GROWEL
SINCE 1957

Innovation for sustainability

ANNUAL REPORT 2017 - 18

Since 1957, Growel has been a trendsetter in the General Metal Finishing Industry and a formidable player in the field of Electroplating & Specialty Chemicals and Engineering equipments. In 2005, Growel ventured into real estate development and built a sprawling 475000 square feet Shopping Centre in the Western Suburbs of Mumbai. In 2007, with the addition of Protective Coatings & Industrial Lubricants into its manufacturing foray, Growel has become a One Stop Solution Provider for protection of all types of substrates across the various industrial segments.

Growel's R&D is recognized by The Indian Council of Science & Technology for its innovative & technological prowess in the Chemical & Paint divisions. This recognition stands testimony to our unwavering commitment towards developing and producing quality products that are safe for the environment.

Growel's Chemical & Paint division is IMS (Integrated Management System) Certified. We are also the first Chemical Company in India to have received the coveted AS9100 Aerospace Certification, established by The Aerospace industry, which demonstrates our ability to satisfy DOD, NASA and FAA quality standards.

As a Corporate citizen conscientious of our environment & people's welfare, we are constantly engaged in the development of newer & sustainable green practices within our organization and so also, work with the local communities through our various CSR activities, ensuring development of the human capital at large.

We are bound to all our stakeholders to build trust & deliver the highest quality products & services by embracing fair trade practices through ethical & transparent dealings. We are dedicated to operating our facilities with utmost respect for the communities & environment in which we all live & work as they constitute an integral part of our business philosophy effectively driving sustained growth.

Our commitment to excellence, innovation, people strategy, systems and processes have been designed to make Growel an employer of choice.

Mission:
To be a predominant global player in the field of Surface finishing which invokes pride in all our stakeholders through innovation, customer centricity, fair trade practices, integrity, sustainability and care for our planet.

Vision:
To be in top 2 in all our businesses on the strength of our people and values.

Minions at Growel's 101 | Meet and greet with the Minions at Growel's 101 Mall

Summer Chitra Katha Event | 'Summer Chitra Katha' which was topped up with a marvelous decor and activities.

CSR Activity | Blood Donation Camp at Growel's 101 Mall

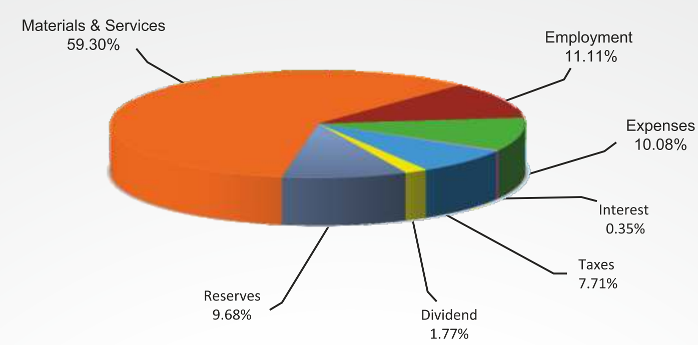
Women's Day Event | Artistree 2018 Women's Day celebration

Christmas Event | The grand Christmas celebrations at Growel's 101 Mall

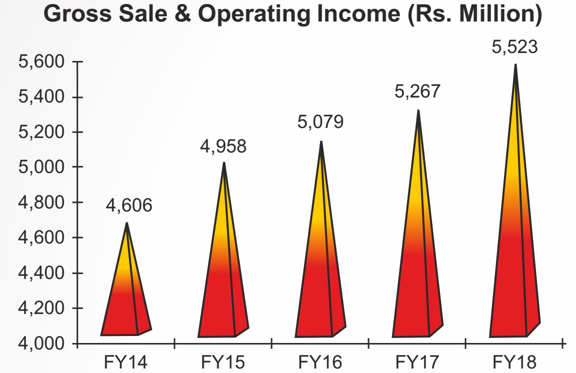
Musical Event | Renowned Bollywood playback singer 'Shweta Pandit' Live in Concert.

Diwali Event | 'Milke-Manao' Diwali celebration at Growel's 101 Mall

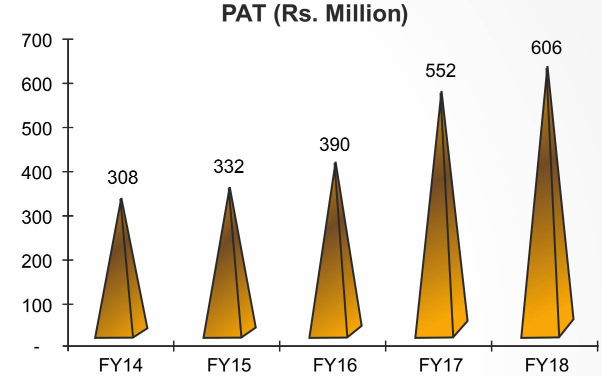
Income Distribution 2017-18



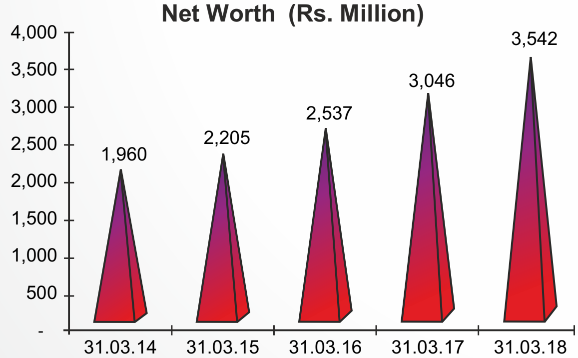
Gross Sale & Operating Income (Rs. Million)



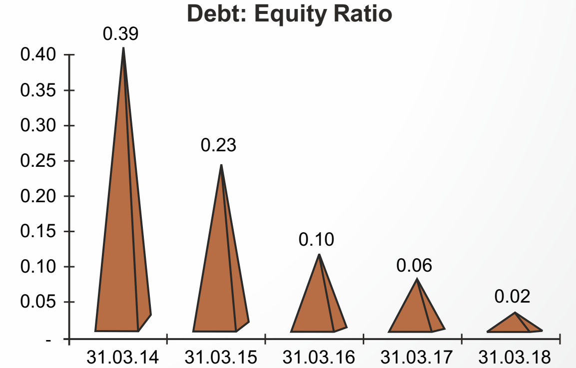
PAT (Rs. Million)



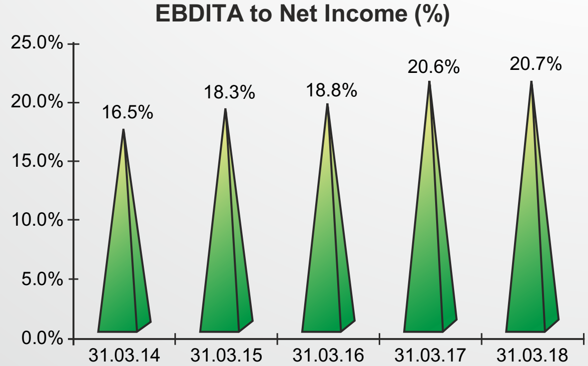
Net Worth (Rs. Million)



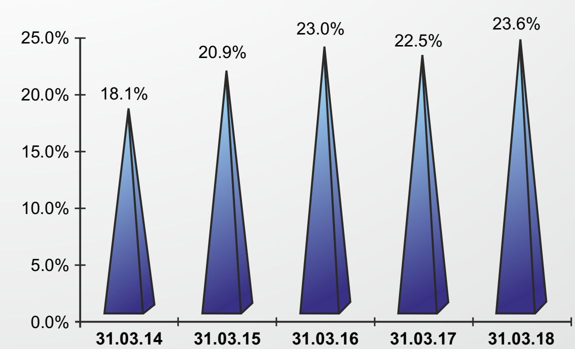
Debt: Equity Ratio



EBDITA to Net Income (%)



Return on Capital Employed (%)



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BOARD OF DIRECTORS

Umeshkumar More	Chairman
Nirajkumar More	Managing Director
Vinod Haritwal	CEO & Whole-time Director
Rohitkumar More	Whole-time Director
Pallavi More	Whole-time Director (from 30-05-2017 to 07-02-2018)
Suresh Pareek	Independent Director
Madan Mohan Chaturvedi	Independent Director (upto 10-11-2017)
Tarun Kumar Govil	Independent Director
Yogesh Samat	Independent Director (w.e.f. 30-05-2017)
Aarti Shah	Independent Director

COMMITTEES

AUDIT COMMITTEE

Suresh Pareek	Chairman
Nirajkumar More	Member
Madan Mohan Chaturvedi	Member (upto 10-11-2017)
Tarun Kumar Govil	Member
Aarti Shah	Member
Yogesh Samat	Member (w.e.f.13-11-2017)

STAKEHOLDERS RELATIONSHIP COMMITTEE

Tarun Kumar Govil	Chairman
Nirajkumar More	Member
Vinod Haritwal	Member

NOMINATION & REMUNERATION COMMITTEE

Tarun Kumar Govil	Chairman (w.e.f.13-11-2017)
Madan Mohan Chaturvedi	Chairman (upto 10-11-2017)
Umeshkumar More	Member
Suresh Pareek	Member

CSR COMMITTEE

Nirajkumar More	Chairman
Tarun Kumar Govil	Member
Vinod Haritwal	Member

MANAGEMENT TEAM

Shambhu Gupta	Chief Global Officer
Pallavi More	President
Sujit Sinha	President (Paints)
Jagdish Kadam	Chief Financial Officer
H. B. Charna	Sr. President
Harnish D. Juthani	President (Procurement)
Rattan Sharma	President (TSD – Chemicals – Zone II)
Chintan K. Gandhi	Company Secretary

AUDITORS

M/s SCA & Associates — Chartered Accountants

BANKERS

The Saraswat Co-op. Bank Ltd
Punjab National Bank
Development Bank of Singapore
Axis Bank
ICICI Bank Ltd.

REGISTERED OFFICE

Growel Corporate, Akurli Road, Kandivli (East), Mumbai – 400101.
CIN : L74999MH1957PLC010975

PLANTS

Dadra	Chemicals, Lubricants and Paints
Barotiwala (H.P.)	Chemicals, Lubricants and Paints
Vapi	Chemical Intermediates, Lubricants and Paints
Samba (Jammu)	Chemicals
Alandi (Pune)	Engineering

MALL

Kandivli (Mumbai)

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NOTICE TO THE MEMBERS

NOTICE is hereby given that the 60th Annual General Meeting of the members of GRAUER & WEIL (INDIA) LIMITED will be held on Thursday, August 30, 2018 at 3.00 pm at Growel's 101 Mall, Akurli Road, Kandivli (East), Mumbai – 400101 to transact with or without modification[s], the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Standalone and Consolidated Audited Profit and Loss Account for the year ended March 31, 2018 and the Balance Sheet as on that date together with the Report of the Directors and the Auditors thereon.
2. To declare a dividend on equity shares for the financial year ended March 31, 2018.
3. To appoint a director in place of Shri Umeshkumar More (DIN: 00112662), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

4. **Re-appointment of Shri Suresh Pareek as Independent Director of the Company**

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as 'Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations'), Shri Suresh Pareek (DIN : 00757066), Independent Non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-executive Director of the Company to hold office for another term of five consecutive years with effect from July 31, 2019 to July 30, 2024, not liable to retire by rotation."

5. **Re-appointment of Shri Tarun Kumar Govil as Independent Director of the Company.**

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as 'Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations'), Shri Tarun Kumar Govil (DIN : 06924673), Independent Non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-executive Director of the Company to hold office for another term of five consecutive years with effect from July 31, 2019 to July 30, 2024, not liable to retire by rotation."

6. **To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2019.**

   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 all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s V. J. Talati & Co., Cost Accountants (Firm Registration No. 00213), being the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of Chemicals, Engineering and Lubricant divisions of the Company and all other connected / incidental matters, for the financial year ending March 31, 2019, be paid aggregate Professional Fees upto Rs. 1,40,000/- p.a. (Rupees One Lac Forty Thousand only) or such other fees as may be decided by the board from time to time plus service tax and actual out of pocket expenses incurred in connection with the audit.

   FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give the effect to this resolution."

Registered Office:
Growel Corporate,
Akurli Road, Kandivli [East],
Mumbai - 400 101
Date : May 30, 2018

For & on behalf of the Board of
Grauer & Weil (India) Limited

Nirajkumar More
Managing Director

NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy / proxies to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy, duly completed, should be deposited at the registered office of the Company not less than forty - eight hours before the commencement of the meeting.**
2. **A person can act as a proxy on behalf of members not exceeding Fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or members.**
3. The explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of the special businesses is annexed hereto.
4. Corporate Members, Societies etc., intending to send their authorised representative to attend the meeting are requested to send to the Company, a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from August 25, 2018 to August 30, 2018 (Both days inclusive).
6. The dividend on equity shares as recommended by the directors for the year ended March 31, 2018, if declared, at the meeting of the Company, will be paid within a period of 30 days from the date of declaration:

   (a) to those members whose names appear on the Company's Register of Members, after giving effect to all valid shares transfer in physical form lodged with M/s Link Intime India Pvt. Ltd., Registrar and Transfer Agent of the Company on or before August 24, 2018.

   (b) in respect of shares held in electronic form, to those 'Deemed Members' whose names appear in the statements of beneficial ownership as on August 24, 2018, furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the closing hours of August 24, 2018.
7. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, unclaimed dividend up to the financial year ended March 31, 2010 has been transferred to the Investors Education & Protection Fund (IEPF). Members are hereby informed that dividend, which remain unclaimed / unpaid for a period of 7 years from the respective date of declaration, have to be transferred to the Investor Education & Protection Fund (IEPF). The dates of declaration of dividend along with the rate of dividend which are not transferred to IEPF is mentioned below:

Financial Year	Date of declaration of dividend	Rate of dividend
2010-11	30-09-2011	08%
2011-12	30-08-2012	15%
2012-13	25-07-2013	12%
2013-14	31-07-2014	16%
2014-15	20-08-2015	22%
2015-16 (Interim)	22-03-2016	20%
2015-16 (Final)	11-08-2016	08%
2016-17	25-09-2017	40%

   Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act and the applicable rules. The members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in respective Form (s) available on www.iepf.gov.in. Members who have not yet encashed their dividend warrant(s) for the financial years as indicated above are requested to claim the amounts forthwith from the Company.
8. Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), additional Information of directors seeking appointment / reappointment at the meeting are furnished and forms a part of Annual Report.
9. Members desirous of seeking any information concerning the accounts of the Company are requested to address their queries in writing to the Company, at least seven days before the date of the meeting, so that the requested information can be made available at the time of meeting.
10. Members / Proxies are requested to bring the duly filled attendance slip along with the copy of Annual Report to the meeting, since copies of Annual Report will not be distributed at the meeting.
11. The Company has listed its shares on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 under Security Code No. 505710. The Company is regular in payment of listing fees to the Exchange.

12. Members holding shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below and in case their shares are held in dematerialised form, this information should be passed on directly to their respective depository participants and not to the Company.

    M/s. LINK INTIME INDIA PVT. LTD.
    (CIN: U67190MH1999PTC118368)
    [Unit: Grauer & Weil (India) Limited]
    C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083.
    Phone: (022) 49186270; Fax: (022) 49186060; e-mail: rnt.helpdesk@linkintime.co.in
    URL: www.linkintime.co.in

13. (a) Members are informed that in order to avoid fraudulent encashment of dividend warrants, they should send to the Registrar and Transfer Agent of the Company, at the address given above, under the signature of the sole / first joint holder, the information relating to the name and address of the banker along with the Pin Code Number and Bank Account Number, to print on the dividend warrants.

    (b) Members desirous of availing the facility of electronic credit of dividend are requested to send NECS Form to the Registrar and Transfer Agent of the Company, at the address given above. NECS form is available on the website of the Company at www.growel.com.

    (c) Members holding shares in dematerialized form and desirous to change or correct the bank account details should send the same immediately to the concerned depository participant. Members are also requested to give MICR Code and IFSC to the depository participant.

14. All documents referred to in the Notice are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 10.00 am to 12.00 noon up to the date of AGM i.e. August 30, 2018.

15. For the convenience of members / proxies and for proper conduct of the meeting, entry to the meeting venue will be permitted against attendance slips only, which is enclosed herewith in the Annual Report. Members are requested to sign at the place provided in the attendance slip and hand it over at the entrance of the venue.

16. Members who are holding shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.

17. In all correspondence with the Company, members are requested to quote their folio number and in case their shares are held in dematerialised form, they must quote their DP ID and Client ID number.

18. Shareholders who have not registered their e-mail address till date are requested to register the same for receiving all communication from the Company electronically. Shareholders who hold the shares in dematerialised form are requested to intimate their e-mail ID to their Depository Participant (DP) and those who hold the shares in physical form, to intimate their e-mail ID and Folio No. by sending mail on secretarial@growel.com or by submitting filled e-communication registration form (available on our website www.growel.com) to the Company or to M/s. Link Intime India Pvt. Ltd. Even after registering for e-communication, shareholders are entitled to receive such communication in physical form upon specific request.

19. Securities and Exchange Board of India (SEBI) vide Circular ref. No. MRD/DoP/CIR-05/2007 dated April 27, 2007 made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In continuation of the aforesaid circular, it is hereby clarified that for securities market transactions and off market / private transactions involving transfer of shares of Listed Companies in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company / RTA for registration of such transfer of shares.

20. As per SEBI notification SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 & BSE circular No. LIST/COMP/15/2018-19 dated July 5, 2018, no requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall be processed after December 5, 2018, unless the securities are held in the dematerialized form with the depositories. Hence you are requested to dematerialize your physical securities at the earliest.

21. The Nomination Form No. SH–13 and SH–14 as prescribed under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 can be obtained from the Secretarial Department of the Company at its registered office. The same is also available on the website of the Company at www.growel.com.

22. **Voting through electronic means:**

    Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide the facility of 'remote e-voting' (e-voting from a place other than the venue of AGM) to exercise their right to vote at the 60th Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The facility for voting, through ballot / polling paper shall be made available at the venue of the 60th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting through Ballot Paper. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed Shri Mahesh Soni, Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

The instructions to members for voting electronically are as under:-

(I) The voting period begins on Monday, August 27, 2018 at 10.00 am and ends on Wednesday, August 29, 2018 at 5.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. August 23, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 pm on August 29, 2018.

(II) Members holding shares in physical or in demat form as on August 23, 2018 shall only be eligible for e-voting.

(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 earlier for 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 sequence number in the PAN field.
Dividend bank details **OR** date of birth (DOB)	Enter the dividend bank details or date of birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both 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 (v).

(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 the Company.

(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 changed 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(XX) Note for non–individual shareholders and custodians:

- Non-individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodian are required to log on to www.evotingindia com and register themselves as Corporate.
- A scanned copy of the Registration form bearing the stamp and sign of the entity should be e-mailed 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 e-mail to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT PURSUANT TO SEC. 102(1) OF THE COMPANIES ACT, 2013:

Item No. 4 and 5 :

Shri Suresh Pareek is an Independent Non-executive Director of the Company and Chairman of the Audit Committee of the Board of Directors of the Company. He is also a Member of Nomination and Remuneration Committee of the board. He joined the board of the Company on September 29, 2006.

Shri Tarun Kumar Govil is an Independent Non-executive Director of the Company and Chairman of the Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Board of Directors of the Company. He is also a Member of Audit Committee and CSR Committee of the board. He joined the board of the Company on July 14, 2014.

Pursuant to the Companies Act, 2013, in the 56^{th} Annual General Meeting of the Company held on July 31, 2014, members appointed Shri Suresh Pareek and Shri Tarun Kumar Govil as an Independent Non-executive Directors of the Company to hold office for a period of 5 (Five) consecutive years i.e. from July 31, 2014 to July 30, 2019, not liable to retire by rotation.

As per provision of Section 149(10) of the Act, an Independent Director shall hold office for a term upto five consecutive years on the board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the board of the Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of SEBI Listing Regulations, Shri Suresh Pareek and Shri Tarun Kumar Govil, being eligible for re-appointment as an Independent Directors and offered themselves for re-appointment, are proposed to be re-appointed as Independent Directors for another term of five consecutive years from July 31, 2019 to July 30, 2024.

In the opinion of the board, Shri Suresh Pareek and Shri Tarun Kumar Govil possesses appropriate skills, experience and knowledge and fulfill the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of SEBI Listing Regulations for re-appointment as Independent Non-executive Directors of the Company and are independent of the management. The board also considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Suresh Pareek and Shri Tarun Kumar Govil as an Independent Directors. Accordingly, the board recommends special resolution in relation to re-appointment of Shri Suresh Pareek and Shri Tarun Kumar Govil as an Independent Directors for another term of five consecutive years from July 31, 2019 to July 30, 2024, not liable to retire by rotation, for the approval by the shareholders of the Company.

Brief resumes of above Independent Directors, nature of their expertise and names of the Companies in which they hold directorships and memberships / chairmanships of board and committees, shareholding and relationships between the directors inter-se as stipulated under Regulation 36(3) of the SEBI Listing Regulations forms part of the Notice of the Annual General Meeting and the Annual Report. Copies of draft letters for appointment of Shri Suresh Pareek and Shri Tarun Kumar Govil as Independent Non-executive Directors setting out terms and conditions of appointment would be available for inspection without any fee by the members at the registered office of the Company during office hours on all working days except public holidays between 10.00 am to 12.00 noon up to and including the date of AGM.

Except Shri Suresh Pareek and Shri Tarun Kumar Govil, being appointees, none of the directors and Key Managerial Personnel of the Company and their relatives, except to the extent of their shareholding interest in the Company, is / are in any way concerned / interested in the resolutions set out at item No. 4 and 5 of the accompanying Notice of the AGM.

Shri Suresh Pareek and Shri Tarun Kumar Govil are not related to any director(s) of the Company. The board recommends the passing of the resolution as set out at Item No. 4 and 5 of the Notice of the AGM as special resolutions.

