
Total	61460714	56500524
Notes:		
Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Amount in Rs.	Amount in Rs.
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	100000	125000
For taxation matters	50000	-
For company law matters	-	-
Total	150000	125000

22. Notes on Financial Statements:

I.	CONTINGENT LIABILITIES AND COMMITMENTS	2018	2017
A.	Contingent liabilities and commitments	28014375	32378445
B.	Claims against the Company not acknowledged	Nil	Nil
	As debts		
C.	Estimated amount of contracts remaining to be	Nil	Nil
	Executed on capital account and not provided for		
II.	The Income Tax Assessments of the Company have been completed up to Assessment year 2014-15.		
III.	EARNINGS PER SHARE (EPS)		
	Earnings		
	Net Profit for the year (net of taxes)	35295345	8151924
	Shares		
	Number of equity shares at the beginning of the Year	6232500	6232500
	Number of Equity shares outstanding at the end of the year	6232500	6232500
	Weighted average number of equity shares	6232500	6232500
	Outstanding during the year		
	Earning per share of par value Rs. 10 - Basic Rs.	5.66	1.31
	- Diluted Rs.	5.66	1.31
IV.	RELATED PARTY DISCLOSURES		
A]	Related parties where control exists or where significant influence exists and with whom transaction have taken place during the year.		
1.	Associate Company		
	1. Auro Impex Pvt. Limited		
2.	Key Management personnel Represented on the board		
	1. Shri Sharat Deorah - Managing director		
	2. Shri Siddhartha Deorah – Whole Time Director		
	Non Executive/Independent Directors on the Board		
	1. Shri Kailash Chand Bubna		
	2. Shri Goverdhandas Aggarwal		
	3. Smt. Kavita V. Sharma		
B]	The following is a summary of significant related party transactions:		
1.	Interest paid to		
	Auro Impex Pvt. Limited	2534757	4424615
2.	Loan received from		
	Auro Impex Pvt. limited	Nil	Nil
3.	Loan paid to		
	Auro Impex Pvt. limited	8500000	10000000
4.	The Company has the following amounts due to related parties:		
	Auro Impex Pvt. limited	21500000	30000000
C]	Salary paid to Directors		
1.	Salary Paid to Director	9000000	3650000

V.	RAW MATERIAL CONSUMED DURING THE YEAR			
	4 Chloro 2 Amino		22888063	27746771
	Dicyanadiamide		112464109	73002336
	Dimethylamine HCL		72742509	55162969
	Methanol		10138129	10771272
	Furnace oil		655254	Nil
	Packing Material		11111023	9736145
	Acetic Acid		1511726	788035
	Caustic Soda		1271277	577075
	Urea		1250224	1479694
	Xylene		1098493	962861
	Briquettes		11600546	11513446
	Other		1709387	2480576
		Total	248440740	194221180
VI.	DETAILS OF IMPORTED AND INDIGENOUS RAW MATERIALS, SPARES AND PACKING MATERIAL CONSUMED:			
	Raw Material			
	Imported		93824609	73002336
	Indigenous		154616131	121218844
VII.	CIF VALUE OF IMPORTS			
	Raw Material			
			93824609	73002336
VIII.	EARNINGS IN FOREIGN CURRENCY			
	Exports on FOB/CIF/CNF Basis			
			220818393	211307000
IX.	EXPENDITURE IN FOREIGN CURRENCY			
	Traveling			
			1641038	1033330
	Commission on Export			
			Nil	Nil
X.	SEGMENT INFORMATION			
	Based on the guiding principles given in the Accounting Standard 17 on "Segment Reporting" issued by The Institute of Chartered Accountants of India, the Company is a single segment Company engaged in the business of Bulk Drugs.			
XI.	DEFERRED TAX ASSETS/ LIABILITIES			
	A]	Deferred Tax Assets		
		a]	Carried forward Losses	0
		b]	Unabsorbed Depreciation	0
			Total A	0
	B]	Deferred Tax Liabilities		
		a]	Fixed Assets WDV	48083302
			Deferred Tax Liabilities/ Assets [A-B]	(14441359)
XII.	Previous year's figures have been regrouped, rearranged and reclassified wherever necessary.			

For KHURDIA JAIN & CO
 Chartered Accountants
FIRM REG.NO. 120263W

For and on behalf of the Board
SHARAT DEORAH
 Chairman & Managing Director

SIDDHARTHA DEORAH
 Whole Time Director

SAMPAT KHURDIA
 PARTNER
 M. NO. 33615

AMIT SHAH
 Chief Financial Officer

SHANU NAG
 Company Secretary

Place : Mumbai
 Date : 29.05.2018

Place : Mumbai
 Date : 29.05.2018