Item No. 6 :

On the recommendation of the Audit Committee, the Board of Directors at its meeting held on May 30, 2018 re-appointed M/s V. J. Talati & Co., Cost Accountants as Cost Auditors of the Company to conduct the audit of cost records of Chemicals, Engineering and Lubricant divisions of the Company and all other connected / incidental matters for the financial Year ending March 31, 2017 at an aggregate professional fees upto Rs. 1,40,000/- p.a. (Rupees One Lac Forty Thousand only) or such other fees as may be decided by the board from time to time plus service tax and actual out of pocket expenses incurred in connection with the audit.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out at item No. 6 of the Notice of the AGM for ratification of remuneration payable to the Cost Auditors for the financial year ending March 31, 2019.

None of the directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution. The board recommends the passing of the resolution as set out at item No. 6 of the Notice of the AGM as an ordinary resolution.

LISTING REQUIREMENTS

As required under Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2), given below are the details of the directors :

DIRECTOR RETIRING BY ROTATION & REAPPOINTMENT OF DIRECTORS

A. Name : **SHRI UMESHKUMAR MORE**

Age : 69 Years [Date of birth : 04-11-1948]

Qualifications : Diploma in auto engineering

Expertise : Strategic planning, expansion, diversification.

Shri Umeshkumar More is diploma in auto engineering and associated with the Company from around 50 years. He was first appointed as a member of the board of Company on July 17, 1969 and then promoted to the position of director, managing director and chairman of the Company. He is mainly responsible for the strategic planning, control and overall growth, expansion and diversification of the business of the Company both at national and international level.

Shri Umeshkumar More is a director of Poona Bottling Company Private Limited, Growel Corporate Management Limited, Grauer & Weil Engineering Private Limited and Designated Partner of Radhakishan Nandlal LLP, Bubna More & Company LLP, Waluj Beverages LLP and Growel Projects LLP. He is also holding the key position of various social organizations and actively involved in social economic development of the society and the country as whole.

Shri Umeshkumar More is related to Shri Nirajkumar More – Managing Director of the Company.

Directorships in other Listed Company : NIL

Committee memberships in Listed Company : Nomination and Remuneration Committee

Shareholding in the Company : 2,28,05,999 equity shares of Re. 1/- each.

B. Name : **SHRI SURESH PAREEK**

Age : 62 Years [Date of birth : 10-04-1956]

Qualifications : B. Com, FCA

Expertise : Business administration, management and control, Team leadership.

Shri Suresh Pareek was appointed as a member of the board on September 29, 2006 as Additional Director of the Company and confirmed as a director of the Company in the 49th Annual General Meeting held on August 16, 2007. He is Chartered Accountant and fellow member of The Institute of Chartered Accountants of India. He has an experience of about 35 Years of business administration, management and control. He is Industrialist engaged in the business of pharmaceutical and nutraceutical film coating. He has an experience of over 30 years in coating Industry.

Shri Suresh Pareek is the Managing Director of Ideal Cures Private Limited and Saryu Life Sciences Private Limited and Designated Partner of RS Global Infotech LLP. He is Trustee / Chairman of various social organizations and occupies himself with varied social activities.

Shri Suresh Pareek is not related to any of the directors of the board of Company.

Directorships in other Listed Company : NIL

Committee memberships in Listed Company : Audit Committee (Chairman)
Nomination and Remuneration Committee (Member)

Shareholding in the Company : 17,01,116 equity shares of Re. 1/- each.

C. Name : **SHRI TARUN KUMAR GOVIL**

Age : 57 Years [Date of birth : 08-03-1961]

Qualifications : B. Com, LLB, PGDBM, ICWA

Expertise : Business consultancy.

Shri Tarun Kumar Govil is a member of board since July 14, 2014. He is a practicing advocate of Bombay High Court and expert of Indirect Taxes especially GST, Foreign Trade Laws, FEMA. He has done post graduate diploma in business, administration and management from IIM – Ahmedabad and Cost and Work Accountant from Institute of Cost and Works Accountants of India.

He was Additional Director General of Department of Revenue Intelligence and Commissioner of Customs and Service Tax under Customs and Central Excise Department. He has about 30 years of experience in the field of Customs, Central Excise, Service Tax, VAT, GST and other related works at major Industrial hubs in the country.

Shri Tarun Kumar Govil is not related to any of the directors of the board of Company.

Directorships in other Listed Company	:	Siyaram Silk Mills Limited
Committee memberships in Listed Company	:	Nomination and Remuneration Committee (Chairman) Stakeholders Relationship Committee (Chairman) Audit Committee (Member) CSR Committee (Member)
Shareholding in the Company	:	2,500 equity shares of Re. 1/- each.

Registered Office:
Growel Corporate,
Akurli Road, Kandivli [East],
Mumbai - 400 101
Date : May 30, 2018

For & on behalf of the Board of
Grauer & Weil (India) Limited

Nirajkumar More
Managing Director

SUMMARY OF KEY FINANCIAL DATA AND RATIOS FOR LAST 5 YEARS

	**	**			(Rs.in Million)
Financial year ended	**31.03.14**	**31.03.15**	**31.03.16**	**31.03.17**	**31.03.18**
Gross sale	4,322.47	4,643.67	4,755.71	4,923.26	5,139.21
Other operating income	283.62	314.66	323.58	343.37	383.37
Gross operating income	**4,606.09**	**4,958.33**	**5,079.29**	**5,266.63**	**5,522.58**
Other misc. income	31.62	16.88	51.39	34.44	91.64
Gross total income	**4,637.71**	**4,975.21**	**5,130.68**	**5,301.07**	**5,614.22**
Trade discounts	407.62	404.92	450.83	519.56	483.12
Excise duty	337.32	382.65	399.85	439.46	107.63
Net income	**3,892.77**	**4,187.64**	**4,280.00**	**4,342.05**	**5,023.47**
Cost of material	2,081.65	2,095.03	2,031.84	2,118.24	2,528.33
Salaries, wages & benenfits	427.96	470.97	507.12	488.88	570.12
Other expenses	742.37	854.36	936.63	841.18	882.99
Total expenditure	**3,251.98**	**3,420.36**	**3,475.59**	**3,448.30**	**3,981.44**
EBDITA	**640.79**	**767.28**	**804.41**	**893.75**	**1,042.03**
Depreciation	114.92	164.13	141.66	138.84	149.52
EBIT	**525.87**	**603.15**	**662.75**	**754.91**	**892.51**
Finance costs	167.40	130.42	88.33	16.32	18.14
EBDITA % to net income	16.5%	18.3%	18.8%	20.6%	20.7%
Profit before exceptional item & tax	**358.47**	**472.73**	**574.42**	**738.59**	**874.37**
Less: Exceptional item	-	12.88	48.55	-	-
Profit before tax (PBT)	**358.47**	**459.85**	**525.87**	**738.59**	**874.37**
Tax (current & deferred)	50.55	127.99	135.42	186.28	268.79
Net profit after tax (PAT)	**307.92**	**331.86**	**390.45**	**552.31**	**605.58**
**Note- The figures of profit & loss account for the year ended 31st March 2014,2015 & 2016 are as per IGAAP while for the period thereafter the figures are as per Ind AS hence not directly comparable.					
Financial year as on	**31.03.14**	**31.03.15**	**31.03.16**	**31.03.17**	**31.03.18**
Equity share capital	226.71	226.71	226.71	226.71	226.71
Reserves & surplus	1,733.28	1,978.62	2,310.12	2,819.24	3,314.84
Networth	**1,959.99**	**2,205.33**	**2,536.83**	**3,045.95**	**3,541.55**
Total debt	**771.41**	**505.37**	**258.51**	**196.97**	**64.05**
Deferred tax liabilities	178.47	169.00	92.19	116.93	169.29
Total sources of funds	**2,909.87**	**2,879.70**	**2,887.53**	**3,359.85**	**3,774.89**
Net fixed assets	**2,264.16**	**2,159.55**	**2,100.32**	**2,119.74**	**2,061.84**
Investments	**47.01**	**34.26**	**14.00**	**25.79**	**46.57**
Current/Non current assets	1,945.57	1,934.95	1,782.89	2,385.93	2,963.38
Less: Current/Non current liabilities	1,346.87	1,249.06	1,009.68	1,171.61	1,296.90
Net current assets	**598.70**	**685.89**	**773.21**	**1,214.32**	**1,666.48**
Misc. expenditure	-	-	-	-	
Total uses of funds	**2,909.87**	**2,879.70**	**2,887.53**	**3,359.85**	**3,774.89**
**Note- The balance sheet figures as on 31st march 2014 & 2015 are as per IGAAP while for the period thereafter the figures are as per Ind AS hence not directly comparable.					
Ratios					
EPS (Rs.)*	1.36	1.46	1.72	2.44	2.67
Book value per share (Rs.)	8.65	9.73	11.19	13.44	15.62
Return on capital employed (ROCE)	18.1%	20.9%	23.0%	22.5%	23.6%
Return on networth (RONW)	15.7%	15.0%	15.4%	18.1%	17.1%
Debt: equity ratio	0.39	0.23	0.10	0.06	0.02
EBDITA to net income	16.5%	18.3%	18.8%	20.6%	20.7%

** on face value of Rs 1/- per share*

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your directors have pleasure in presenting their 60th Annual Report together with the audited annual accounts of the Company for the financial year ended March 31, 2018.

FINANCIAL RESULTS

(Rs. in Million)

Particulars	2017-18	2016-17
Gross Total Revenue	5614.22	5301.07
Net Revenue	5023.47	4342.05
Earnings before Interest, Depreciation, Tax & Amortizations (EBIDTA before Exceptional Item)	1042.03	893.75
Profit before Tax	874.37	738.59
Provision for Tax (Current & Deferred Tax)	268.79	186.28
Net Profit after Tax	605.58	552.31

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs. 0.60 per equity share of face value of Re. 1/- each (i.e. 60%) on the equity share capital of Rs. 226.71 Million for the financial year ended March 31, 2018 and seeks your approval for the same. The dividend paid for the previous financial year was 40% i.e. Re. 0.40 on equity shares of face value of Re. 1/- each.

OPERATIONS

During the year under review, Company recorded a 15.69% growth in Net Revenues. Profit before Tax registered a 18.38% growth and the Net Profit of the Company improved by 9.64%.

A full analysis and discussion on the business outlook is included in this Annual Report under the heading 'Management Discussion and Analysis' as **Annexure 'A'** to this Report.

MATERIAL CHANGE

Last year, Company set up a new plant for production of paints at Dadra and it started operations in January, 2017 with an installed capacity of 5,000 KL p.a. Company is currently in the process of expanding the said plant with an additional capacity of around 5,000 KL p.a. which is expected to be completed by December, 2018.

SIGNIFICANT AND MATERIAL ORDERS BY REGULATORS OR COURTS

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

SHARE CAPITAL

As on March 31, 2018, the paid-up equity share capital of your company is Rs. 226.71 Million consisting of 22,67,05,750 Equity Shares of Re. 1/- each fully paid up. During the year under review, the Company has not issued shares with differential voting rights nor has it granted any Stock Options or Sweat Equity Shares. As on March 31, 2018, none of the directors of the Company held instruments convertible into equity shares of the Company.

CORPORATE GOVERNANCE

The report on Corporate Governance as stipulated under the SEBI Listing Regulations forms an integral part of this Report. (**Annexure 'B')**

The requisite certificate from Statutory Auditors of the Company confirming compliance with the conditions of Corporate Governance of SEBI Listing Regulation is attached to the report on Corporate Governance. **(Annexure 'C')**

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has been adopting this concept even before commencement of Companies Act, 2013. As a responsible corporate citizen, the Company has been undertaking and participating in the various socially important activities in the fields of health, education, gender equality, ecological balance, environmental sustainability among others. The Company has also framed a CSR policy in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The contents of the CSR policy are disclosed on the website of the Company (www.growel.com/Page/csr). CSR activities carried out by the Company are in accordance with Schedule VII of the Act and CSR policy of the Company.

The brief report of the Corporate Social Responsibility (CSR) activities carried out by the Company during the year are set out in **Annexure 'D'** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. During the year under review, Company has spent Rs. 1.04 Million towards CSR activities against Rs. 11.49 Million to be spent as per Section 135 of the Companies Act, 2013. Despite undertaking various CSR activities, the Company was unable to spend the required amount since enough projects and opportunities were not available. Company is in the process of identifying specific projects, which can contribute to the overall social and economic growth, development and prosperity of the communities and society as a whole residing in the vicinity of the operations of the Company. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk mitigation system, which are constantly assessed and strengthened with new / revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same

The Company has an Internal and operational audit departments headed by Professional and experience personnel. The main thrust of Internal Audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual, which is reviewed each year in consultation with the Statutory Auditor of the Company and the Audit Committee. To maintain its objectivity and effectiveness, the Internal Audit function reports directly to the chairman / CEO of the Company. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the board.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 and the Regulation 22 of SEBI Listing Regulations, the Board of Directors of the Company has framed the "Whistle Blower Policy" as the vigil mechanism for Directors and employees of the Company to report genuine concerns about any instance of unethical behaviour, fraud or violation of Company's Code of conduct directly to the Management.

The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provisions for direct access to the Chairman of the audit Committee in exceptional cases. None of the personnel of the company has been denied access to the Audit Committee. During the year under review, no instances of fraud were reported by the Statutory Auditors of the Company. The whistle Blower Policy is displayed on the Company's website viz. www. growel.com

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 and Rule 12 of Companies (Management & Administration) Rules, 2014, Extract of the Annual Return for the financial year ended March 31, 2018 made under the provisions of Section 92(3) of the Act is attached as **Annexure 'E'** attached herewith and which forms part of this Report.

FIXED DEPOSITS

During the year under review, your Company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments given / made during the financial year under review and governed by the provisions of Section 186 of the Companies Act, 2013 forms part of the notes to the financial statements provided in this Annual Report.

RELATED PARTY TRANSACTIONS

All the transactions / contracts / arrangements of the nature as specified in Section 188(1) of the Companies Act, 2013 entered by the Company during the year under review with related party(ies) are in ordinary course of business and on arm's length. Further none of such transactions / contracts / arrangements with promoters, directors, Key Managerial Personnel or other designated persons are material (i.e., satisfying the criteria provided in first proviso of section 188(1) of the Companies Act, 2013) in nature. Hence, no particulars in form AOC - 2 are furnished. Kindly refer the financial statements for the transactions with related parties entered during the year under review.

Prior omnibus approval of the Audit Committee is obtained for the transactions. A statement giving details of all related party transactions were placed before the Audit Committee and the Board of Directors for their approval. The policies on related party transactions which are on arms length basis are available on www.growel.com/subpage/policies.

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

As per provisions of Companies Act, 2013 and in terms of Articles of Association of the Company, Shri Umeshkumar More, Whole-time Director designated as Chairman of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible, offered himself for re-appointment. The board recommends his re-appointment.

During the year under review, Smt. Pallavi More, Whole-time Director of the Company resigned w.e.f. closing of business hours of February 7, 2018, due to personal reason. The board places on record its appreciation for the services rendered by her during the tenure of directorship.

During the year under review, Shri Madan Mohan Chaturvedi, Independent Director of the Company expired on November 10, 2017, due to illness. The board places on record the valuable contribution made by Late Shri Madan Mohan Chaturvedi during his tenure as Independent Director.

Late Shri Madan Mohan Chaturvedi was chairman of Nomination and Remuneration Committee and member of Audit Committee. Consequent upon his death, Shri Tarun Kumar Govil was appointed chairman of the Nomination and Remuneration Committee and Shri Yogesh Samat was inducted as a member of the Audit Committee w.e.f. November 13, 2017.

Pursuant to the Companies Act, 2013, in the 56th Annual General Meeting of the Company held on July 31, 2014, members appointed Shri Suresh Pareek and Shri Tarun Kumar Govil as Independent Non-executive Directors of the Company to hold office for a period of 5 (Five) consecutive years i.e. from July 31, 2014 to July 30, 2019, not liable to retire by rotation.

As per provision of Section 149(10) of the Act, an Independent Director shall hold office for a term upto five consecutive years on the board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the board of the Company.

In the opinion of the board, Shri Suresh Pareek and Shri Tarun Kumar Govil, possesses appropriate skills, experience and knowledge and fulfil the conditions as specified under the Act, Rules and SEBI Listing Regulations for re-appointment as an Independent Non-executive Directors of the Company and are independent of the management. Further they offer themselves for re-appointment. The board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Suresh Pareek and Shri Tarun Kumar Govil as Independent Directors.

The board, based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of SEBI Listing Regulations, proposes re-appointment of Shri Suresh Pareek and Shri Tarun Kumar Govil, as Independent Directors for another term of five consecutive years from July 31, 2019 to July 30, 2024.

Brief resumes of directors proposed to be appointed / re-appointed, nature of their expertise and names of the companies in which they hold directorships and memberships / chairmanships of board and committees, shareholding and relationships between the directors inter-se as stipulated under Regulation 36(3) of the SEBI Listing Regulations forms part of the Notice of the Annual General Meeting and is annexed to this Annual Report.

Pursuant to sub Section (7) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations, all the Independent Directors of the Company have given declarations to the Company that they meet the criteria of independence as required under the Act and the Regulations.

Pursuant to the provisions of Companies Act, 2013 and SEBI Listing Regulations, the board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its various committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report. The Company has also carried out training / familiarization programme for Independent Directors, details of which are set out in the Corporate Governance Report.

The board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of directors, senior management personnel and their remuneration. The remuneration policy is available on website of the Company (www.growel.com/subpage/policies).

A calendar of board meetings is prepared and circulated in advance to the directors. During the year 4 (Four) Board Meetings and 4 (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.

BOARD COMMITTEES

Board of Directors of the Company has constituted four committees viz. Audit Committee, Nomination and Remuneration Committee, CSR Committee and Stakeholders Relationship Committee. Detailed note on the composition of board and its committees, numbers of meetings held during the year and other related details are provided in the Corporate Governance Report.

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

Your Company is sensitive to women employees at workplace. As required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has a formal policy to ensure safety of women and prevention of sexual harassment and has set up Internal Complaints Committee (ICC) at its work places to redress the complaints of women employees. All employees (permanent, contractual, temporary, trainees) are covered under the policy. During the financial year 2017-18, one complaint was received from an employee and was redressed. No complaint is outstanding as on March 31, 2018 for redressal.

DIRECTORS' RESPONSIBILITY STATEMENT

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

a. that in the preparation of 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;

b. that such accounting policies as mentioned in Note No. 1 of the notes to the financial statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2018 and of the profit of the Company for the year ended on that date;

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

d. that the annual financial statements have been prepared on a going concern basis;

e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

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

SUBSIDIARY & ASSOCIATES COMPANIES

As on date, Company has 3 (Three) Overseas Subsidiaries viz. Grauer & Weil (Shanghai) Ltd. at China, Grauer & Weil (UK) Ltd. at United Kingdom and Growel Chemicals Ltd. at Thailand. During the year, the Board of Directors reviewed the affairs of the subsidiaries.

During the year under review Company also has 3 (Three) Associates Companies viz. Grauer & Weil (Thailand) Co. Limited, Grauer & Weil Engineering Private Limited (Previously known as Growel Goema (India) Private Limited) and Growel Sidasa Industries Private Limited.

Details of the subsidiaries and associates companies form part of financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared by the Company in accordance with the requirements of Ind AS 110 on consolidated financial statements issued by the Institute of Chartered Accountants of India. The audited consolidated financial statements, together with the Auditors' Report, form a part of the Annual Report. Further, a statement containing the salient features of the financial statements of the subsidiaries and associates in the prescribed format AOC-1 is attached as a part of financial statements.

STATUTORY AUDITOR

At the 59th Annual General Meeting held on September 25, 2017, M/s SCA & Associates, Chartered Accountants, were appointed as statutory auditors of the Company to hold office till the conclusion of the 64th Annual General Meeting of the Company to be held in the calendar year 2022.

The Company has obtained a eligibility certificate from M/s SCA & Associates under Section 139(1) of the Companies Act, 2013, that appointment, if made, will be in accordance with the provisions of Section 141 of the Companies Act, 2013 and they are not disqualified to be continued as auditors of the Company under Section 141(3) of the Companies Act, 2013.

COST AUDITOR

The board has appointed the M/s V. J. Talati & Co. as Cost Auditors for conducting the audit of cost records of the Company for Chemicals, Engineering and Lubricants segments of the Company for the financial year 2017-18. The board, on the recommendation of Audit Committee, has reappointed M/s V. J. Talati & Co., firm of Cost Auditors, as Cost Auditor of the Company for the financial year 2018-19.

SECRETARIAL AUDITORS

The board has appointed M/s GMJ & Associates, firm of Practicing Company Secretaries, to conduct the Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as **Annexure 'F'** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The board, on the recommendation of Audit Committee, has reappointed M/s GMJ & Associates, firm of Practicing Company Secretaries, as Secretarial Auditor of the Company for the financial year 2018-19.

AUDITORS' OBSERVATIONS

The observations of the auditors contained in their report have been adequately dealt with in Note No. '33(P)' to the accounts which are self explanatory and therefore, do not call for any further comments.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The information pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in **Annexure 'G'** to this Report.

PARTICULARS OF EMPLOYEES

The Disclosure as required under Section 197 of the Companies Act, 2013 and under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is available for inspection to the members at the registered office of the Company on any working days between 10.00 am to 12.00 noon upto the date of the Annual General Meeting i.e. August 30, 2018. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

Information relating to remuneration of Directors under Section 197 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been given in the Corporate Governance Report.

SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION

The Company is conscious of the importance to environmental friendly and safe operations. The company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliance of environmental regulations and preservation of natural resources. All plants of the Company fully comply with the laws, regulations and requirements stipulated by the concerned Pollution Control Board.

LISTING

The equity shares of the Company are at present listed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. The Company is regular in payment of listing fees.

APPRECIATION

The directors wish to put on record their appreciation for the support of all our bankers and the dedication and support of all our members and associates. Their efforts continue to be integral to our Company's ongoing success.

Registered Office:
Growel Corporate,
Akurli Road, Kandivli [East],
Mumbai - 400 101
Date : May 30, 2018

For & on behalf of the Board of
Grauer & Weil (India) Limited

Nirajkumar More
Managing Director

Vinod Haritwal
CEO & Whole-time Director

ANNEXURE – 'A': TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

1. AN OVERVIEW OF BUSINESS PERFORMANCE

During the financial year 2017-18, the Net Revenue of the Company grew by 15.69% to Rs. 5023.47 Million (Rs. 4342.06 Million in previous year) and the Net Profit improved correspondingly, however due to change in accounting norms as per Ind AS 2, the reported Profit after Tax has increased by 9.64% from Rs. 552.31 Million to Rs. 605.58 Million. The management is happy to report that the Company was ready with system changes for GST well in time, however, GST did create challenges on various fronts as many businesses took some time to organize themselves. Despite this, the Company managed to report sales growth. An overview of the performance of different business segments of the Company is as under:

a) **Chemical Segment:** In the segment of surface finishing chemicals, intermediates and other specialty chemicals, your Company's leadership position continues unchanged despite growing intensity of competition from international Companies. The year witnessed a growth of 2.98% from Rs. 3288.05 Million to Rs. 3385.90 Million in Net Revenue. New and improved products introduced by the Company met with reasonably good success. Some of the products of the Company were approved by frontline aviation Companies like Boeing, Rolls Royce and Go Air. All its plants manufacturing finished formulations are certified under IMS and ISO 14000.

b) **Engineering Segment:** This division supplies customized turnkey plants and their components for electroplating, effluent and waste water treatment and other engineering products. The Net Revenue witnessed a marginal de-growth of 8.43% from Rs. 370.39 Million to Rs. 339.16 Million on account of uncertain economic conditions especially investment climate affected by fiscal measures of the Government of India.

c) **Paints Segment:** The sales of this division showed the highest growth amongst the manufacturing divisions of the Company. The Net Revenue grew at 24.87% from Rs. 729.03 Million to Rs. 910.32 Million. The Company has been able to establish a strong foothold in the Oil & Gas and Water Pipeline segments of the business. The new manufacturing plant set up at Dadra could achieve almost full capacity by the end of the year. Buoyed by the healthy growth and successes with strategic customers, the management is in the process of doubling the manufacturing capacity.

d) **Lubricant Segment:** The continued push in the market of specialty products by this division is yet to bear substantial fruits.

e) **Mall Segment:** The major efforts made by this division in the last year in upgrading the brand offerings, increasing mall occupancy, footfall and trading density bore fruits. This combined with improved commercial terms delivered a significant jump in the top line as well as profitability of this division. Brands like Croma, Starbucks and Burger King were added during the year.

2. EXPORTS

The Company's emphasis on exports continued unchanged. However, with the continued uncertain economic conditions in the Middle East and Europe, the export sales stagnated during the year under review. The Company opened a branch at Dhaka to give a boost to sale in Bangladesh where the Company has a strong presence.

3. FINANCIAL PERFORMANCE

The highlights of Financial Performance of the Company for the year under review are as under:

a. The Net Profit after Tax for the year grew by 9.64% to Rs. 605.58 Million.

b. The Company spent Rs. 94.15 Million in Capital Expenditure.

c. The only long term liability on account of Hire Purchase increased marginally from Rs. 3.87 Million to Rs. 9.35 Million.

d. The Working Capital (Net Current Assets) increased by Rs. 452.16 Million from Rs. 1214.32 Million to Rs. 1666.48 Million.

e. The Company has virtually no long term debt and is operating at a very low or nil level of working capital utilization with its consequential savings in interest costs.

4. OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK

In its main business segment of Chemicals, your Company faces stiff competition from domestic as well as international players. However, your Company's fundamental strengths of leadership in domestic market, extensive distribution network, strong R & D, technical service and procurement strength place it in relatively sound position. The Company continues to introduce new products and processes developed in house or sourced from its technology partners. The current economic atmosphere is subdued but positive.

The order book at the Engineering division is better than last year. The Company expects that the current year would show better results.

In the area of Paints, the Company's order book is encouraging from the very beginning of the year. The production, R & D and sales teams are being further strengthened in the current year, which should provide a higher impetus to this division. This combined with improved operating margins should help this division to contribute higher in the growth and profitability of the Company compared to the past.

The re-focused Oils & Lubricants business is continuing its push. This business segment offers an attractive long term opportunity.

Since your Company's Mall has renegotiated, better rates with all larger tenants and upgraded the brand mix, it should be able to improve upon the current profitability. However, the ongoing work of Metro rail in the vicinity is impacting the Traffic movement and is expected to adversely affect the footfall in the current year.

5. FUTURE PROSPECTS

While the economic atmosphere in the Country is positive and full of expectations, the real industrial activities have only recently begun to show signs of pick up. The significantly higher petroleum prices and weak rupee are threatening to increase the costs significantly.

The Company is maintaining a high state of preparedness to capitalize on all opportunities as they present themselves across all its business segments.

In the area of exports too, the Company is making all efforts to expand its network of distributors to reach hitherto untapped markets.

The Company has higher expectations from the thrust areas like Paints, Lubricants and some niche Chemical segments where we are seeking to diversify into newer product and market segments. Considering their large potential, aggressive plans have been drawn up to provide a major push into these segments of the business. The senior management teams have been fortified & plans are underway to add manufacturing capacities in different parts of the Country.

The Company has made significant headway in entering the aviation sector for all its product lines. Apart from the product approvals already granted by reputed companies like Boeing, Rolls Royce, Go Air and Air Costa, a few other products are under active evaluation by the frontline aircraft manufacturers of the world.

The Mumbai Municipal Corporation is expected to introduce new policies in respect of future development plans for Mumbai. We are closely monitoring these developments which might affect the plans and opportunities for the expansion of our Mall and the land parcel.

6. HUMAN RESOURCES

Your Company's emphasis on human resources is increasing every year. New systems and measures for training, development and enhancement of quality and skills are being deployed. These plans aim to enhance and update the skills and knowledge of its human resources at all locations through many in house and external training programs. The Performance Measurement Systems and Individual Development areas have been taken up for a major strengthening exercise.

7. INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT FRAME WORK

The Company has appropriate Internal Control Systems and Risk Management frame work and these are designed to ensure the reliability of financial and other records and accountability of executive actions to the Management's authorization as well as to identify and initiate actions to mitigate risks. The internal control systems / frameworks are reviewed by the top management and by the Audit Committee of the board and proper follow up actions are ensured wherever required.

8. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, estimates 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. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, events or information.

ANNEXURE – 'B': TO DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is an integral part of values, ethics and the best business practices followed by the Company. The core values of the Company are Commitment to excellence and customer satisfaction, Maximising long term shareholders' value, Socially valued enterprise and Caring for people and environment.

Your Company firmly believes that maintaining the highest standards of Corporate Governance is the implicit rule that determines a management's ability to make sound decisions and to perform efficiently and ethically in the best interest of its shareholders and other stakeholders to create value for all. The philosophy of Corporate Governance is a principle based approach as codified in Regulation 4(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), encompassing the fundamentals of rights and roles of various stakeholders of the Company, timely information, equitable treatment, role of stakeholders disclosure and transparency and board responsibility.

Your Company is in compliance with the requirements of Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulation, as applicable, with regard to Corporate Governance as they stood during FY 2017-18. A detailed Report on implementation by the Company of the Corporate Governance Code as incorporated in the SEBI Listing Regulations is set out below.

BOARD OF DIRECTORS:

The Composition of the Board of Directors is in compliance with Regulation 17 of SEBI Listing Regulations and the Companies Act, 2013. The members of the Board of Directors of the Company are eminent personalities from various fields who bring in a wide range of skills and experience to the board and they are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company.

The board has a good mix of Executive and Non-executive Directors including Independent Directors and Woman Director to maintain its independence and separate its function of governance and management. As on date of this Report, the board consists of 8 (Eight) directors comprising One Executive Chairman, 3 (Three) Executive Directors and 4 (Four) Non-executive Independent Directors. The position of the Chairman and the Chief Executive Officer of the Company are held by separate individuals. None of the directors of your Company are inter-se related to each other except Shri Umeshkumar More and Shri Nirajkumar More.

The Independent Directors bring external perspective and independence to decision making. All the Independent Directors have confirmed to the board that they meet the criteria for independence in terms of the definition of 'Independent Director' stipulated under Regulation 16(1)(b) of SEBI Listing Regulations and Section 149 of the Companies Act, 2013. These confirmations have been placed before the board. None of the Independent Directors hold office as an Independent Director in more than seven Listed Companies as stipulated under Regulation 25 of SEBI Listing Regulations. Further, Executive Director of the Company is not serving as an Independent Director in any Listed Company

The composition of board represents an optimal mix of professionalism, knowledge and experience that enables the board to discharge its responsibilities and provide effective leadership to the business.

As per the provisions of the Companies Act, 2013 and in terms of Articles of Association of the Company, Shri Umeshkumar More, Whole-time Director and Chairman of your Company, retire by rotation and being eligible, has offered himself for re-appointment.

Further terms of appointment of Shri Suresh Pareek and Shri Tarun Kumar Govil as an Independent Non-executive Directors of the Company expires on July 30, 2019. As per provision of Section 149(10) of the Act, they can be reappointed for another term of upto five consecutive years by passing special resolution in the general meeting of the Company.

In the opinion of the board, Shri Suresh Pareek and Shri Tarun Kumar Govil, possesses appropriate skills, experience and knowledge and fulfils the conditions as specified under the Act, Rules and SEBI Listing Regulations for re-appointment as an Independent Non-executive Directors of the Company and is independent of the management. Further they offered themselves for re-appointment. The board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Suresh Pareek and Shri Tarun Kumar Govil as an Independent Directors.

Brief resumes of directors proposed to be appointed / reappointed, nature of their expertise and names of the companies in which they hold directorships and memberships / chairmanships of board and committees, shareholding and relationships between the directors inter-se as stipulated under Regulation 36(3) of the SEBI Listing Regulations forms part of the Notice of the Annual General Meeting and is annexed to this Annual Report.

The board meets at regular intervals to discuss and decide on Company / business policies and strategies apart from other board businesses. The notice of board meeting is given well in advance to all the directors. The agenda for the board and committee meetings cover items set out as per the guidelines in SEBI Listing Regulations to the extent it is relevant and applicable. The agenda for the board and committee meetings includes detailed notes on the item to be discussed at the meeting to enable the directors to take an informed decision.

During the Financial Year 2017-18, 4 [Four] Board Meetings were held on May 30, 2017, August 07, 2017, November 13, 2017 and February 14, 2018.

The details of composition of the board, category, attendance of directors at Board Meetings during the financial year 2017-18 and at last Annual General Meeting, number of other directorships and other committee memberships are given below:

Name of directors	Category	No. of Board Meetings attended	Attendance at Last AGM	No. of other directorships held	Outside committee positions held
Shri Umeshkumar More	Chairman	3	Yes	3	None
Shri Nirajkumar More	MD	4	Yes	3	None
Shri Vinod Haritwal	CEO & WTD	4	Yes	1	None
Shri Rohitkumar More	WTD	1	Yes	5	None
Smt. Pallavi More (w.e.f. 30-05-20217 to 07-02-2018)	WTD	2	Yes	4	None
Shri Suresh Pareek	NEID	2	Yes	2	None
Shri Madan Mohan Chaturvedi (upto 10-11-2017)	NEID	0	No	NA	NA
Shri Tarun Kumar Govil	NEID	4	Yes	1	None
Smt. Aarti Shah	NEID	4	Yes	0	None
Shri Yogesh Samat (w.e.f. 30-05-2017)	NEID	2	Yes	1	None

MD stands for Managing Director

NEID stands for Non-executive & Independent Director

CEO stands for Chief Executive Officer

WTD stands for Whole-time Director

INFORMATION SUPPLIED TO THE BOARD:

Inter alia, this includes:

- Review of annual operating plans of business, capital budgets and updates.
- Quarterly results of the Company and its operating divisions.
- Minutes of meeting of Audit Committee and other committees.
- Information on recruitment and remuneration of senior officers just below the board level.
- General notices of interest.
- Materially important show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents or dangerous occurrences.
- Details of any Joint Venture or Collaboration Agreement.
- Sale of materials, nature of investments, subsidiaries, assets which are not in the normal course of business.
- Foreign Exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movements.
- Any materially significant effluent or pollution problems.
- Any issue which involves possible public or product liability claims of a substantial nature.
- Significant developments in the human resource and industrial relations fronts.

The board is routinely presented with all the information under the above heads, whenever applicable and materially significant. These are submitted either as part of the agenda of Board Meetings or are placed during the course of the meeting.

INDEPENDENT DIRECTOR FAMILIARISATION PROGRAMME:

The Independent Directors has been explained about their roles, rights and responsibilities in the Company through detailed presentations in backdrop of Companies Act, 2013 and SEBI Listing Regulations.

The Company has arranged presentations through internal resources. The Independent Directors were provided with relevant documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices from time to time. Periodic presentations were made at the Board and Committee Meetings on business and performance updates of the Company, business strategy and risks involved. Updates on relevant statutory changes on laws concerning the Company are informed to the entire board on regular intervals. The Company is also organising visits to the plants for the Independent Directors to facilitate them to understand the operations of the Company in detail.

MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

There are no material transactions with related parties that require a separate disclosure. The transactions with related parties are in the ordinary course of business and on arms length basis. A comprehensive list of Related Party Transactions as required under Ind AS 24 issued by The Institute of Chartered Accountants of India, is given in 'Note No. 33(P)' of the Accounts in the Annual Report.

COMMITTEES OF THE BOARD:

The board has constituted committees of directors, which confirm to the requirements of Regulation 18, 19, 20, 21 of SEBI Listing Regulations and the Companies Act, 2013, to take informed decisions in the best interests of the Company. These committees monitor the activities falling within their terms of reference.

AUDIT COMMITTEE:

The board of the Company has constituted an Audit Committee at the board level. The scope of the activities of Audit Committee is in compliance with Regulation 18 of SEBI Listing Regulations read with Section 177 of the Companies Act, 2013.

The Audit Committee at the board level acts as a link between the Statutory Auditors, Internal Auditor, the Management and the Board of Directors and overseas the accounting policies and practices, financial reporting process, financial statements, reports of auditors. The terms of reference of the Audit Committee are broadly as under:

a. 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;

b. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

c. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;

d. Examination and reviewing, with the management, the annual financial statements and Auditors' Report thereon before submission to the board for approval, with particular reference to:

    i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134(3)(c) of the Act;

    ii. Changes, if any, in the accounting policies and practices and reasons for the same;

    iii. Major accounting entries involving estimates based on the exercise of judgment by management;

    iv. Significant adjustments made in the financial statements arising out of audit findings;

    v. Compliance with listing and other legal requirements relating to financial statements;

    vi. Disclosure of any related party transactions;

    vii. Qualifications in the draft Audit Report;

e. Reviewing with the management, the quarterly financial statements before submission to the board for approval;

f. Review and monitor the Auditors' independence and performance and effectiveness of audit process;

g. Approval or any subsequent modification of transactions of the Company with related parties;

h. Scrutiny of Inter-Corporate Loans and Investments;

i. Evaluations of Internal Financial Controls and Risk Management Systems;

j. Reviewing with the management, performance of Statutory and Internal Auditor and adequacy of the internal control systems;

k. Reviewing the adequacy of internal audit function and discussion with Internal Auditors of any significant findings and follow up there on;

l. Reviewing the findings of any internal investigations by the Internal Auditors into 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;

m. 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;

n. To review the functioning of the Whistle Blower Mechanism;

o. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

p. Oversight of the Listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statemenis correct, sufficient and credible.

During the financial year 2017-18, 4 [Four] meetings of the Audit Committee were held on May 30, 2017, August 07, 2017, November 13, 2017 and February 14, 2018.

The composition of the Audit Committee and details of the meetings attended by the directors during the year 2017-18 are given below:

Name of the Members	Status	No. of meetings held	No. of meetings attended
Shri Suresh Pareek	Chairman	4	2
Shri Nirajkumar More	Member	4	4
Shri Madan Mohan Chaturvedi (upto 10-11-2017)	Member	2	0
Shri Tarun Kumar Govil	Member	4	4
Smt. Aarti Shah (w.e.f. 13-02-2017)	Member	4	4
Shri Yogesh Samat (w.e.f. 13-11-2017)	Member	1	0

All the Members of the Audit Committee have financial, accounting and management expertise.

The meetings of the Audit Committee are also attended by head of Accounts and Finance Department, Statutory Auditors and Internal Auditor of the Company.

Shri Chintan K. Gandhi, Company Secretary of the Company acted as a Secretary of the Committee.

NOMINATION & REMUNERATION COMMITTEE:

The board of the Company has constituted a Nomination & Remuneration Committee at the board level. The scope of the activities of the Nomination & Remuneration Committee is in compliance with Regulation 19 of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

The broad terms of reference of Nomination and Remuneration Committee includes

a. Determination and recommendation of criteria for appointment of Executive, Non-executive and Independent Directors to the board;

b. Review and approval of compensation / remuneration payable to senior management personnel, relatives of directors, Executive and Non-executive Directors etc. and recommend to the board for their approval;

c. Succession planning for Board of Directors and senior management employees;

d. Identifying and selection of candidates for appointment of Directors / Independent Directors based on laid down criteria;

e. Identifying potential individuals for appointment of Key Managerial Personnel and other senior managerial position and

f. Examination and evaluation of performance of the Board of Directors and Senior Management Personnel including Key Managerial Personnel based on criteria approved by the board.

The remuneration has been paid as approved by the board, in accordance with the approval of the shareholders and within the overall ceiling prescribed under Section 197 and 198 of the Companies Act, 2013.

During the financial year 2017-18, 2 [Two] meetings of the Nomination & Remuneration Committee were held on August 07, 2017 and February 14, 2018.

The composition of the Nomination & Remuneration Committee and details of the meetings attended by the directors during the year 2017-18 are given below:

Name of the Members	Status	No. of meetings held	No. of meetings attended
Shri Tarun Kumar Govil (w.e.f. 13-11-2017)	Chairman	1	1
Shri Umeshkumar More	Member	2	2
Shri Suresh Pareek	Member	2	1
Shri Madan Mohan Chaturvedi (upto 10-11-2017)	Chairman	1	0

Shri Chintan K. Gandhi, Company Secretary of the Company acted as a Secretary of the committee.

PERFORMANCE EVALUATION CRITERIA FOR NON-EXECUTIVE INDEPENDENT DIRECTOR (NEID):

The Committee while evaluating the performance of the Non-executive Independent Directors may take into consideration various factors including:

- Attendance and Participation at the Board Meetings, Committee Meetings and Annual General Meeting;
- Other directorship held by the NEID;
- Input in strategy decisions;

- Review of financial statements, risks and business performance;
- Time devoted toward discussion with management;
- Review of Board Minutes, Committee Meeting Minutes and AGM Minutes;
- Active participation in long-term strategic planning.

REMUNERATION OF DIRECTORS:

Given below are the details of remuneration paid to the directors during the financial year 2017-18 and shareholding as on 31-03-2018:

(Rs. in Millions)

Directors	Sitting Fees	Salary & Allowances	Perquisites	Commission	Shareholding as on 31-03-2018 (in Nos.)
Shri Umeshkumar More	---	9.12	1.04	-	2,28,05,999
Shri Nirajkumar More	---	9.88	0.43	5.64	1,78,52,106
Shri Vinod Haritwal	---	13.82	0.04	5.98	3,120
Shri Rohitkumar More	---	3.69	0.04	1.59	--
Smt. Pallavi More (w.e.f. 30-05-2017 to 07-02-2018)	---	4.08	0.15	2.09	31,49,409
Shri Madan Mohan Chaturvedi (upto 10-11-2017)	---	---	---	0.33	---
Shri Suresh Pareek	0.10	---	---	0.44	17,01,116
Shri Tarun Kumar Govil	0.20	---	---	0.44	2,500
Shri Yogesh Samat (w.e.f. 30-05-2017)	0.05	---	---	0.29	5,500
Smt. Aarti Shah	0.10	---	---	0.30	2,300

REMUNERATION POLICY:

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee recommended the remuneration policy relating to the remuneration for the directors, Key Managerial Personnel and other employees which was approved and adopted by the board.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The board of the Company has constituted a Stakeholders Relationship Committee at the board level. The scope of the activities of the Stakeholders Relationship Committee is in compliance with Regulation 20 of SEBI Listing Regulations read with Section 178(5) of the Companies Act, 2013.

The Stakeholders Relationship Committee looks into various issues relating to shareholders / investors including:

- Transfer and transmission of shares held by shareholders in physical format;
- Shareholder's complaint viz. non - receipt of dividend, annual report, shares after transfer, delays in transfer of shares etc.;
- Status of dematerialization / rematerialization of shares.
- Issue of duplicate share certificates.
- Tracks Investor complaints.
- Suggest measures for improvement from time to time.

During the financial year 2017-18, 4 [Four] meetings of the Stakeholders Relationship Committee were held on May 30, 2017, August 07, 2017, November 13, 2017 and February 14, 2018.

The composition of the Stakeholders Relationship Committee and details of the meetings attended by the directors during the year 2017-18 are given below:

Name of the Members	Status	No. of meetings held	No. of meetings attended
Shri Tarun Kumar Govil	Chairman	4	4
Shri Nirajkumar More	Member	4	4
Shri Vinod Haritwal	Member	4	4

Shri Chintan K. Gandhi, Company Secretary of the Company acted as a Secretary of the Committee.

DETAILS OF INVESTORS COMPLAINTS / REQUESTS RECEIVED DURING THE YEAR BY THE COMPANY:

Sr. No.	Nature of Complaints / Requests	Received	Disposed	Pending
1	Non-receipt / revalidation of dividend warrants	29	29	---
2	Non-receipt of / request for annual report	31	31	---
3	Non–receipt / issue of duplicate of share certificate	5	5	---
4	Request of Transfer / Transmission / Demat of shares	14	14	---
5	Request for change of address / bank details / signature etc.	5	5	---
6	Other	1	1	---
	Total	**85**	**85**	---

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The board of the Company has constituted a CSR Committee at the board level. The scope of the activities of CSR Committee is in compliance with Section 135 read with Schedule VII of the Companies Act, 2013.

The main function of the CSR Committee is to

- Formulate and monitor the CSR policy of the Company;
- To recommend the board about the amount of expenditure to be incurred on the various CSR activities;
- Reviewing of the CSR activities undertaken during the year.

During the financial year 2017-18, 4 [Four] meetings of the CSR Committee were held on May 30, 2017, August 07, 2017, November 13, 2017 and February 14, 2018.

The composition of the CSR Committee and details of the meetings attended by the directors during the year 2017-18 are given below:

Name of the Member	Status	No. of meetings held	No. of meetings attended
Shri Nirajkumar More	Chairman	4	4
Shri Tarun Kumar Govil	Member	4	4
Shri Vinod Haritwal	Member	4	4

Shri Chintan K. Gandhi, Company Secretary of the Company acted as a Secretary of the Committee.

INDEPENDENT DIRECTORS MEETING:

Schedule IV to the Companies Act, 2013, inter alia, prescribes that the Independent Directors of the Company shall hold at least 1 (One) meeting in a calendar year, without the attendance of the Non Independent Directors and members of the management. During the year, meeting of Independent Directors was held on September 25, 2017.

Shri Tarun Kumar Govil was unanimously elected as the chairman of the meeting of the Independent Directors. At the meetings, the Independent Directors reviewed the performance of the Non Independent Directors (including the chairman) and the board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company, management and the board that is necessary for the board to effectively and reasonably perform their duties. All Independent Directors except Shri Madan Mohan Chaturvedi were present at the meeting.

GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as under:

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Date and Time	September 25, 2017 at 3.00 pm	August 11, 2016 at 5.00 pm	August 20, 2015 at 3.00 pm
Venue	Growel's 101 Mall, Akurli Road, Kandivli (East), Mumbai – 400101	Growel's 101 Mall, Akurli Road, Kandivli (East), Mumbai – 400101	Growel's 101 Mall, Akurli Road, Kandivli (East), Mumbai – 400101
Any special resolution passed	Yes	Yes	Yes
Any special resolution passed through Postal Ballot	No	No	No

DISCLOSURES:

1. There were no transactions of material nature other than reported under related party disclosures that have been entered into by the Company with the promoters, directors, their relatives and any Company in which they are interested, that may have potential conflict with the interest of the Company. The policy for related party transactions has been uploaded on the Company's website at the following Web Link: www.growel.com/subpage/policies
2. Details on the use of proceeds from public issues, right issues and preferential issues etc.:

   No funds have been raised through issue of equity or debt in the form of public or rights or preferential issues during the year under review.
3. Details of information on appointment / re-appointment of directors:

   A brief resume, nature of expertise in specific functional areas, names of Companies in which the person already holds directorships and memberships of committees of the board and his shareholding in the Company forms part of Notice of the Annual General Meeting and is annexed to this Annual Report.
4. Details of non-compliances, penalties etc. imposed on the Company by SEBI or Stock Exchange or any other statutory authority on any matter related to capital market, during the last three years:

   The Company has complied with the requirement of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital markets during the last three years.
5. The Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behaviour. No person has been denied access to the chairman of the Audit Committee.
6. The Executive Directors and senior management personnel have affirmed the compliance with code applicable to them during the year ended March 31, 2018. The Annual Report of the Company contains a certificate by the CEO and Managing Director in terms of SEBI Listing Regulations.

MEANS OF COMMUNICATION:

1. Quarterly Results are published in prominent daily newspapers viz. Free Press Journal and Navshakti.
2. All items required to be covered in the Management Discussion and Analysis Report has been included in the **Annexure 'A'** to the Director's Report.
3. The Company has its own website and all the vital information relating to the Company and its products are displayed on the website. Address of the website is **www.growel.com**

GENERAL SHAREHOLDERS INFORMATION:

1.	**ANNUAL GENERAL MEETING**	:	60th Annual General Meeting.
	DAY & DATE	:	Thursday, August 30, 2018
	TIME	:	3.00 pm
	VENUE	:	Growel's 101 Mall, Akurli Road, Kandivli (East), Mumbai – 400101.
2.	**FINANCIAL YEAR**	**:**	The Company follows April 1 to March 31 as the financial year.
3.	**FINANCIAL CALENDAR**	**:**	

* Financial reporting for the Quarter ended June 30, 2018 : by August 14, 2018.

* Financial reporting for the Quarter ended Sept. 30, 2018 : by November 14, 2018.

* Financial reporting for the Quarter ended Dec. 31, 2018 : by February 14, 2019.

* Financial reporting for the Quarter and Year ended March 31, 2019 : by May 30, 2019.

4. DATES OF BOOK CLOSURE : August 25, 2018 to August 30, 2018 [both days inclusive]

5. RECORD DATE FOR PAYMENT OF DIVIDEND: August 24, 2018

6. SHARE TRANSFER SYSTEM:

The Company's Shares being in compulsory dematerialized (Demat) list are transferable through the depository system.

Shares in physical mode are processed by the Registrar and Transfer Agent [RTA]. The RTA has been authorized to process, approve and effect transfer of shares on behalf of the Company at fortnightly intervals.

7. REGISTRAR AND TRANSFER AGENT:

The Company has appointed the below mentioned agency as Registrar and Transfer Agent (RTA) for both physical and demat segment of equity shares of the Company:

M/s LINKINTIME INDIA PVT. LTD.
[Unit: Grauer & Weil (India) Limited]
C 101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400 083
Phones: (022) 49186270; Fax: (022) 49186060
e-mail: rnt.helpdesk@linkintime.co.in; URL: www.linkintime.co.in

8. COMPLIANCE OFFICER:

Shri Chintan K. Gandhi

9. ADDRESS FOR CORRESPONDENCE:

Share Department:
GRAUER & WEIL (INDIA) LIMITED
Growel Corporate, Akurli Road, Kandivli (East), Mumbai - 400 101.
CIN No.: L74999MH1957PLC010975
Tel: (022) 6699 3000; Fax: (022) 6699 3010
e-mail: secretarial@growel.com

10. LISTING:

BSE Limited.
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
Tel. : (022) 2272 1234. Fax: (022) 2272 1919.

11. STOCK CODE OF THE COMPANY:

BSE Limited
Scrip Name: GRAUER & WEIL (INDIA) LIMITED
Scrip Code: 505710.
Electronic Mode: INE266D01021

12. DEPOSITORY CONNECTIVITY: NSDL and CDSL

13. ISIN NO. FOR THE COMPANY'S SECURITY: INE266D01021

14. DEMATERIALISATION OF SHARES:

As on March 31, 2018, a total of 22,23,20,610 shares representing 98.07% of the paid up share capital of the Company were held in dematerialized form with NSDL and CDSL. Member can hold shares in electronic forms and trade the same in depository system. However, they may hold the same in physical form also.

15. STOCK PRICE DATA:

Stock Market price data for the year of Company's Share:

Month	High price (Rs.)	Low price (Rs.)	No. of shares
April, 2017	46.50	40.50	38,79,757
May, 2017	44.40	36.60	30,24,025
June, 2017	42.80	37.35	27,02,050
July, 2017	44.20	39.20	27,50,558
August, 2017	47.20	37.70	51,60,919
September, 2017	72.00	46.50	1,65,40,303
October, 2017	68.30	60.05	46,63,092
November, 2017	79.70	60.30	81,97,803
December, 2017	76.10	64.95	40,12,206
January, 2018	85.50	66.00	73,67,538
February, 2018	74.25	60.00	46,68,172
March, 2018	66.00	55.00	27,25,126

16. SHAREHOLDING PATTERN AS ON MARCH 31, 2018:

Category	No. of shares held	% of shareholding
Promoters / Directors & Associates	15,80,90,925	69.7339
Mutual Funds & UTI	20,620	0.0091
Banks & Financial Institutions	19,500	0.0086
Private Body Corporate	1,10,44,809	4.8719
Indian Public / Others	5,57,33,982	24.5843
NRI / OCBs	17,95,914	0.7922
Total	**22,67,05,750**	**100.0000**

17. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2018:

No. of equity shares held	No. of shareholders	% of total Shareholders	No. of shares held	% of equity Share Capital
Upto 500	17,401	62.1575	33,46,771	1.4763
501-1000	3,898	13.9239	33,86,201	1.4937
1001-2000	2,296	8.2015	37,22,009	1.6418
2001-3000	1,019	3.6399	26,96,194	1.1893
3001-4000	747	2.6683	27,25,412	1.2022
4001-5000	552	1.9718	26,48,315	1.1682
5001-10000	1,014	3.6221	76,86,461	3.3905
10001 & above	1,068	3.8150	20,04,94,387	88.4380
Total	**27,995**	**100.0000**	**22,67,05,750**	**100.0000**

18. PLANT LOCATIONS :

a. 215/1, Plot No. 10 and 216/3 & 4, Plot No. 7, Dadra Industrial Estate, Dadra - 396 193. [Dadra & Nagar Haveli - U.T.]

b. 407, GIDC Industrial Estate, Vapi - 396 195. [Gujarat]

c. Plot No. 31 & 32, Industrial Estate, Barotiwala - 174 103. [H. P.]

d. Survey No. 66, Village - Dhanore, Taluka - Khed, District – Pune [Maharashtra]

e. SIDCO Industrial Complex, Phase II, Samba. [J & K]

19. MALL : Growel's 101, Akurli Road, Kandivli – East, Mumbai – 400101.

20. COMPLIANCE:

A certificate has been obtained from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance and is attached to this report.

Registered Office:
Growel Corporate,
Akurli Road, Kandivli [East],
Mumbai - 400 101
Date : May 30, 2018

For & on behalf of the Board of
Grauer & Weil (India) Limited

Nirajkumar More
Managing Director

Vinod Haritwal
CEO & Whole-time Director

DECLARATION

In accordance with Regulation 26(3) of Securities and Exchange Board of India (Listing Obligation & Disclosure requirement) Regulations, 2015, I hereby confirm that all the Executives Directors and the senior management personnel have affirmed compliance with their respective codes of conduct, as applicable to them, for the year ended March 31, 2018.

Registered Office:
Growel Corporate,
Akurli Road, Kandivli [East],
Mumbai - 400 101
Date : May 30, 2018

For & on behalf of the Board of
Grauer & Weil (India) Limited

Nirajkumar More
Managing Director

Vinod Haritwal
CEO & Whole-time Director

ANNEXURE 'C' : TO DIRECTORS' REPORT

AUDITOR'S CERTIFICATE

To,

The Members,

GRAUER & WEIL (INDIA) LIMITED

We have examined the compliance of conditions of Corporate Governance of GRAUER & WEIL [INDIA] LIMITED, (the Company) for the year ended March 31, 2018, as stipulated in Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

In our opinion and to the best of our information and according to the 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, as applicable.

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

For SCA AND ASSOCIATES
(Firm Registration No. 101174W)
Chartered Accountants

Kiron Mallapur
Partner
Membership No. : 36336

Mumbai,
Date: May 30, 2018

ANNEXURE 'D' : TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

   CSR Policy :

   Our aim is to contribute for the overall social and economic development of the communities in which we operate and thereby improving the overall lifestyles of the society as a whole. The CSR Policy of the Company is available on following link:

   Web Link: www.growel.com/page/csr

2. **Composition of CSR committee**

   Shri Nirajkumar More – Chairman

   Shri Tarun Kumar Govil – Member

   Shri Vinod Haritwal – Member

3. **Average Net Profit of the Company for last three financial years:**

   Average Net Profit: Rs. 574.53 Million

4. **Prescribed CSR Expenditure (Two percent of the amount referred in item 3 above)**

   The Company is required to spend Rs. 11.49 Million

5. **Details of CSR spend for the financial year :**

   a) Total amount spent for the financial year : Rs. 1.04 Million

   b) Amount unspent if any : Rs. 10.45 Million

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

(Rs. in Million)

Sl. No.	CSR project activity	Sector in which the project is covered	Projects or programs (1) local area or other (2) specify the state and District where projects or programs was undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the projects or programs subheads : (1) Direct expenditure on projects or programs (2) over heads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
1.	Eradicating Hunger, Poverty and Preventive Healthcare & Sanitation	Healthcare	Dadra – UT of D & NH Barotiwala – HP Mumbai - MH	0.21	0.21	0.21	0.21
2.	Empowering Women	Promoting Gender Equality	Dadra – UT of D & NH	0.11	0.11	0.11	0.11
3.	Education	Promoting Education	Dadra – UT of D & NH Mumbai- MH	0.23	0.23	0.23	0.23
4.	Gardening	Ensuring environmental sustainability and Ecological Balance	Barotiwala – HP Mumbai - MH	0.49	0.49	0.49	0.49

We hereby declare that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

Nirajkumar More
Chairman of CSR Committee

ANNEXURE 'E' : TO DIRECTORS' REPORT

FORM NO. MGT 9 - EXTRACT OF ANNUAL RETURN

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L74999MH1957PLC010975
2.	Registration date	25-11-1957
3.	Name of the Company	Grauer & Weil (India) Limited
4.	Category / sub-category of the Company	Public Company Limited by Shares
5.	Address of the registered office & Contact details	Growel Corporate, Akurli Road, Kandivli – East, Mumbai - 400101 Contact No. : (022) 66993000; Fax No. : (022) 66993010
6.	Whether listed Company	Yes
7.	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	M/s LINK INTIME INDIA PVT. LTD. (CIN : U67190MH1999PTC118368) C 101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400 083. Phone : (022) 49186270 ; Fax: (022) 49186060 e-mail: rnt.helpdesk@linkintime.co.in ; URL: www.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)

Sl. No.	Name and description of main Products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Basic, Electroplating and Intermediatory Chemicals	2011	66.41%
2	Paints, Enamels, Varnishes and Oil Bound Distempers	2022	17.76%

III. PARTICULARES OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Grauer & Weil (Shanghai) Limited 2nd Floor, Multi Functional Building No. 203, Fute (N) Road, Free Trade Zone, Waigaoqiao, Shanghai – 200131, China	NA	Subsidiary	100	2(87)(ii)
2	Growel Chemicals Limited 850/17, TR Home Office, Ladkrabang Road, Khwang / Khet – Ladkrabang, Bangkok – 10520, Thailand.	NA	Subsidiary	100	2(87)(ii)
3	Grauer & Weil (UK) Limited 50 Seymour Street, London, W1H 7JG	NA	Subsidiary	100	2(87)(ii)
4	Grauer & Weil (Thailand) Co. Limited 140/12 Moo 12 Soi Kingkaew 9/1, Kingkaew Road, T. Rachatheva, A. Bangphlee, Samutprakarn 10540, Thailand	NA	Associate	48.99	2(6)
5	Growel Sidasa Industries Private Limited Growel House, Akurli Road, Kandivli (East), Mumbai - 400 101	U24100MH2005PTC152475	Associate	49.80	2(6)
6	Grauer & Weil Engineering Private Limited (Previously known as Growel Goema (India) Private Limited) Growel House, Akurli Road, Kandivli (East), Mumbai - 400 101	U99999MH1996PTC100431	Associate	16.21	2(6)

IV. Shareholding Pattern [Equity Share Capital Breakup as percentage of total Equity]

A) Category-wise Share Holding :

Category of Shareholders	No. of Shares held at the beginning of the yea [As on 01-04-2017]				No. of Shares held at the end of the year [As on 31-03-2018]				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	6,62,20,459	0	6,62,20,459	**29.2099**	6,62,20,459	0	6,62,20,459	**29.2099**	0.0000
b) Central Govt.	0	0	0	**0.0000**	0	0	0	**0.0000**	0.0000
c) State Govt.(s)	0	0	0	**0.0000**	0	0	0	**0.0000**	0.0000
d) Bodies Corp.	8,89,81,550	0	8,89,81,550	**39.2498**	8,89,81,550	0	8,89,81,550	**39.2498**	0.0000
e) Banks / FI	0	0	0	**0.0000**	0	0	0	**0.0000**	0.0000
f) Any other									
Persons acting in concert	12,77,500	0	12,77,500	**0.5635**	11,77,500	0	11,77,500	**0.5194**	-0.0441
Sub Total (A)(1):-	**15,64,79,509**	**0**	**15,64,79,509**	**69.0232**	**15,63,79,509**	**0**	**15,63,79,509**	**68.9791**	**-0.0441**
(2) Foreign									
a) NRIs - Individuals	0	0	0	**0.0000**	0	0	0	**0.0000**	0.0000
b) Other - Individuals	0	0	0	**0.0000**	0	0	0	**0.0000**	0.0000
c) Bodies Corporate	0	0	0	**0.0000**	0	0	0	**0.0000**	0.0000
d) Banks / FI	0	0	0	**0.0000**	0	0	0	**0.0000**	0.0000
e) Any other	0	0	0	**0.0000**	0	0	0	**0.0000**	0.0000
Sub Total (A)(2):-	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.0000**
Total shareholding of Promoter (A)=(A)(1) + (A)(2)	**15,64,79,509**	**0**	**15,64,79,509**	**69.0232**	**15,63,79,509**	**0**	**15,63,79,509**	**68.9791**	**-0.0441**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	8,870	11,750	20,620	**0.0091**	8,870	11,750	20,620	**0.0091**	0.0000
b) Banks / FI	9,250	10,250	19,500	**0.0086**	9,250	10,250	19,500	**0.0086**	0.0000
c) Central Govt (IEPF)	0	0	0	**0.0000**	16,92,943	0	16,92,943	**0.7468**	0.7468
d) State Govt(s)	0	0	0	**0.0000**	0	0	0	**0.0000**	0.0000
e) Venture Capital Funds	0	0	0	**0.0000**	0	0	0	**0.0000**	0.0000
f) Insurance Companies	0	0	0	**0.0000**	0	0	0	**0.0000**	0.0000
g) FIIs	0	0	0	**0.0000**	0	0	0	**0.0000**	0.0000
h) Foreign Venture Capital Funds	0	0	0	**0.0000**	0	0	0	**0.0000**	0.0000
i) Others (specify)	0	0	0	**0.0000**	0	0	0	**0.0000**	0.0000
Sub Total (B)(1):-	**18,120**	**22,000**	**40,120**	**0.0177**	**17,11,063**	**22,000**	**17,33,063**	**0.7645**	0.7468
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1,01,07,069	25,490	1,01,32,559	**4.4695**	1,10,39,939	4,870	1,10,44,809	**4.8719**	0.4024
ii) Overseas	0	8,750	8,750	**0.0039**	0	8,750	8,750	**0.0039**	0.0000
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lacs	3,90,63,722	62,47,840	4,53,11,562	**19.9869**	3,99,35,313	43,49,520	4,42,84,833	**19.5341**	-0.4529
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lacs	85,90,369	0	85,90,369	**3.7892**	71,37,089	0	71,37,089	**3.1482**	-0.6410
c) Others									
i) Directors / Relatives	17,06,536	0	17,06,536	**0.7528**	17,11,416	0	17,11,416	**0.7549**	0.0022
ii) Non Resident Indians	14,92,064	1,00,250	15,92,314	**0.7024**	17,84,164	0	17,84,164	**0.7870**	0.0846
iii) Foreign Nationals	0	0	0	**0.0000**	0	0	0	**0.0000**	0.0000
iv) Clearing Members	7,01,904	0	7,01,904	**0.3096**	5,91,766	0	5,91,766	**0.2610**	-0.0486
v) Trusts	10,000	0	10,000	**0.0044**	14,483	0	14,483	**0.0064**	0.0020
vi) Hindu Undivided Family	21,30,627	0	21,30,627	**0.9398**	20,12,868	0	20,12,868	**0.8879**	-0.0519
vii) Foreign Portfolio Investor (Individual)	1,500	0	1,500	**0.0007**	3,000	0	3,000	**0.0013**	0.0007
Sub Total (B)(2):-	**6,38,03,791**	**63,82,330**	**7,01,86,121**	**30.9591**	**6,42,30,038**	**43,63,140**	**6,85,93,178**	**30.2565**	**-0.7026**
Total Public Shareholding (B)= (B)(1) + (B)(2)	**6,38,21,911**	**64,04,330**	**7,02,26,241**	**30.9768**	**6,59,41,101**	**43,85,140**	**7,03,26,241**	**31.0209**	**0.0441**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.0000**
Grand Total (A+B+C)	**22,03,01,420**	**64,04,330**	**22,67,05,750**	**100.0000**	**22,23,20,610**	**43,85,140**	**22,67,05,750**	**100.0000**	**0.0000**

B) Shareholding of Promoter :

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01-04-2017)			Shareholding at the end of the year (31-03-2018)			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	Poona Bottling Company Pvt. Ltd.	4,25,00,050	18.7468	0	4,25,00,050	18.7468	0	0.0000
2	Ridhi Sidhi Ltd.	3,23,59,000	14.2736	0	3,23,59,000	14.2736	0	0.0000
3	Umeshkumar More	2,28,05,999	10.0597	0	2,28,05,999	10.0597	0	0.0000
4	Nirajkumar More	1,78,52,106	7.8746	0	1,78,52,106	7.8746	0	0.0000
5	Premlata More	1,27,24,455	5.6128	0	1,27,24,455	5.6128	0	0.0000
6	Growel Projects Ltd. *	1,25,58,000	5.5393	0	0	0.0000	0	-5.5393
7	Yash More	48,35,620	2.1330	0	48,35,620	2.1330	0	0.0000
8	Aman More	46,54,500	2.0531	0	46,54,500	2.0531	0	0.0000
9	Pallavi More	31,49,409	1.3892	0	31,49,409	1.3892	0	0.0000
10	Radhakishan Nandlal LLP	10,88,120	0.4800	0	10,88,120	0.4800	0	0.0000
11	Shivani Rajgarhia	6,95,000	0.3066	0	6,95,000	0.3066	0	0.0000
12	Manisha Dujodwala	5,82,500	0.2569	0	4,82,500	0.2128	0	-0.0441
13	Waluj Beverages LLP	2,96,380	0.1307	0	2,96,380	0.1307	0	0.0000
14	Bubna More & Co. LLP	1,80,000	0.0794	0	1,80,000	0.0794	0	0.0000
15	Nirajkumar More HUF	1,73,650	0.0766	0	1,73,650	0.0766	0	0.0000
16	Rameshkumar Radhakishan More	21,600	0.0095	0	21,600	0.0095	0	0.0000
17	Vinod Haritwal	3,120	0.0014	0	3,120	0.0014	0	0.0000
18	Growel Projects LLP *	0	0.0000	0	1,25,58,000	5.5393	0	5.5393
		15,64,79,509	**69.0232**	**0**	**15,63,79,509**	**68.9791**	**0**	**-0.0441**

* Growel Projects Ltd. Converted into Growel Projects LLP

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

Sl. No.	Particulars	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
	At the beginning of the year	15,64,79,509	69.0232		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	1,00,000	0.0441	#	
	At the end of the year	15,63,79,509	68.9791		

Cumulative Shareholding are as follows :

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

Sl. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of Shares at the beginning (01-04-2017) / end (31-03-2018) of the year	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Growel Projects Ltd.	1,25,58,000	5.5393	01-04-2017				
				23-03-2018	1,25,58,000	Transfer	0	0.0000
		0	0.0000	31-03-2018				
2	Manisha Dujodwala	5,82,500	0.2569	01-04-2017				
				28-07-2017	1,00,000	Transfer	4,82,500	0.2128
		4,82,500	0.2128	31-03-2018				
3	Growel Projects LLP	0	0.0000	01-04-2017				
				23-03-2018	1,25,58,000	Transfer	1,25,58,000	5.5393
		1,25,58,000	5.5393	31-03-2018				

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

Sl. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Gannon Dunkerley and Co. Ltd.	42,00,750	1.8530	01-04-2017				
				NA	0	NA	42,00,750	1.8530
		42,00,750	1.8530	31-03-2018				
2	Ramkumar Morarka & Sons Pvt. Ltd.	20,25,000	0.8932	01-04-2017				
				NA	0	NA	20,25,000	0.8932
		20,25,000	0.8932	31-03-2018				
3	Suresh R. Pareek	17,01,116	0.7504	01-04-2017				
				NA	0	NA	17,01,116	0.7504
		17,01,116	0.7504	31-03-2018				
4	Investor Education And Protection Fund Authority [Ministry of Corporate Affairs]	0	0.0000	01-04-2017				
				08-12-2017	16,91,653	Transfer	16,91,653	0.7462
				15-12-2017	1,290	Transfer	16,92,943	0.7468
		16,92,943	0.7468	31-03-2018				
5	Kamal M. Morarka	8,80,500	0.3884	01-04-2017				
				NA	0	NA	8,80,500	0.3884
		8,80,500	0.3884	31-03-2018				
6	Anvil Fintrade Pvt. Ltd.	0	0.0000	01-04-2017				
				09-02-2018	5,00,000	Purchase	5,00,000	0.2206
		5,00,000	0.2206	31-03-2018				
7	M. R. Holdings Ltd.	4,12,500	0.1820	01-04-2017				
				NA	0	NA	4,12,500	0.1820
		4,12,500	0.1820	31-03-2018				
8	Maharshi Commerce Ltd.	3,59,100	0.1584	01-04-2017				
				NA	0	NA	3,59,100	0.1584
		3,59,100	0.1584	31-03-2018				

Sl. No.	Name	Shareholding: No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	Shareholding: % of total shares of the Company	Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018): No. of Shares	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018): % of total shares of the Company
9	B N Nagamani	2,00,000	0.0882	01-04-2017				
				01-12-2017	1,15,747	Purchase	3,15,747	0.1393
		3,15,747	0.1393	31-03-2018				
10	Angel Broking Private Limited	1,31,841	0.0582	01-04-2017				
				07-04-2017	-11,939	Sell	1,19,902	0.0529
				14-04-2017	17,589	Purchase	1,37,491	0.0606
				21-04-2017	-390	Sell	1,37,101	0.0605
				28-04-2017	3,828	Purchase	1,40,929	0.0622
				05-05-2017	18,562	Purchase	1,59,491	0.0704
				12-05-2017	10,125	Purchase	1,69,616	0.0748
				19-05-2017	-9,748	Sell	1,59,868	0.0705
				26-05-2017	9,611	Purchase	1,69,479	0.0748
				02-06-2017	-10,409	Sell	1,59,070	0.0702
				09-06-2017	24,921	Purchase	1,83,991	0.0812
				16-06-2017	3,676	Purchase	1,87,667	0.0828
				23-06-2017	4,093	Purchase	1,91,760	0.0846
				30-06-2017	14,681	Purchase	2,06,441	0.0911
				07-07-2017	-2,470	Sell	2,03,971	0.0900
				14-07-2017	-22,913	Sell	1,81,058	0.0799
				21-07-2017	-5,607	Sell	1,75,451	0.0774
				28-07-2017	5,534	Purchase	1,80,985	0.0798
				04-08-2017	16,211	Purchase	1,97,196	0.0870
				11-08-2017	10,765	Purchase	2,07,961	0.0917
				18-08-2017	9,014	Purchase	2,16,975	0.0957
				25-08-2017	3,656	Purchase	2,20,631	0.0973
				01-09-2017	-15,236	Sell	2,05,395	0.0906
				08-09-2017	10,716	Purchase	2,16,111	0.0953
				15-09-2017	13,802	Purchase	2,29,913	0.1014
				22-09-2017	1,52,234	Purchase	3,82,147	0.1686
				29-09-2017	53,231	Purchase	4,35,378	0.1920
				06-10-2017	9,751	Purchase	4,45,129	0.1963
				13-10-2017	-12,661	Sell	4,32,468	0.1908
				20-10-2017	35,484	Purchase	4,67,952	0.2064
				27-10-2017	-22,836	Sell	4,45,116	0.1963
				03-11-2017	-12,354	Sell	4,32,762	0.1909
				10-11-2017	-20,211	Sell	4,12,551	0.1820
				17-11-2017	-12,138	Sell	4,00,413	0.1766
				24-11-2017	18,723	Purchase	4,19,136	0.1849
				01-12-2017	-14,585	Sell	4,04,551	0.1784
				08-12-2017	-26,110	Sell	3,78,441	0.1669
				15-12-2017	-8,736	Sell	3,69,705	0.1631
				22-12-2017	4,856	Purchase	3,74,561	0.1652
				29-12-2017	-4,089	Sell	3,70,472	0.1634
				05-01-2018	7,256	Purchase	3,77,728	0.1666

Sl. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				12-01-2018	-61,227	Sell	3,16,501	0.1396
				19-01-2018	25,457	Purchase	3,41,958	0.1508
				26-01-2018	-13,683	Sell	3,28,275	0.1448
				02-02-2018	8,038	Purchase	3,36,313	0.1483
				09-02-2018	-12,374	Sell	3,23,939	0.1429
				16-02-2018	-8,139	Sell	3,15,800	0.1393
				23-02-2018	6,825	Purchase	3,22,625	0.1423
				02-03-2018	-16,730	Sell	3,05,895	0.1349
				09-03-2018	14,229	Purchase	3,20,124	0.1412
				16-03-2018	-3,454	Sell	3,16,670	0.1397
				23-03-2018	-32,875	Sell	2,83,795	0.1252
				31-03-2018	3,437	Purchase	2,87,232	0.1267
		2,87,232	0.1267	31-03-2018				
11	Sudhir Anil Hirani	3,00,000	0.1323	01-04-2017				
				22-09-2017	-50,000	Sell	2,50,000	0.1103
				29-09-2017	-30,000	Sell	2,20,000	0.0970
		2,20,000	0.0970	31-03-2018				
12	Integrated Financial Srvices Ltd.	3,53,000	0.1557	01-04-2017				
				21-04-2017	-7000	Sell	3,46,000	0.1526
				14-07-2017	-4000	Sell	3,42,000	0.1509
				11-08-2017	-4000	Sell	3,38,000	0.1491
				25-08-2017	-1000	Sell	3,37,000	0.1487
				01-09-2017	-8000	Sell	3,29,000	0.1451
				08-09-2017	-10000	Sell	3,19,000	0.1407
				15-09-2017	-11000	Sell	3,08,000	0.1359
				22-09-2017	-27000	Sell	2,81,000	0.1239
				29-09-2017	-2000	Sell	2,79,000	0.1231
				13-10-2017	-1000	Sell	2,78,000	0.1226
				17-11-2017	-4000	Sell	2,74,000	0.1209
				01-12-2017	-38000	Sell	2,36,000	0.1041
				22-12-2017	-6000	Sell	2,30,000	0.1015
				05-01-2018	-20000	Sell	2,10,000	0.0926
				12-01-2018	-2000	Sell	2,08,000	0.0917
				09-03-2018	-8000	Sell	2,00,000	0.0882
		2,00,000	0.0882	31-03-2017				
13	J J Sampat	4,77,685	0.2107	01-04-2017				
				07-04-2017	-18,201	Sell	4,59,484	0.2027
				02-06-2017	-10,000	Sell	4,49,484	0.1983
				23-06-2017	-5,000	Sell	4,44,484	0.1961
				30-06-2017	-3,378	Sell	4,41,106	0.1946
				07-07-2017	-4,926	Sell	4,36,180	0.1924
				04-08-2017	-2,500	Sell	4,33,680	0.1913
				11-08-2017	-7,500	Sell	4,26,180	0.1880
				25-08-2017	-2,000	Sell	4,24,180	0.1871

Sl. No.	Name	Shareholding: No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	Shareholding: % of total shares of the Company	Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018): No. of Shares	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018): % of total shares of the Company
				08-09-2017	-2,500	Sell	4,21,680	0.1860
				15-09-2017	-20,000	Sell	4,01,680	0.1772
				22-09-2017	-1,00,000	Sell	3,01,680	0.1331
				29-09-2017	-20,000	Sell	2,81,680	0.1242
				12-01-2018	-18,000	Sell	2,63,680	0.1163
				09-02-2018	-15,265	Sell	2,48,415	0.1096
				16-02-2018	-17,500	Sell	2,30,915	0.1019
				23-02-2018	-26,033	Sell	2,04,882	0.0904
				02-03-2018	-9,882	Sell	1,95,000	0.0860
				09-03-2018	-27,658	Sell	1,67,342	0.0738
				16-03-2018	-14,583	Sell	1,52,759	0.0674
				23-03-2018	-35,000	Sell	1,17,759	0.0519
				31-03-2018	-5,000	Sell	1,12,759	0.0497
		1,12,759	0.0497	31-03-2018				
14	Sanjay Ranchhodlal Shah	4,50,000	0.1985	01-04-2017				
				29-09-2017	-4,50,000	Sell	0	0.0000
		0	0.0000	31-03-2018				

E) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding: No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	Shareholding: % of total shares of the Company	Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018): No.of Shares	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018): % of total shares of the Company
1	Umeshkumar More (Executive Chairman)	2,28,05,999	10.0597	01-04-2017				
				NA	0	NA	2,28,05,999	10.0597
		2,28,05,999	10.0597	31-03-2018				
2	Nirajkumar More (Managing Director)	1,78,52,106	7.8746	01-04-2017				
				NA	0	NA	1,78,52,106	7.8746
		1,78,52,106	7.8746	31-03-2018				
3	Rohit More (Whole-time Director) (as Joint shareholder)	7,500	0.0033	01-04-2017				
				NA	0	NA	7,500	0.0033
		7,500	0.0033	31-03-2018				
4	Vinod Haritwal (CEO & Whole Time Director)	3,120	0.0014	01-04-2017				
				NA	0	NA	3,120	0.0014
		3,120	0.0014	31-03-2018				
5	Pallavi More (Whole-time Director) (from 30-05-2017 to 07-02-2018)	31,49,409	1.3892	01-04-2017				
				NA	0	NA	31,49,409	1.3892
		31,49,409	1.3892	31-03-2018				

Sl. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company				No.of Shares	% of total shares of the Company
6	Suresh Pareek (Independent Director)	17,01,116	0.7504	01-04-2017				
				NA	0	NA	17,01,116	0.7504
		17,01,116	0.7504	31-03-2018				
7	Madan Mohan Chaturvedi (Independent Director) (upto 10-11-2017)	3,120	0.0014	01-04-2017				
				NA	0	NA	3,120	0.0014
		3,120	0.0014	31-03-2018				
8	Tarun Kumar Govil (Independent Director)	0	0.0000	01-04-2017				
				13-06-2017	2500	Purchase	2,500	0.0011
		2,500	0.0011	31-03-2018				
9	Yogesh Ramchand Samat (w.e.f. 13-11-2017)	5,500	0.0024	01-04-2017				
				NA	0	NA	5,500	0.0024
		5,500	0.0024	31-03-2018				
10	Aarti Shah (Independent Director)	2,300	0.0010	01-04-2017				
				NA	0	NA	2,300	0.0010
		2,300	0.0010	31-03-2018				
10	Jagdish Kadam (CFO)	0	0.0000	01-04-2017				
				NA	0	NA	0	0.0000
		0	0.0000	31-03-2018				
11	Chintan K. Gandhi (Company Secretary)	0	0.0000	01-04-2017				
				NA	0	NA	0	0.0000
		0	0.0000	31-03-2018				

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

(Rs. in Million)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	145.87	54.70	-	200.57
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	145.87	54.70	-	200.57
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	128.80	-	-	128.80
Net Change	(128.80)	-	-	(128.80)
Indebtedness at the end of the financial year				
i) Principal Amount	17.07	54.70	-	71.77
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	17.07	54.70	-	71.77

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

(Rs. in Million)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager					Total Amount
		Umeshkumar More - Executive Chairman	Nirajkumar More - Managing Director	Vinod Haritwal - CEO & Whole-time Director	Rohitkumar More - Whole-time Director	Pallavi More (from 30-05-2017 to 07-02-2018) - Whole-time Director	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	9.12	9.88	13.82	3.69	4.08	40.59
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	1.04	0.43	0.04	0.04	0.15	1.70
	(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	-	5.64	5.98	1.59	2.09	15.30
	- other specify	-	-	-	-		-
5	Others, please specify	-					
	Total (A)	**10.16**	**15.95**	**19.84**	**5.32**	**6.32**	**57.59**
	Ceiling as per the Act	Rs. 93.45 Million (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)					

B) **Remuneration to other directors**

(Rs. in Million)

Sl. No.	Particulars of Remuneration	Name of Independent Directors					Total Amount
		Suresh Pareek	M. M. Chaturvedi	Tarun Kumar Govil	Yoghesh Samat	Aarti Shah	
1	Independent Directors						
	Fee for attending Board / Committee Meetings	0.10	0.00	0.20	0.05	0.10	0.45
	Commission	0.44	0.33	0.44	0.29	0.30	1.80
	Others, please specify	-	-	-	-	-	-
	Total (1)	0.54	0.33	0.65	0.34	0.40	2.26
2	Other Non-executive Directors						
	Fee for attending Board / Committee Meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B) = (1 + 2)	0.54	0.33	0.65	0.34	0.4	2.26
	Total Managerial Remuneration						**59.85**
	Overall Ceiling as per the Act	Rs. 102.80 Million (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)					

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

(Rs. in Million)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1.52	3.89	5.41
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	0.02	0.02
	(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	-	0.08	0.08
	others, specify…	-	-	-
5	Others, please specify	-	-	-
	Total	**1.52**	**3.99**	**5.51**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment			**NONE**		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			**NONE**		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			**NONE**		
Compounding					

ANNEXURE 'F' : TO DIRECTOR'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,
The Members,
GRAUER AND WEIL (INDIA) LIMITED
Growel Corporate, Akurli Road,
Kandivali (East), Mumbai – 400101.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GRAUER AND WEIL (INDIA) LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions of the applicable Acts listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **GRAUER AND WEIL (INDIA) LIMITED** for the financial year ended on March 31, 2018 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Companies Amendment Act, 2017 (to the extent notified).

iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iv. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

v. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment;

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

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

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

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

   d) 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.

   e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **[Not applicable during the period of audit]**

   f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [**Not applicable during the period of audit]**

   g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **[Not applicable during the period of audit]**

   h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **[Not applicable during the period of audit]**

   i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [**Not applicable during the period of audit]**

vii. Secretarial Standards I and II including the revised Standards effective from October 1, 2017 issued by The Institute of Company Secretaries of India.

Further, the Company was engaged in manufacturing activities in various segments i.e. (a) Chemicals (b) Engineering (c) Paints (d) Lubricants (e) Malls. The specific industry related acts applicable to the Company are as under:

- The Petroleum Act, 1934
- The Oil Fields (Regulation and Development) Act, 1948
- The Inflammable Substances Act, 1952
- The Dangerous Machines (Regulation) Act, 1983
- The Oil Industry (Development) Act, 1974
- The Energy Conservation Act, 2001
- The Petroleum & Natural Gas Regulatory Board Act, 2006
- The Petroleum and Minerals Pipelines (Acquisition of Right of User in Land) Act, 1962

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

We report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by statutory financial auditor and other designated professionals.

We report during the conduct of the audit, in our opinion, adequate systems exist in the Company to monitor and ensure compliance with general laws like various Labour Laws, Competition law, Environmental laws, Factories Act etc.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, Board Committee Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of Minutes.
3. 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.
4. The Internal Auditor has resigned from the Company w.e.f. the closing of working hours on 31st January, 2018 and the Company is in the process of appointing an Internal Auditor.

As informed, the Company has responded appropriately to notices received from the statutory / regulatory authorities including by taking corrective measures wherever found necessary.

For **GMJ & ASSOCIATES**
Company Secretaries

[MAHESH SONI]
PARTNER
FCS: 3706 COP: 2324

PLACE: MUMBAI
DATE: MAY 30, 2018.

Note: 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.

ANNEXURE I

To,
The Members,
GRAUER AND WEIL (INDIA) LIMITED
Growel Corporate, Akurli Road,
Kandivali (East), Mumbai – 400101.

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

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **GMJ & ASSOCIATES**
Company Secretaries

[MAHESH SONI]
PARTNER
FCS: 3706 COP: 2324

PLACE: MUMBAI
DATE: MAY 30, 2018.

ANNEXURE 'G' : TO DIRECTOR'S REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY :

i) Energy Conservation Measures taken –

Installed Water coiled chiller for lower HVAC consumption. Though the HVAC load increase around 6%, our overall consumption of Electrical is lower around 4%.

Over all Energy saving compare to last year @ Avg. Rs. 12.75/- is approx. Rs. 3.23 Million.

Electrical Unit Generation from New 214 KW Solar Plant is 218436 KWH for last year and from 184 Kwh existing Solar Plant is 199537 Kwh Unit.

Power saving from new Solar generating plant is 218436 units and amount saved is approx. Rs. 2.79 Million @ Rs. 12.75/- Unit.

ii) Future plan of investments etc. for energy conservation measures –

Replace 96 W (24X4) T5 fitting with 50 W LED in back parking & compound area resulted into approx. saving Rs. 175/- per light per month. Total 100 light resulted into total saving for the year is Rs. 0.22 Milllion per year.

Weekly Power Savings (Demand Response Program).

Lower the consumption of HVAC by taking preventive majors and modification.

iii) Cost saving and impacts of such measures.

By lower the consumption of HVAC by taking preventive majors and modification will save around Rs. 2.50 to 3.00 Million.

iv) TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION

As per **Form 'A'**

B. TECHNOLOGY ABSORPTION: Efforts made in technology absorption as per **Form 'B'**

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(1) Activities relating to exports, initiatives taken to develop export markets:

Despite of uncertain economic conditions and recession in the International Market & Strengthening of Indian Rupees, exports in 2017-18 decreased by 3.57 % to Rs. 460.01 Million as compared to Rs. 477.04 Million in 2016-17.

(2) Total foreign exchange used and earned:	**(Rs. in Million)**
(i) Total foreign exchange used	
(a) On import of raw materials, components, spare parts and capital goods	545.39
(b) Expenditure in foreign currencies for business travel, seminars, dividend and royalties etc.	20.71
(ii) Total foreign exchange earned	459.92

Registered Office:
Growel Corporate,
Akurli Road, Kandivli [East],
Mumbai - 400 101
Date : May 30, 2018

For & on behalf of the Board of
Grauer & Weil (India) Limited

Nirajkumar More
Managing Director

Vinod Haritwal
CEO & Whole-time Director

FORM - 'A'

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY 2017-18

		PARTICULARS	2017 - 18	2016 - 17
A.		**POWER AND FUEL CONSUMPTION**		
1.		**ELECTRICITY**		
	a)	Purchased Units (KWH in Million)	7.63	7.31
		Total amount (Rs. in Million)	81.47	75.50
		Average Rate / Unit (Rs.)	10.68	10.33
	b)	Own generation : Limited electric power was generated through D.G. Sets installed exclusively for the purpose of emergency supply whenever there was power shortage to keep the system working.		
2.		**FURNACE / OTHER OIL**		
		Quantity (Liters in Million)	0.03	0.03
		Total amount (Rs. in Million)	1.86	1.95
		Average Rate / Unit (Rs.)	58.07	55.93
3.		**GAS**		
		Quantity (SCM in Million)	0.26	0.23
		Total amount (Rs. in Million)	7.85	5.88
		Average Rate / Unit (Rs.)	29.86	25.69

B. CONSUMPTION PER UNIT OF PRODUCTION:

As the Company manufactures different types of custom - built plants and chemicals for various applications, it is impracticable to work out the cost of usage of energy on a per unit basis.

FORM – 'B'

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION 2017-18

A. RESEARCH & DEVELOPMENT:

1. Specific areas in which R&D is carried out by the Company:

Trivalent chrome based passivation process for zinc & zinc alloys, especially to get Black & Silver colour.

- MSA based high speed Tin plating process.
- Black coloured chrome coating using Trivalent chrome based electrolyte.
- Cyanide free zinc plating to achieve higher rate of deposition – 0.35 mic per mint @ 2.0 amp / sq dm.
- Decorative Yellow bronze plating.
- Dye Free Acid Copper plating.

2. Benefits derived as a result of the above R&D:

- Environment friendly processes
- Cyanide free alkaline zinc plating process with faster rate of deposition – reduces required plating time.
- Dye free copper – Enables plating with lesser rejects.
- High speed tin plating – reduces plating time – very much suitable for reel to reel plating.
- Trivalent chrome based passivation process – full fills the requirements of bath fitting industry.

3. Future plan of action:

- Lead, Cadmium free electroless nickel plating process.
- Cyanide free brass & white bronze plating .
- Hard chrome coating from trivalent chrome based electrolytes
- Pre-treatment of magnesium and its alloys for electroplating.

4. Expenditure on R&D:

(Rs. in Million)

		2017 - 18	**2016 - 17**
a)	Capital	15.83	30.76
b)	Recurring	72.88	67.77
	Total	**88.71**	**98.53**
	Total R&D expenditure as a percentage of Gross Operating Income	1.61%	1.87%

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1) Efforts, in brief made towards technology absorption, adaptation and innovation: The indigenous developments specifically in the areas of environment friendly processes have been adapted and applied for surface treatment.

2) Benefits derived as a result of the above efforts:

- New processes have been introduced with emphasis on environment (Go green process) and recycling.
- Specialized processes developed with high resistance to abrasion and corrosion, more specifically for the fast growing automotive industry.

3) Particulars of technologies imported:

a) Technology imported: HSO Germany – specifically on plating on plastic.

b) Year imported: 3 year

c) Has technology been fully absorbed? : Partly absorbed.

Events and Exhibitions

Defence Exhibition | India Manufacturing AERO DEF Exhibition, Mumbai

ICEPIM Exhibition | Pipeline Integrity Management Exhibition & Conference, Mumbai

Windergy Exhibition | WINDERGY - International Conference & Exhibition on Wind Power, Delhi

Paints Exhibition | Paints India Exhibition, Mumbai

SF China Exhibition | Surface Finishing Exhibition, China

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GRAUER & WEIL (INDIA) LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of **GRAUER & WEIL (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the Significant Accounting Policies and Other Explanatory Information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including the 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 specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 there under.

We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the 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 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, of the state of affairs of the Company as at 31st March, 2018, its profit including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to:

Note No. 33 (M) to the financial statements on non provision for diminution in the value of investments in equity shares of an associate, whose net worth has fully eroded. For reasons explained in the said note, including the associates' business plans, such impairment, if any, is considered to be temporary in nature, upon which, we have placed our reliance and no provision is considered necessary in the accounts of the Company.

Other Matters

The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these Standalone Ind AS Financial Statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2017 and 31st March 2016 dated 30th May, 2017 and 30th May, 2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, have been audited by us.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of 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.

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

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

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

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

(d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

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

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; 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 33 (A) to the financial statements;

   ii. The Company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

For SCA & ASSOCIATES
Chartered Accountants
(Firm Registration No.101174W)

Kiron Mallapur
Partner
Membership No.036336

Place: Mumbai
Date: 30th May 2018

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF GRAUER & WEIL (INDIA) LIMITED

i) In respect of its fixed assets:

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

b) As explained to us, the assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of its business. We are informed that there are no major discrepancies, as regards plant and machinery and in respect of other assets, discrepancies, if any, will then be dealt with in the accounts once the process of reconciliation is complete.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company the title deeds of immovable properties are held in the name of the Company.

ii) The inventory, excluding goods-in-transit, has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. As regards materials lying with third parties, confirmations have been obtained;

iii) The Company has not granted any loans, secured or unsecured during the year to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly the clauses 3(iii) (a), (b) and (c) of the Order are not applicable to the Company. However in respect of a loan given to an associate company in an earlier year, the receipt of interest is regular. There is no stipulation regarding repayment of principal amount.

iv) The Company has not granted any loan, neither made any investments, nor given any guarantee or security, during the year, covered by the provisions of Sections 185 and 186 of the Act.

v) The Company has not accepted any deposits within the meaning of Provisions of Section 73 to 76 of the Act, and the rules framed thereunder from the public.

vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

vii) a) The Company is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, goods & service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with appropriate authorities, where applicable. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.

b) According to the records of the Company, the dues outstanding of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Particulars	Period to which the amount related	Forum where the dispute is pending	Amount (Rs. In Lacs)
Income Tax	2004-05	Income Tax Appellant Tribunal	9.68
	2011-12	Commissioner of Income Tax (Appeals)	14.56
Excise Duty	1996-97 to 2001-02	Commissioner of Excise & Customs (Appeals)	12.94
	2009-10 to 2013-14	Commissioner of Excise & Customs (Appeals), Chandigarh	19.33
	2007-2011, 2010-2014, 2007-12, 2011-16	Commissioner (Appeal)	228.53
	2011-2016	Joint Commissioner (Audit II)	83.36
	2009-10 to 2012-13, 2013-14	Commissioner of Central Excise (Appeals)	35.02
Service Tax	2003-06	Commissioner of Service Tax (Appeal)	121.70
	2010-2011, 2009-10 to 2013-14, 2014-15, 2015-16 & 2016-17	Commissioner of Service Tax	131.64
Sales Tax	1998-99 and 2011-12	Joint/Deputy Commissioner (Appeal)	17.65
	2012-2013		53.60

viii) The Company has not defaulted in repayment of its loans or borrowings to banks. The Company does not have any borrowings by way of debentures.

ix) The Company has not raised any moneys by way of initial public offer or further public offer (Including debt instruments). Moneys raised by way of term loan were applied for the purpose for which those are raised.

x) On the basis of our examination and according to the information and explanations given to us, no fraud by the Company or any material fraud on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of any such case by the management.

xi) The managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii) The Company is not a nidhi Company and accordingly provisions of clause (xii) of Para 3 of the order are not applicable to the Company.

xiii) On the basis of our examination and according to the information and explanations given to us, we report that all the transaction with the related parties are in compliance with Section 177 and 188 of the Act, and the details have been disclosed in the financial statements in Note No.33(P) as required by the applicable accounting standards.

xiv) The Company has not made any preferential allotment or private placement of share or fully or partly convertible debentures during the year and accordingly provisions of clause (xiv) of Para 3 of the Order are not applicable to the Company.

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 any non-cash transactions with directors or persons connected with him. Accordingly provisions of clause (xv) of Para 3 of the Order are not applicable to the Company.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, provisions of clause (xvi) of Para 3 of the Order are not applicable to the Company.

For SCA & ASSOCIATES
Chartered Accountants
(Firm Registration No.101174W)

Kiron Mallapur
Partner
Membership No.036336

Place: Mumbai
Date: 30th May 2018

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF GRAUER & WEIL (INDIA) LIMITED

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

We have audited the internal financial controls over financial reporting of GRAUER & WEIL (INDIA) LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's 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 Institute of Chartered accountants of India 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and 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 issued by The Institute of Chartered Accountants of India.

For SCA & ASSOCIATES
Chartered Accountants
(Firm Registration No.101174W)

Kiron Mallapur
Partner
Membership No.036336

Place: Mumbai
Date: 30th May 2018

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2018

(Rupees in Lacs)

	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	2	**20,548.23**	21,094.26	20,871.85
Capital work-in-progress		**0.07**	1.90	12.82
Other intangible assets	3	**70.09**	101.23	118.54
Financial assets				
Investments	4	**258.00**	257.97	140.03
Loans	5	**40.37**	50.98	50.78
Other financial assets	6	**336.82**	369.72	329.66
Income tax assets (net)	7	**207.91**	179.01	118.39
Other non-current assets	8	**175.03**	175.66	173.96
		21,636.52	22,230.73	21,816.03
Current assets				
Inventories	9	**6,828.64**	6,753.75	6,384.56
Financial assets				
Investments	4	**207.72**	-	-
Trade receivables	10	**8,860.03**	7,374.15	8,138.29
Cash and cash equivalents	11A	**1,927.78**	3,554.58	1,182.52
Other balances with banks	11B	**10,041.32**	4,195.54	144.27
Loans	5	**1.00**	-	-
Other financial assets	6	**195.47**	152.35	205.51
Other current assets	8	**1,019.51**	1,053.82	1,100.84
		29,081.47	23,084.19	17,155.99
Total assets		**50,717.99**	45,314.92	38,972.02
EQUITY AND LIABILITIES				
Equity				
Equity share capital	SOCE	**2,267.06**	2,267.06	2,267.06
Other equity	SOCE	**33,148.40**	28,192.37	23,101.22
		35,415.46	30,459.43	25,368.28
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	12	**93.53**	38.71	30.46
Other financial liabilities	13	**1,567.05**	1,468.03	1,296.08
Provisions	14	**1,617.25**	1,614.07	1,307.34
Deferred tax liabilities (net)	15	**1,692.68**	1,169.32	921.90
		4,970.51	4,290.13	3,555.78
Current liabilities				
Financial liabilities				
Borrowings	12	**547.00**	1,930.97	2,554.64
Trade payables				
Due to micro and small enterprises	17	**952.81**	601.47	155.32
Due to others	17	**4,683.62**	3,661.26	3,638.02
Other financial liabilities	13	**2,199.31**	2,124.38	1,880.28
Other current liabilities	16	**1,126.71**	1,612.35	1,169.93
Provisions	14	**171.32**	160.38	182.66
Current tax liabilities (net)	18	**651.25**	474.55	467.11
		10,332.02	10,565.36	10,047.96
		15,302.53	14,855.49	13,603.74
Total equity and liabilities		**50,717.99**	45,314.92	38,972.02
Significant accounting policies and key accounting estimates and judgements	1			
Explanatory information and other additional notes	2-33			

As per our report of even date attached
For SCA & ASSOCIATES
Chartered Accountants
(Firm Reg. No. 101174W)

KIRON MALLAPUR
Partner
Membership No. 036336

Mumbai, 30th May 2018

For and on behalf of the Board of Directors

UMESHKUMAR MORE
Chairman
DIN: 00112662

NIRAJKUMAR MORE
Managing Director
DIN: 00113191

VINOD HARITWAL
CEO & Director
DIN: 00112862

JAGDISH KADAM
Chief Financial Officer
Membership No. 41955

CHINTAN K. GANDHI
Company Secretary
Membership No. 21369

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

(Rupees in Lacs)

	Note	2017-2018	2016-2017
INCOME			
Revenue from operations	19	**50,394.59**	47,470.67
Other income	20	**916.38**	344.45
Total income		**51,310.97**	47,815.12
EXPENSES			
Cost of materials consumed	21	**25,075.33**	21,564.39
Purchase of stock-in-trade	22	**286.39**	221.21
Changes in inventories of finished goods, stock-in-trade and work-in-progress	23	**(78.52)**	(603.15)
Excise duty		**1,076.31**	4,394.55
Employee benefits expense	24	**5,701.24**	4,888.82
Finance costs	25	**181.43**	163.17
Depreciation and amortisation expense	26	**1,495.21**	1,388.37
Other expenses	27	**8,829.83**	8,411.82
Total expenses		**42,567.22**	40,429.18
Profit before tax		**8,743.75**	7,385.94
Tax expense	28		
Current tax		**2,619.00**	1,833.00
Deferred tax		**68.93**	29.84
		2,687.93	1,862.84
Profit after tax		**6,055.82**	5,523.10
Other comprehensive income			
Items that will not be reclassified to Statement of Profit and Loss			
Remeasurement of defined benefit plan		**(12.78)**	(386.79)
Income tax on remeasurement of defined benefit plan		**4.42**	133.86
		(8.36)	(252.93)
Total comprehensive income for the year		**6,047.46**	5,270.17
Earnings per equity share (in rupees)			
Basic		**2.67**	2.44
Diluted		**2.67**	2.44
Significant accounting policies and key accounting estimates and judgements	1		
Explanatory information and other additional notes	2-33		

As per our report of even date attached
For SCA & ASSOCIATES
Chartered Accountants
(Firm Reg. No. 101174W)

KIRON MALLAPUR
Partner
Membership No. 036336

Mumbai, 30th May 2018

For and on behalf of the Board of Directors

UMESHKUMAR MORE
Chairman
DIN: 00112662

NIRAJKUMAR MORE
Managing Director
DIN: 00113191

VINOD HARITWAL
CEO & Director
DIN: 00112862

JAGDISH KADAM
Chief Financial Officer
Membership No. 41955

CHINTAN K. GANDHI
Company Secretary
Membership No. 21369

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

(Rupees in Lacs)

	2017-2018	2016-2017
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**8,743.75**	7,385.94
Adjustment for :		
Depreciation	**1,495.21**	1,388.37
Bad debts written off	**278.52**	203.11
Finance costs	**181.43**	163.17
Loss/(gain) on fixed assets sold/discarded (net)	**(2.62)**	7.30
Unrealised exchange loss	**-**	23.21
Net loss/(gain) arising on fair value change	**(16.87)**	(388.04)
Interest income	**(650.76)**	(233.42)
Dividend income	**(0.39)**	(0.28)
Operating profit before working capital changes	**10,028.25**	8,549.37
Adjustments for changes in working capital		
Trade receivables	**(1,764.40)**	524.91
Inventories	**(74.88)**	(369.21)
Long term loans and advances	**(1.43)**	(24.77)
Short term loans and advances	**34.30**	47.03
Other current assets	**(38.93)**	44.64
Trade payables	**1,373.69**	482.31
Other non current liabilities	**43.50**	267.22
Other current liabilities	**(397.61)**	680.52
Long term provisions	**3.18**	306.74
Short term provisions	**10.94**	(22.28)
Cash generated from operations	**9,216.61**	10,486.48
Less: Direct taxes paid	**(2,012.35)**	(1,534.73)
Net cash flow from operating activities	**7,204.26**	8,951.75
CASH FLOW FROM INVESTING ACTIVITIES		
Payment towards capital expenditure	**-**	(0.50)
Payment towards purchase of fixed assets	**(939.63)**	(1,582.80)
Proceeds from sale of fixed assets	**26.06**	32.20
Investment in subsidary company	**-**	(116.70)
Deposits/Balance with Banks	**(5,810.84)**	(4,067.76)
Interest and dividend income	**552.80**	181.68
Net cash flow from investing activities	**(6,171.61)**	(5,553.88)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of fixed deposits	**-**	(42.69)
Net proceeds/(repayment) of hire purchase credits	**95.98**	(34.40)
Repayment of working capital facilities	**(1,383.97)**	(613.67)
Loan to related parties	**9.60**	(0.20)
Net proceeds / (repayment) of loan from related parties	**-**	(10.00)
Interest paid	**(97.67)**	(116.67)
Dividend and corporate dividend tax	**(1,080.87)**	(208.18)
Net cash flow from financing activities	**(2,456.93)**	(1,025.81)
Net increase / (decrease) in cash and cash equivalents	**(1,424.28)**	2,372.06
Cash and cash equivalents as at the beginning of the period *(Refer Note 11A)*	**3,554.58**	1,182.52

(Rupees in Lacs)

	2017-2018	2016-2017
Cash and cash equivalents *(Refer Note 11A)*	**3,554.58**	1,182.52
Current investments *(Refer Note 4)*	**-**	-
Cash and cash equivalents as at the end of the period *(Refer Note 11A)*	**2,130.30**	3,554.58
Cash and cash equivalents *(Refer Note 11A)*	**1,927.78**	3,554.58
Current investments *(Refer Note 4)*	**202.52**	-
	2,130.30	3,554.58

Note:

1. The above Cash Flow Statement has been prepared under the Indirect Method.
2. Reconciliation of liabilities arising from financing activities:

	31st March 2018	31st March 2017
Opening balance	**2,005.73**	2,706.50
Cash inflow/(outflow) of non current borrowings	**54.82**	8.24
Cash inflow/(outflow) of current borrowings	**(1,342.81)**	(709.01)
Closing balance	**717.74**	2,005.73

As per our report of even date attached
For SCA & ASSOCIATES
Chartered Accountants
(Firm Reg. No. 101174W)

KIRON MALLAPUR
Partner
Membership No. 036336

Mumbai, 30th May 2018

For and on behalf of the Board of Directors

UMESHKUMAR MORE
Chairman
DIN: 00112662

NIRAJKUMAR MORE
Managing Director
DIN: 00113191

VINOD HARITWAL
CEO & Director
DIN: 00112862

JAGDISH KADAM
Chief Financial Officer
Membership No. 41955

CHINTAN K. GANDHI
Company Secretary
Membership No. 21369

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

EQUITY SHARE CAPITAL	As at 31 March 2018		As at 31 March 2017		As at 01 April 2016	
	No. of Shares	Rupees in Lacs	No. of Shares	Rupees in Lacs	No. of Shares	Rupees in Lacs
Authorised share capital	**50,00,00,000**	**5,000.00**	50,00,00,000	5,000.00	50,00,00,000	5,000.00
Issued share capital	**22,67,05,750**	**2,267.06**	22,67,05,750	2,267.06	22,67,05,750	2,267.06
Subscribed share capital	**22,67,05,750**	**2,267.06**	22,67,05,750	2,267.06	22,67,05,750	2,267.06
Fully paid-up share capital	**22,67,05,750**	**2,267.06**	22,67,05,750	2,267.06	22,67,05,750	2,267.06
Balance at the beginning of the year	**22,67,05,750**	**2,267.06**	22,67,05,750	2,267.06	22,67,05,750	2,267.06
Changes in equity share capital during the year:						
Issued during the year	-	-	-	-	-	-
Balance at the end of the reporting year	**22,67,05,750**	**2,267.06**	22,67,05,750	2,267.06	22,67,05,750	2,267.06

Rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital.

The Company has one class of equity shares having a par value of Re. 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Shares in the company held by each shareholder holding more than five per cent shares	As at 31 March 2018		As at 31 March 2017		As at 01 April 2016	
	No.	%	No.	%	No.	%
Mr. Umeshkumar More	**2,28,05,999**	**10.06%**	2,28,05,999	10.06%	2,28,05,999	10.06%
Mr. Nirajkumar More	**1,78,52,106**	**7.87%**	1,78,52,106	7.87%	2,26,87,726	10.01%
Mrs. Premlata More	**1,27,24,455**	**5.61%**	1,27,24,455	5.61%	1,27,24,455	5.61%
M/s. Growel Projects LLP	**1,25,58,000**	**5.54%**	1,25,58,000	5.54%	1,25,58,000	5.54%
M/s. Poona Bottling Company Private Limited	**4,25,00,050**	**18.75%**	4,25,00,050	18.75%	4,21,75,000	18.60%
M/s. Ridhi Sidhi Limited	**3,23,59,000**	**14.27%**	3,23,59,000	14.27%	3,23,59,000	14.27%

(Rupees in Lacs)

OTHER EQUITY	Reserves and Surplus		Other Comprehensive Income	TOTAL
	General Reserve	Retained Earnings	Remeasurements of Defined Benefit Plans	
Balance as at 1st April, 2016	22,628.27	477.33	-	**23,105.60**
Ind AS adjustments for 1st April, 2016	-	(4.38)	-	**(4.38)**
Balance at the beginning of the comparative reporting year 1st April, 2016	22,628.27	472.95	-	**23,101.22**
Profit for the comparative year ending 31st March, 2017		5,523.10		**5,523.10**
Ind AS adjustments for 31st March, 2017	39.26			**39.26**
Other comprehensive income for the comparative year ending 31st March, 2017			(252.93)	**(252.93)**
Total comprehensive income for the comparative year	39.26	5,523.10	(252.93)	**5,309.43**
Transactions with owners in their capacity as owners:				
Dividends and dividend distribution tax				
- Final dividend (Rs. 0.08 per share)		(181.36)		**(181.36)**
- Dividend distribution tax		(36.92)		**(36.92)**
Transfer to general reserves	4,000.00	(4,000.00)		**-**
Balance at the end of the comparative reporting year ending 31st March, 2017	26,667.53	1,777.77	(252.93)	**28,192.37**
Profit for the current year ending 31st March, 2018		6,055.82		**6,055.82**
Other comprehensive income for the current year ending 31st March, 2018			(8.36)	**(8.36)**
Total comprehensive income for the year	-	6,055.82	(8.36)	**6,047.46**

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

OTHER EQUITY	Reserves and Surplus		Other Comprehensive Income	TOTAL
	General Reserve	Retained Earnings	Remeasurements of Defined Benefit Plans	
Transactions with owners in their capacity as owners:				
Dividends and dividend distribution tax				
- Final dividend (Rs. 0.40 per share)		(906.82)		**(906.82)**
- Dividend distribution tax		(184.61)		**(184.61)**
Transfer to general reserve	6,000.00	(6,000.00)		**-**
Balance at the end of the reporting year ending 31st March, 2018	32,667.53	742.16	(261.29)	**33,148.40**

Nature and purpose of each component of equity	Nature and Purpose
i. General reserve	General reserve represents accumulated profits and is created by transfer of profits from retained earnings and it is not an item of other comprehensive income and the same shall not be subsequently reclassified to Statement of Profit and Loss.
ii. Retained earnings	Profit earned during the year.
iii. Remeasurements of defined benefit plans	Gains/losses arising on remeasurements of defined benefit plans are recognised in the other comprehensive income as per Ind AS-19 and shall not be reclassified to the Statement of Profit or Loss in the subsequent years.

As per our report of even date attached
For SCA & ASSOCIATES
Chartered Accountants
(Firm Reg. No. 101174W)

KIRON MALLAPUR
Partner
Membership No. 036336

Mumbai, 30th May 2018

For and on behalf of the Board of Directors

UMESHKUMAR MORE
Chairman
DIN: 00112662

NIRAJKUMAR MORE
Managing Director
DIN: 00113191

VINOD HARITWAL
CEO & Director
DIN: 00112862

JAGDISH KADAM
Chief Financial Officer
Membership No. 41955

CHINTAN K. GANDHI
Company Secretary
Membership No. 21369

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

A) General Information:

Grauer & Weil (India) Limited (the "Company") is primarily engaged in the business of manufacturing and selling of Basic, Electroplating and Intermediary Chemicals, Oils and Lubricants, Paints, Enamels, Varnishes and Oil bound Distempers. The Company presently has its manufacturing facilities in Dadra, Vapi (Gujarat), Barotiwala (H.P.) and Samba (J.K.) and Engineering division at Khed, Pune District and a Mall at Kandivli (Mumbai).

The Registered office of the Company is located at Growel Corporate, Akurli Road, Kandivli (East), Mumbai 400 101.

B) Basis of preparation of financial statements:

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

The Company has adopted the Indian Accounting Standards (Ind AS) in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. The Company has transited from its previous GAAP as defined in Ind AS 101 with the necessary disclosures relating to reconciliation of shareholders equity under previous GAAP and Ind AS and of the net profit as per previous GAAP and total comprehensive income under Ind AS. *(Refer note 29)*

i. Statement of compliance:

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. These financial statements have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

The financial statements for the year ended 31st March, 2018 are the first financial statements, the Company has prepared in accordance with Ind AS. (*Refer Para 'C'* below for the details of first-time adoption exemptions availed by the Company.)

ii. Basis of preparation and presentation:

The financial statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013, except for the following items that have been measured at fair value as required by the relevant Ind AS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of initial recognition.

a) Certain financial assets/liabilities measured at fair value (*Refer Note 32)* and

b) Any other item as specifically stated in the accounting policy.

The financial statements are presented in INR and all values are rounded off to Rupees Lacs unless otherwise stated.

The financial statements of the Company for the year ended 31st March, 2018 were authorised for issue in accordance with a resolution of the Board of Directors dated 30th May, 2018.

iii. Use of estimate and judgment:

In the application of accounting policies which are described in Para C below, the management is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future period.

The few critical estimations and judgments made in applying accounting policies are:

- Inventories:

Inventory obsolescence is based on assessment of the future uses. In all cases, inventory is carried at the lower of historical cost and net realisable value.

- Lease:

Lease accounting after evaluating the right to use the underlying assets, substance of the transactions including legally enforceable arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under Ind AS 17.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

- Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

- Impairment of Financial Assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- Defined Benefit Plans:

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- Fair Value Measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

C) Summary of Significant Accounting Policies:

1) Property, Plant and Equipment (PPE):

For transition to Ind AS, the Company has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognized as of 1st April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost of the PPE as on the transition date.

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price after deducting trade discount / rebate, import duties, non-refundable taxes, cost of replacing the component parts, borrowing costs and other directly attributable cost of bringing the asset to its working condition in the manner intended by the management.

Spares parts procured along with the Plant and Equipment or subsequently which meets the definition and recognition criteria of PPE considering the concept of materiality are capitalized and added to the carrying amount of such items. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as 'stores and spares' forming part of the inventory. If the cost of the replaced part is not available, the estimated cost of similar new parts is used as an indication of what the cost of the existing part was when the item was acquired.

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use or disposal. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when the asset is derecognised.

Expenditure on acquisition of PPE for Research and Development (R&D) is included in PPE and depreciation thereon is provided as applicable.

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognised till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with Ind AS 105 and the date that the asset is derecognised. Depreciation on all assets is provided on straight line basis.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Description of the asset	Estimated useful life
Tangible:	
Land – Leasehold	Primary period of lease
Building	
– Factory	30 Years
– Other than factory buildings	60 Years
Plant and equipment	15 Years
Furniture and fixtures	10 Years
Computer servers	6 Years
Computers	3 Years
Laboratory equipment	10 Years
Office equipment	5 Years
Vehicles four wheelers	8 Years
Vehicles two wheelers	10 Years
Intangible:	
Software	5 Years

Further, the Company has identified and determined separate useful life for each major component of fixed assets, if they are materially different from that of the remaining assets, for providing depreciation in compliance with Schedule II of the Companies Act, 2013.

Depreciation on fixed assets added/disposed off during the period is provided on pro-rata basis with reference to the date of addition/ disposal.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

2) Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Software (not being an integral part of the related hardware) acquired for internal use are treated as intangible assets.

An item of intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any profit or loss arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets are amortised on straight line basis over a period of five years.

3) Impairment of tangible (PPE) and intangible assets:

At the end of each reporting period, the Company reviews the carrying amounts of its PPE and other intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit and Loss.

4) Investment properties:

Management has assessed applicability of Ind AS 40 - Investment Property to the Mall property. In assessing such applicability, management has considered the ownership of assets, terms of license agreements, various services provided to the licensees, etc. Based on such assessment, the management has considered the Mall property as owner occupied property and hence classified as Property, Plant and Equipment.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

5) Inventories:

Raw materials, packing materials and stores and spares are valued at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products in which they will be incorporared are expected to be sold at or above cost. Cost of raw materials, packing materials and stores and spares is determined on daily moving weighted average cost basis.

Work in progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

6) Leases:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is (or contains) a lease, if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

Where the Company is a lessee-

Finance leases that transfer substantially all the risks and benefits incidental to ownership of the leased item (i.e. PPE), are generally capitalized at the inception of the lease at the fair value of the leased assets or, if lower, at the present value of minimum lease payments. Lease payments are apportioned between finance charges and a reduction in lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Statement of Profit and Loss.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss over the period of lease on straight line basis other than those cases where the escalations are linked to expected general inflation in which case they are charged on contractual terms.

Where the Company is a lessor-

Leases in which a significant portion of the risks and rewards of ownership are not transferred by the Company are classified as operating leases. Assets subject to operating leases are included as fixed assets. Lease income on an operating lease is recognised in the Statement of Profit and Loss on a straight line basis other than those cases where escalations are linked to expected general inflation in which case they are recognised on contractual terms.

Leases are classified as finance leases when substantially all the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from the lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

7) Government grants:

Government grants/subsidy are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants/subsidy will be received.

Grants/subsidy related to income are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate on a systematic basis. Government grants/subsidy that are receivable as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support with no future related costs are recognized in the Statement of Profit and Loss in the period in which they become receivable. Grants/subsidy related to income are presented under other income in the Statement of Profit and Loss except for grants/subsidy received in the form of rebate or exemption which are deducted in reporting the related expense. Grant/subsidy receivable against a specific fixed asset is deducted from the cost of the relevant fixed asset.

8) Provisions, contingent liabilities and contingent assets:

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) 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. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

Contingent liabilities are disclosed on the basis of judgment of management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are not recognized, however, disclosed in financial statement when inflow of economic benefits is probable.

9) Foreign currency transactions:

The financial statements of Company are presented in INR, which is also the functional currency. In preparing the financial statements, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling on the date of transaction. Exchange difference on monetary items are recognised in the statement of profit and loss in the period in which they arise.

10) Share capital and securities premium:

Ordinary shares are classified as equity, incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as securities premium.

11) Dividend distribution to equity shareholders:

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. A distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in other equity along with any tax thereon.

12) Cash flows and cash and cash equivalents:

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant Ind AS. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with banks, other short-term, highly liquid investments 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.

13) Revenue recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

i. Sale of goods:

Revenue from sale of goods is recognized, when all significant risks and rewards are transferred to the buyer, as per the terms of the contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It includes excise duty and excludes value added tax/sales tax.goods and services tax. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

ii. Engineering division:

Equipment manufactured by the Engineering division for use by other divisions is included in the sales at transfer price and are capitalised by other division.

iii. Import entitlement:

Benefit on account of entitlement to import duty free materials under the "Duty Entitlement Exemption Certificate" (DEEC) is accounted in the year of import.

iv. Income from business conducting/licence fees:

Income arising out of business conducting/license fees is accounted at contracted rates, keeping in view, the collectability of the resulting receivables is reasonably assured and is disclosed net of indirect taxes, if any.

v. Revenue from amenities provided:

Revenue from amenities provided is recognized at value of service and is disclosed net of indirect taxes, if any. Recoveries made against common area maintenance expenses are netted of against relevant expenses.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

vi. Job contract receipts:

Income from operations in Paints division includes Job Contract receipts, net of payments made to sub contractors. The Company follows the "Percentage of Completion Method" of accounting for all contracts. The revenue from the execution of contracts is recognized proportionately with the degree of completion achieved under each contract, matching revenue with expenses incurred.

vii. Rendering of services:

Revenue from rendering of services is recognized as per the terms of the contract with customers when related services are performed and when the outcome of the transactions involving rendering of services can be estimated reliably.

viii. Dividend income:

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

ix. Interest income:

Interest income on financial assets measured at amortised cost is recognised on a time-proportion basis using the effective interest method.

x. Insurance and other claims:

Insurance and other claims/refunds, due to uncertainty in realisation are accounted for on acceptance/actual receipt basis.

14) Borrowing costs:

Borrowing cost includes interest, commitment charges, brokerage, underwriting costs, discounts / premiums, financing charges, exchange difference to the extent they are regarded as interest costs and all ancillary / incidental costs incurred in connection with the arrangement of borrowing.

Borrowing costs which are directly attributable to acquisition / construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of cost pertaining to those assets. All other borrowing costs are recognised as expense in the period in which they are incurred.

15) Employee benefits:

i. Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

ii. Long term employee benefits:

The cost of providing long term employee benefit such as earned leave is measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period. The expected costs of the benefit is accrued over the period of employment using the same methodology as used for defined benefits post employment plans. Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Other Comprhensive Income in which they arise except those included in cost of assets as permitted. The benefit is valued annually by independent actuary.

iii. Post employment benefits:

The Company provides the following post employment benefits:

i) Defined benefit plans such as gratuity; and

ii) Defined contributions plans such as provident fund.

iv. Defined benefits plans:

The cost of providing benefits on account of gratuity are determined using the projected unit credit method on the basis of actuarial valuation made at the end of each balance sheet date, which recognises each period of service as given rise to additional unit of employees benefit entitlement and measuring each unit separately to build up the final obligation. The yearly expenses on account of these benefits are provided in the books of accounts.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss except those included in cost of assets as permitted.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Re-measurements comprising of actuarial gains and losses arising from experience adjustments and change in actuarial assumptions, the effect of change in assets ceiling (if applicable) and the return on plan asset (excluding net interest as defined above) are recognized in other comprehensive income (OCI) except those included in cost of assets as permitted in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognized in the Statement of Profit and Loss except those included in cost of assets as permitted in the period in which they occur.

v. Defined contribution plans:

Payments to defined contribution retirement benefit plans, viz., provident fund for eligible employees, and superannuation benefits are recognized as an expense when employees have rendered the service entitling them to the contribution.

16) Taxes on income:

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

a) Current tax:

Current tax includes provision for income Tax computed under special provision (i.e., minimum alternate tax) or normal provision of Income Tax Act. Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

b) Deferred tax:

Deferred tax is recognised on 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. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets 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.

Deferred 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 and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognises MAT credit available as deferred tax asset only to the extent it is possible that sufficient taxable profit will be available to allow all or part of MAT credit to be utilised during the specified period, i.e. the period for which such credit is allowed to be utilised.

17) Earnings per share:

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings 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.

18) Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

a) An asset is current when it is:

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

All other assets are classified as non-current.

b) A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

c) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

19) 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 another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these financial statements is determined in such basis except for transactions in the scope of Ind AS 2, 17 and 36. Normally at initial recognition, the transaction price is the best evidence of fair value.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial assets and Financial liabilities that are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

20) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or financial liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

a) Financial assets:

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favourable to the Company.

Investments in subsidiaries:

Investments in equity shares of subsidiaries are carried at cost less impairment. Impairment is provided for on the basis explained in Para C (3) above.

Financial assets other than investment in subsidiaries:

Financial assets of the Company comprise trade receivable, cash and cash equivalents, bank balances, investments in equity shares of companies other than in subsidiaries, investment other than equity shares, loans/advances to employee/related parties/others, security deposit, claims recoverable etc.

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss. Where transaction price is not the measure of fair value and fair value is determined using a valuation method that uses data from observable market, the difference between transaction price and fair value is recognized in Statement of Profit and Loss and in other cases spread over life of the financial instrument using effective interest method.

Subsequent measurement:

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost:-

Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets 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. These financials assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss in finance costs.

Financial assets at fair value through OCI (FVTOCI):-

Financial assets are measured at fair value through other comprehensive income if the financial asset 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. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the income statement. On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to income statements.

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

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss. Further, financial assets at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit and Loss.

Derecognition:

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

Impairment of financial assets:

The Company assesses impairment based on expected credit loss (ECL) model on the following:

- Financial assets that are measured at amortised cost.
- Financial assets measured at fair value through other comprehensive income (FVTOCI).

ECL is measured through a loss allowance on a following basis:

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

The Company follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Company to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Company assesses the credit risk characteristics on instrument-by-instrument basis.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss.

b) Financial liabilities:

The Company's financial liabilities include loans and borrowings including book overdraft, trade payable, accrued expenses and other payables.

Initial recognition and measurement:

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the effective rate of interest.

Subsequent measurement:

The subsequent measurement of financial liabilities depends upon the classification as described below:-

- Financial liabilities classified as amortised cost

- Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Interest expense that is not capitalised as part of costs of assets is included as finance costs in the Statement of Profit and Loss.

Financial liabilities at fair value through profit and loss (FVTPL):-

- FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities have not been designated upon initial recognition at FVTPL.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged / cancelled / expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

c) First time adoption of Ind AS – mandatory exceptions / optional exemptions:

Overall principle:

The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying certain items from previous GAAP to Ind AS as required under the Ind AS, and applying Ind AS in the measurement of recognized assets and liabilities. However, this principle is subject to certain mandatory exceptions and certain optional exemptions availed by the Company as detailed below:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Derecognition of financial assets and financial liabilities:

The Company has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April, 2016 (the transition date).

Impairment of financial assets:

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

Deemed cost for PPE, CWIP and Intangible assets:

The Company has opted for historical cost of Property, Plant and Equipment / intangible assets as per Indian GAAP as the deemed cost on the opening balance sheet date.

Determining whether an arrangement contains a lease:

The Company has applied Appendix C of Ind AS 17 for determining whether an arrangement contains a Lease at the transition date on the basis of facts and circumstances existing at that date.

Investment in subsidiaries:

The Company has elected to continue with the carrying value of all its investments in subsidiaries recognized as of 1st April, 2016 (transition date) measured as per previous GAAP and use that carrying value as its deemed cost as of the transition date.

d) Recent accounting pronouncements:

The Ministry of Corporate Affairs (MCA), on 28 March 2018, notified Ind AS 115, Revenue from Contracts with Customers and Appendix B to Ind AS 21, The effects of changes in foreign exchange rates as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. These amendments will come into force from 1st April, 2018.

Ind AS 115 – Revenue from contract with customers:

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18, Revenue, Ind AS 11, Construction contracts and the related interpretations when it becomes effective.

The core principle of Ind AS 115 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. Specifically, the standard introduces a 5-step approach to revenue recognition:

Identify the contract(s) with a customer, Identify the performance obligations in the contract, Determine the transaction price, Allocate the transaction price to the performance obligations in the contract and recognise revenue when (or as) the entity satisfies a performance obligation.

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e., when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in Ind AS 115 to deal with specific scenarios. Furthermore, extensive disclosures are required by Ind AS 115.

The Company has evaluated the effect of these amendments on the financial statement and the impact is not expected to be material.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

(Rupees in Lacs)

Nature of fixed assets	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
	Cost as at 01-04-2017	Additions	Deductions	Other adjustments	Cost as at 31-03-2018	Up-to 31-03-2017	Provided during the year	Transitional charge	Deductions adjustments	Up-to 31-03-2018	As at 31-03-2018	As at 31-03-2017
Tangible assets												
Land												
a) Freehold	1,484.79	-	-	-	**1,484.79**	-	-	-	-	-	**1,484.79**	1,484.79
b) Leasehold	1,672.74	-	-	-	**1,672.74**	5.26	31.37	-	-	**36.63**	**1,636.11**	1,667.48
Buildings	12,019.71	95.97	-	-	**12,115.68**	484.86	492.49	-	-	**977.35**	**11,138.33**	11,534.85
Plant and machinery	4,886.52	383.82	6.99	-	**5,263.35**	496.73	539.88	-	-	**1,036.61**	**4,226.74**	4,389.79
Laboratory equipment	112.75	7.39	2.48	-	**117.66**	18.50	14.65	-	-	**33.15**	**84.51**	94.25
R and D equipment	846.74	150.92	-	-	**997.66**	74.45	102.76	-	-	**177.21**	**820.45**	772.29
Furniture and fixtures	727.18	13.10	0.03	-	**740.25**	130.57	132.01	-	-	**262.58**	**477.67**	596.61
Vehicles	551.36	260.45	13.90	-	**797.91**	104.01	114.04	-	-	**218.05**	**579.86**	447.35
Office equipment	138.97	21.16	0.01	-	**160.12**	32.12	28.23	-	-	**60.35**	**99.77**	106.85
Total	**22,440.76**	**932.81**	**23.41**	**-**	**23,350.16**	**1,346.50**	**1,455.43**	**-**	**-**	**2,801.93**	**20,548.23**	**21,094.26**

Nature of fixed assets	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
	Cost as at 01-04-2016	Additions	Deductions	Other adjustments	Cost as at 31-03-2017	Up-to 31-03-2016	Provided during the year	Transitional charge	Deductions adjustments	Up-to 31-03-2017	As at 31-03-2017	As at 31-03-2016
Tangible assets												
Land												
a) Freehold	1,484.79	-	-	-	**1,484.79**	-	-	-	-	-	**1,484.79**	1,484.79
b) Leasehold	1,650.31	-	-	(22.43)	**1,672.74**	-	5.26	-	-	**5.26**	**1,667.48**	1,650.31
Buildings	11,524.84	482.47	-	(12.40)	**12,019.71**	-	484.86	-	-	**484.86**	**11,534.85**	11,524.84
Plant and machinery	4,281.22	603.46	28.29	(30.13)	**4,886.52**	-	496.73	-	-	**496.73**	**4,389.79**	4,281.22
Laboratory equipment	90.40	23.21	0.86	-	**112.75**	-	18.50	-	-	**18.50**	**94.25**	90.40
R and D equipment	559.87	284.40	-	(2.47)	**846.74**	-	74.45	-	-	**74.45**	**772.29**	559.87
Furniture and fixtures	704.45	22.73	-	-	**727.18**	-	130.57	-	-	**130.57**	**596.61**	704.45
Vehicles	489.10	99.55	37.29	-	**551.36**	-	104.01	-	-	**104.01**	**447.35**	489.10
Office equipment	86.87	53.33	-	1.23	**138.97**	-	32.12	-	-	**32.12**	**106.85**	86.87
Total	**20,871.85**	**1,569.15**	**66.44**	**(66.20)**	**22,440.76**	**-**	**1,346.50**	**-**	**-**	**1,346.50**	**21,094.26**	**20,871.85**

Note: The company has elected to measure all its Property, plant and equipment at previous GAAP carrying amount at the date of transition to Ind AS. *(Refer note 29)* - First time Ind AS adoption reconciliation.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE 3: OTHER INTANGIBLE ASSETS

(Rupees in Lacs)

Nature of fixed assets	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
	Cost as at 01-04-2017	Additions	Deductions	Other adjustments	Cost as at 31-03-2018	Up-to 31-03-2017	Provided during the year	Transitional charge	Deductions adjustments	Up-to 31-03-2018	As at 31-03-2018	As at 31-03-2017
Computer software	143.10	8.67	0.03	-	**151.74**	41.87	39.78	-	-	**81.65**	**70.09**	101.23
Total	**143.10**	**8.67**	**0.03**	**-**	151.74	**41.87**	**39.78**	**-**	**-**	81.65	70.09	**101.23**

Nature of fixed assets	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
	Cost as at 01-04-2016	Additions	Deductions	Other adjustments	Cost as at 31-03-2017	Up-to 31-03-2016	Provided during the year	Transitional charge	Deductions adjustments	Up-to 31-03-2017	As at 31-03-2017	As at 31-03-2016
Computer software	118.54	24.56	-	-	**143.10**	-	41.87	-	-	**41.87**	**101.23**	118.54
Total	**118.54**	**24.56**	**-**	**-**	143.10	**-**	**41.87**	**-**	**-**	41.87	101.23	**118.54**

Note: The company has elected to measure its intangible assets at previous GAAP carrying amount at the date of transition to Ind AS. *(Refer note 29)* - First time Ind AS adoption reconciliation.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE 4: INVESTMENTS

NON CURRENT INVESTMENTS (at cost less permanent diminution in value)	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Nos.	Rupees in Lacs	Nos.	Rupees in Lacs	Nos.	Rupees in Lacs
A) Quoted (Other than trade)						
(Carried at fair value through Statement of Profit and Loss)						
In fully paid-up Equity shares of Rs. 10 each						
Sunflag Iron & Steel Company Limited	**2,000**	**1.50**	2,000	0.74	2,000	0.40
Ginni Filaments Limited	**900**	**0.24**	900	0.32	900	0.14
In fully paid-up Equity shares of Rs. 2 each						
Punjab National Bank	**1,175**	**1.12**	1,175	1.77	1,175	1.00
B) Unquoted (Trade)						
In Associates						
Grauer & Weil Engineering Private Limited (fully paid up Equity shares of Rs. 10/- each)	**1,49,980**	**-**	1,49,980	-	1,49,980	-
Growel Sidasa Industries Private Limited (fully paid up Equity shares of Rs. 10/- each)	**12,88,300**	**-**	12,88,300	-	12,88,300	-
Grauer & Weil (Thailand) Co. Limited (fully paid up Equity shares of THB 100 each)	**58,800**	**83.83**	58,800	83.83	58,800	83.83
In Subsidiaries						
Grauer & Weil (Shanghai) Limited (fully paid up)	**23,28,460**	**-**	23,28,460	-	23,28,460	-
Grauer & Weil (UK) Limited (fully paid up Equity shares of Sterling Pound of 1 each)	**1**	**-**	1	-	1	-
Growel Chemicals Limited (Equity shares of THB 100 each)	**1,00,000**	**164.72**	1,00,000	164.72	51,000	48.02
Other investments						
The Saraswat Co-operative Bank Limited (fully paid up Equity shares of Rs. 10/- each)	**5,000**	**0.50**	5,000	0.50	5,000	0.50
C) Unquoted (Other than trade)						
In Associates						
Poona Bottling Company Private Limited (fully paid-up Equity shares of Rs. 100/- each)	**91,960**	**3.90**	91,960	3.90	91,960	3.90
Other investments						
In fully paid-up Equity shares of Rs. 10 each						
Shree Vaishanavi Dyeing & Printing Limited	**1,500**	**-**	1,500	-	1,500	-
Arihant Threads Limited	**2,100**	**-**	2,100	-	2,100	0.05
Rasik Plast Limited	**13,500**	**-**	13,500	-	13,500	-
Surlux Health Centres Limited	**1,000**	**-**	1,000	-	1,000	-
Shivalik Solid Waste Management Limited	**20,000**	**2.00**	20,000	2.00	20,000	2.00
Crystal Software Solutions Limited	**8,600**	**-**	8,600	-	8,600	-
Indo-French Bio-tech Enterprises Limited	**89,800**	**-**	89,800	-	89,800	-
National Savings Certificates		**0.19**		0.19		0.19
		258.00		257.97		140.03
	Cost Rs.	**Market value Rs.**	Cost Rs.	Market value Rs.	Cost Rs.	Market value Rs.
Aggregate market value of quoted investments		**2.86**		2.83		1.54
Aggregate book value of unquoted investments		**255.14**		255.14		138.49

NOTE 4: INVESTMENTS

CURRENT INVESTMENTS	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
Unquoted (Other than trade)	Nos.	Rupees in Lacs	Nos.	Rupees in Lacs	Nos.	Rupees in Lacs
India Infoline Housing Finance Limited (Non convertible debentures)	**16**	**207.72**	**-**	-	-	-
		207.72		**-**		**-**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE 5: LOANS

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Unsecured - considered good						
Loans and advances to related parties *(Refer Note 33 P)*	**40.37**	50.98	50.78		-	-
Other advances				**1.00**		
	40.37	50.98	50.78	**1.00**	-	-

NOTE 6: OTHER FINANCIAL ASSETS

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Unsecured - considered good						
Interest receivable				**37.71**	33.58	42.09
Others				**157.76**	118.77	163.42
Security deposits	**335.06**	333.01	309.44			
Term deposits with more than twelve months of maturity	**1.76**	36.71	20.22			
	336.82	369.72	329.66	**195.47**	152.35	205.51

NOTE 7: INCOME TAX ASSETS (NET)

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Advance income tax (net of provisions)	**207.91**	179.01	118.39			
	207.91	179.01	118.39	**-**	-	-

NOTE 8: OTHER ASSETS

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Capital advances	**169.79**	170.29	169.79			
Advances other than capital advances						
Advances to employees	**5.24**	5.37	4.17	**36.31**	25.84	14.86
Advances to suppliers				**378.97**	446.15	545.42
Prepaid expenses				**75.57**	75.23	45.08
Balances with government authorities						
VAT receivable				**169.89**	124.56	116.08
CENVAT credit receivable				**113.96**	280.30	242.96
Service tax credit receivable				**3.64**	101.74	136.44
Goods and service tax				**241.17**	-	-
	175.03	175.66	173.96	**1,019.51**	1,053.82	1,100.84

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE 9: INVENTORIES

(Rupees in Lacs)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
At lower of cost and net realisable value			
Raw materials	**3,172.82**	2,638.15	2,822.54
Raw materials-in-transit	**223.43**	461.80	584.23
	3,396.25	3,099.95	3,406.77
Work-in-progress	**1,179.54**	1,168.09	868.20
Finished goods	**1,990.49**	2,239.89	1,893.99
Finished goods - traded goods	**38.61**	32.49	34.16
Finished goods-in-transit	**7.05**	12.09	-
	2,036.15	2,284.47	1,928.15
Stores and spares	**216.70**	201.24	181.44
	6,828.64	6,753.75	6,384.56

NOTE 10: TRADE RECEIVABLES

(Rupees in Lacs)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured considered good	**697.00**	471.11	684.36
Unsecured considered good	**8,163.03**	6,903.04	7,453.93
	8,860.03	7,374.15	8,138.29

Note:

1) The company has used practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit loss experience and accordingly provisions are made for expected credit loss for amount due from customers where necessary.

2) For receivables from related parties *(Refer Note 33 P)*

NOTE 11: CASH AND BANK BALANCES

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(A) Cash & cash equivalents						
Balances with banks						
In current accounts				**1,246.08**	3,150.66	555.62
In EEFC accounts				**659.29**	384.46	606.68
Cash on hand				**22.41**	19.46	20.22
	-	-	**-**	**1,927.78**	3,554.58	1,182.52
(B) Other balances with banks						
Unpaid dividend accounts				**58.96**	48.40	38.29
Term deposits with original maturity for more than 3 months but less than 12 months				**9,982.36**	4,147.14	105.98
Term deposits with original maturity for more than 12 months	**1.76**	36.71	20.22			
	1.76	36.71	20.22	**10,041.32**	4,195.54	144.27
Amount included under the head 'Other Financial Assets' *(Refer Note 6)*	**(1.76)**	(36.71)	(20.22)	**-**	-	-
	-	-	-	**10,041.32**	4,195.54	144.27

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE 12: BORROWINGS

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Secured						
Hire purchase credits	**93.53**	38.71	29.21	**77.21**	36.05	79.95
Loans repayable on demand from banks				**-**	1,383.97	1,997.64
Unsecured						
Fixed deposits	**-**	-	1.25	**-**	-	41.44
Loans and advances from related parties *(Refer Note 33 P)*	**-**	-	-	**547.00**	547.00	557.00
	93.53	38.71	30.46	**624.21**	1,967.02	2,676.03
Amounts disclosed under the head 'Other Financial Liabilities' (*Refer Note 13*)	**-**	-	-	**(77.21)**	(36.05)	(121.39)
	93.53	38.71	30.46	**547.00**	1,930.97	2,554.64

Nature of security and terms of repayment for hire purchase credits:

Hire purchase credits are for purchase of cars. These facilities are secured by first charge on respective car against which the specific facility has been taken from the Bank. The loan amount is repayable in equitable monthly installments with interest rates ranging from 7.76% to 10.90% as applicable and are expected to be fully repaid as per the respective repayment schedules and shall get fully repaid between April 2018 to January 2021.

Nature of security for working capital facilities :

The working capital facilities are secured by hypothecation of all stocks, moveable assets and book debts by way of first charge on pari-passu basis and are further collaterally secured by second pari-passu charge on the block assets of shopping mall at Kandivali, Mumbai. The working capital facility is repayable on demand and carries interest rate ranging from 8.45% to 10%.

NOTE 13: OTHER FINANCIAL LIABILITIES

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Current maturities of long term debt (*Refer Note 12*)				**77.21**	36.05	121.39
Investor Education and Protection Fund						
Unpaid dividend*				**58.96**	48.40	38.29
Others						
Deposits from licensees and dealers	**1,567.05**	1,468.03	1,296.08			
Security deposit from employees				**95.77**	88.61	83.67
Payable towards capital expenditure				**75.34**	101.68	40.16
Payable to employees				**112.03**	117.75	113.63
Interest accrued and due on borrowings				**-**	-	2.62
Expenses payable				**1,775.80**	1,661.52	1,441.24
Others				**4.20**	70.37	39.28
	1,567.05	1,468.03	1,296.08	**2,199.31**	2,124.38	1,880.28

*There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE 14: PROVISIONS

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits						
Leave benefits	**64.14**	216.39	125.10	**-**	11.20	44.68
Gratuity	**1,553.11**	1,397.68	1,182.24	**171.32**	149.18	137.98
	1,617.25	1,614.07	1,307.34	**171.32**	160.38	182.66

NOTE 15: DEFERRED TAX LIABILITIES (NET)

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
The breakup of deferred tax liabilities arising on account of timing difference in:						
- Depreciation	**2,482.85**	2,446.81	2,313.65			
- Accrued expenses allowable on actual payments	**(790.17)**	(818.63)	(581.44)			
MAT credit entitlement	**-**	(458.86)	(810.31)			
	1,692.68	1,169.32	921.90	**-**	-	-

NOTE 16: OTHER LIABILITIES

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Revenue received in advance						
Advance received from customers				**449.43**	658.82	325.83
Deferred income				**291.04**	357.01	273.15
Statutory payables: (Goods and service tax, TDS etc)				**386.24**	596.52	570.95
	-	-	-	**1,126.71**	1,612.35	1,169.93

NOTE 17: TRADE PAYABLES

(Rupees in Lacs)

	Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total outstanding dues to Micro enterprises and Small enterprises *(Refer Note 33 J)*	**952.81**	601.47	155.32
Total outstanding dues of other creditors	**4,683.62**	3,661.26	3,638.02
	5,636.43	4,262.73	3,793.34

NOTE 18: CURRENT TAX LIABILITIES (NET)

(Rupees in Lacs)

	Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for income tax (net)	**651.25**	474.55	467.11
	651.25	474.55	467.11

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE 19: REVENUE FROM OPERATIONS

(Rupees in Lacs)

	2017-2018	2016-2017
Sale of products (including excise duty)	**51,392.06**	49,232.60
Less: Trade discount	**4,831.16**	5,195.64
	46,560.90	44,036.96
Business conducting fees/Licence fees and related income	**3,037.68**	2,527.52
Other operating revenues		
Erection & commissioning charges	**178.63**	105.13
Labour charges	**7.10**	71.24
Testing analysis charges	**12.21**	10.24
License fees	**7.50**	7.50
Insurance subsidy received	**2.17**	2.16
Excise duty refund / Budgetary support for Jammu	**303.34**	379.27
Scrap sales	**124.21**	119.01
Export duty drawback	**118.44**	87.50
Sundry balances written back	**21.43**	103.33
Royalty income	**12.89**	-
Others	**8.09**	20.81
	796.01	906.19
Revenue from operations	**50,394.59**	47,470.67

NOTE 20: OTHER INCOME

(Rupees in Lacs)

	2017-2018	2016-2017
Interest income	**650.76**	233.43
Dividend income on investments		
Other than trade investments	**0.39**	0.28
Net gain on sale of fixed assets	**2.62**	-
Net gain on foreign currency transactions and translation	**190.05**	19.34
Bad debts written off earlier now recovered	**28.40**	19.52
Insurance claim	**4.60**	7.44
Lease income	**10.33**	37.03
Miscellaneous receipts	**29.23**	27.41
	916.38	344.45

NOTE 21: COST OF MATERIALS CONSUMED

(Rupees in Lacs)

	2017-2018	2016-2017
Opening stock	**2,638.15**	2,822.54
Add: Purchases	**25,610.00**	21,380.00
	28,248.15	24,202.54
Less: Closing stock	**3,172.82**	2,638.15
	25,075.33	21,564.39

NOTE 22: PURCHASE OF STOCK IN TRADE

(Rupees in Lacs)

	2017-2018	2016-2017
Traded goods	**286.39**	221.21

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE 23: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(Rupees in Lacs)

	2017-2018	2016-2017
Closing Stock		
Traded goods	**38.61**	32.49
Work-in-progress	**1,179.54**	1,168.09
Finished goods	**1,990.49**	2,239.89
	3,208.64	3,440.47
Opening Stock		
Traded goods	**32.49**	34.16
Work-in-progress	**1,168.09**	868.20
Finished goods	**2,239.89**	1,893.99
	3,440.47	2,796.35
Net (increase)/decrease in opening and closing stock	**231.83**	(644.12)
Net movement in excise duty on finished goods	**(310.35)**	40.97
	(78.52)	(603.15)

NOTE 24: EMPLOYEE BENEFITS EXPENSE

(Rupees in Lacs)

	2017-2018	2016-2017
Salaries, wages, bonus and allowances	**5,086.40**	4,276.68
Contribution to provident, gratuity and other funds	**200.86**	191.61
Staff welfare expenses	**413.98**	420.53
	5,701.24	4,888.82
Employee benefits:		
(a) During the year the Company has recognised the following in the Statement of Profit and loss:		
(i) **Defined contribution plans:**		
Employer's contribution to provident fund*	**85.53**	76.37
Employer's contribution to superannuation fund*	**24.64**	26.70
*included in "Contribution to provident, gratuity and other funds"		
(ii) **Defined benefit plans:**	**Gratuity *partly funded / unfunded**	Gratuity *partly funded / unfunded
Current service cost	**109.76**	88.27
Past service cost	**-**	1.13
Interest cost	**119.06**	108.43
Expected return on plan assets	**(2.73)**	(2.68)
Actuarial (gain)/loss	**12.78**	386.79
(Gain)/loss on curtailments	**-**	(209.00)
Net cost	**238.87**	372.94

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

		2017-2018	2016-2017
(b)	**Reconciliation of benefit obligations and plan assets for the year:**		
	Present value of defined benefit obligation	**1,763.52**	1,583.18
	Fair value of plan assets	**(39.09)**	(36.31)
	Net asset/(liability) as at 31st March, 2018 recognised in the balance sheet	**1,724.43**	1,546.87
	Experience adjustments on plan liabilities-(gain)/loss	**56.64**	186.40
	Experience adjustments on plan assets-(loss)/gain	**0.05**	0.20
(c)	**Change in defined benefit obligation:**		
	Present value of obligation as at 1st April, 2017	**1,583.18**	1,353.66
	Current service cost	**109.76**	88.27
	Past service cost	**-**	1.13
	Interest cost	**119.06**	108.43
	(Gain)/loss on curtailments	**-**	(209.00)
	Actuarial (gain)/loss	**12.83**	386.99
	Benefits paid	**(61.30)**	(146.29)
	Present value of obligation as at 31st March, 2018	**1,763.53**	1,583.19
(d)	**Change in plan assets:**	**Gratuity *partly funded**	Gratuity *partly funded
	Opening fair value of plan assets on 1st April, 2017	**36.31**	33.44
	Expected return on plan assets	**2.73**	2.68
	Acturial Gain/(loss)	**0.05**	0.20
	Closing fair value of plan assets as on 31st March, 2018	**39.09**	36.32
(e)	**Reconciliation of expected return and actual return on plan assets:**		
	Expected return on plan assets	**2.73**	2.68
	Acturial gain/(loss)	**0.05**	0.20
	Actual return on plan assets	**2.78**	2.88
(f)	**Reconciliation of opening and closing net liability / (asset) recognized in the balance sheet:**		
		Gratuity *partly funded / unfunded	Gratuity *partly funded / unfunded
	Opening net liability as on 1st April, 2017	**1,546.87**	1,320.22
	Expenses as recognized in the Statement of Profit and loss	**238.86**	372.94
	Benefits paid	**(61.30)**	(146.29)
	Net liability/(asset)	**1,724.43**	1,546.87
	Sensitivity analysis:-		
	Projected benefit obligation on current assumptions	**1,763.52**	1,583.18
	Delta effect of +1% change in rate of discounting	**(114.29)**	(106.50)
	Delta effect of -1% change in rate of discounting	**131.06**	122.51
	Delta effect of +1% change in rate of salary increase	**131.55**	122.54
	Delta effect of -1% change in rate of salary increase	**(116.68)**	(108.40)
	Delta effect of +1% change in rate of employee turnover	**10.21**	7.09
	Delta effect of -1% change in rate of employee turnover	**(9.25)**	(6.52)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

		2017-2018	2016-2017
(g)	**Investments under plan assets as on 31st March, 2018:**		
	LIC group gratuity (cash accumulation) policy -100%		
(h)	**The principal actuarial assumptions:**		
	Discount rate	**7.52%**	7.52% p.a
	Salary escalation rate	**6.50%**	6.5% p.a
	Expected rate of return on plan assets	**7.52%**	7.52% p.a
	The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		
(i)	**Amount recognised in the current year and previous four years**		

Gratuity	**As at 31st march**				
	2,018	2,017	2016	2015	2014
Defined benefit obligation	**1,763.52**	1,583.18	1,353.66	1,105.61	980.38
Fair value of plan assets	**39.09**	36.31	33.44	30.96	28.40
(Surplus) / deficit in the plan	**1,724.43**	1,546.87	1,320.22	1,074.65	951.98
Actuarial (gain)/loss on plan obligation	**12.83**	386.99	368.76	130.79	32.11
Actuarial gain/(loss) on plan assets	**0.05**	0.20	0.01	0.09	(0.52)

NOTE 25: FINANCE COSTS

(Rupees in Lacs)

	2017-2018	2016-2017
Interest on financial liabilities carried at amortised cost	**181.43**	163.17
	181.43	163.17

NOTE 26: DEPRECIATION AND AMORTISATION EXPENSE

(Rupees in Lacs)

	2017-2018	2016-2017
Depreciation of property, plant and equipment *(Refer Note 2)*	**1,455.43**	1,346.50
Amortisation of intangible assets *(Refer Note 3)*	**39.78**	41.87
	1,495.21	1,388.37

NOTE 27: OTHER EXPENSES

(Rupees in Lacs)

	2017-2018	2016-2017
Stores and spares consumed	**315.48**	337.29
Packing materials consumed	**1,754.70**	1,506.47
Power and fuel	**397.71**	384.08
Job work charges	**1,712.77**	1,433.79
Drawings, designs and layout expenses	**34.13**	33.69
Rent	**179.78**	176.52
Repairs and Renewals:		
Buildings	**413.65**	387.49
Plant and machinery	**267.14**	229.19
Other assets	**119.85**	77.18
	800.64	693.86

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	2017-2018	2016-2017
Insurance	**75.31**	79.27
Rates and taxes	**117.67**	203.51
Printing and stationery	**74.60**	69.69
Travelling and conveyance	**570.63**	511.03
Communication expenses	**95.94**	119.88
Legal and professional charges	**688.51**	448.18
Auditors' remuneration:		
As auditors	**4.36**	4.04
For tax audit	**1.19**	1.10
For taxation matters	**1.19**	1.10
For other services	**3.94**	2.94
Reimbursement of expenses	**0.56**	2.25
	11.24	11.43
Cost auditors' remuneration:		
As auditors	**2.15**	2.16
Directors' fees	**4.50**	5.15
Loss on fixed assets sold / discarded (net)	**-**	7.30
Vehicle expenses	**51.47**	86.57
Donations and contributions	**7.92**	7.39
Business promotion	**276.24**	452.79
Service tax	**9.27**	22.02
Freight and forwarding (net)	**584.40**	576.65
Bad debts written off	**278.52**	203.11
Research and development expenses	**148.10**	147.66
Discount and commission	**12.90**	8.92
Guards and security	**145.35**	131.02
Unrecovered common area maintenance expenses	**(85.90)**	46.87
Bank charges	**73.26**	87.84
Miscellaneous expenses	**492.54**	617.68
	8,829.83	8,411.82

NOTE 28: INCOME TAXES (Rupees in Lacs)

	2017-2018	2016-2017
Reconciliation of tax expense and the accounting profit for the year:		
Current tax		
Profit before tax	**8,743.75**	7,385.94
Income tax expenses calculated @34.608%	**3,026.04**	2,556.12
Tax effect on non- deductible expenses	**76.38**	106.75
Additional deduction on research and development expense	**(198.71)**	(414.59)
Effect of income that is exempted from tax	**-**	-
Others	**(284.71)**	(415.28)
Adjustments in respect of current income tax of previous year	**-**	-
Tax expense as per Statement of Profit and loss	**2,619.00**	1,833.00
Deferred tax		
The breakup of deferred tax:		
- Depreciation	**36.05**	133.17
- Accrued expenses allowable on actual payments	**28.46**	(237.19)
Income tax on remeasurement of defined benefit plan	**4.42**	133.86
	68.93	29.84

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE- 29: FIRST TIME IND AS ADOPTION RECONCILIATION

The Company has transitioned the basis of accounting from Indian generally accepted accounting principles ("IGAAP") to Ind AS. The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the "transition date").

In preparing the opening Ind AS balance sheet, amounts reported in financial statements prepared in accordance with IGAAP have been adjusted. An explanation of how the transition from IGAAP to Ind AS has affected the financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables.

Reconciliation of equity as at 1st April, 2016 (Date of transition) (Rupees in Lacs)

Particulars	Previous regrouped GAAP	Effect of transition to Ind AS	Ind AS
ASSETS			
Non-current assets			
Property, plant and equipment	20,871.85	-	**20,871.85**
Capital work-in-progress	12.82	-	**12.82**
Other intangible assets	118.54	-	**118.54**
Financial assets			
Investments	140.90	(0.87)	**140.03**
Loans	50.78	-	**50.78**
Other financial assets	329.66	-	**329.66**
Income tax assets (net)	118.39	-	**118.39**
Other non-current assets	173.96	-	**173.96**
Current assets			
Inventories	6,384.56	-	**6,384.56**
Financial assets			
Trade receivables	8,138.29	-	**8,138.29**
Cash and cash equivalents	1,182.52	-	**1,182.52**
Other balances with banks	144.27	-	**144.27**
Other financial assets	205.51	-	**205.51**
Other current assets	1,100.84	-	**1,100.84**
Total assets	**38,972.89**	**(0.87)**	**38,972.02**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2,267.06	-	**2,267.06**
Other equity	22,887.32	213.90	**23,101.22**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	30.46	-	**30.46**
Other financial liabilities	1,569.23	(273.15)	**1,296.08**
Provisions	1,307.34	-	**1,307.34**
Deferred tax liabilities (net)	921.90	-	**921.90**
Current liabilities			
Financial liabilities			
Borrowings	2,554.64	-	**2,554.64**
Trade payables			
Due to micro and small enterprises	155.32	-	**155.32**
Due to others	3,638.02	-	**3,638.02**
Other financial liabilities	1,876.77	3.51	**1,880.28**
Other current liabilities	896.78	273.15	**1,169.93**
Provisions	400.94	(218.28)	**182.66**
Current tax liabilities (net)	467.11	-	**467.11**
Total equity and liabilities	**38,972.89**	**(0.87)**	**38,972.02**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Reconciliation of equity as at 31st March, 2017 (Rupees in Lacs)

Particulars	Previous regrouped GAAP	Effect of transition to Ind AS	Ind AS
ASSETS			
Non-current assets			
Property, plant and equipment	21,055.00	39.26	**21,094.26**
Capital work-in-progress	1.90	-	**1.90**
Other intangible assets	101.23	-	**101.23**
Financial assets			
Investments	257.60	0.37	**257.97**
Loans	50.98	-	**50.98**
Other financial assets	369.72	-	**369.72**
Income tax assets (net)	179.01	-	**179.01**
Other non-current assets	175.66	-	**175.66**
Current assets			
Inventories	6,753.75	-	**6,753.75**
Financial assets			
Trade receivables	7,374.15	-	**7,374.15**
Cash and cash equivalents	3,554.58	-	**3,554.58**
Other balances with banks	4,195.54	-	**4,195.54**
Other financial assets	152.35	-	**152.35**
Other current assets	1,053.82	-	**1,053.82**
Total assets	**45,275.29**	**39.63**	**45,314.92**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2,267.06	-	**2,267.06**
Other equity	28,010.97	181.40	**28,192.37**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	38.71	-	**38.71**
Other financial liabilities	1,836.45	(368.42)	**1,468.03**
Provisions	1,614.07	-	**1,614.07**
Deferred tax liabilities (net)	1,303.18	(133.86)	**1,169.32**
Current liabilities			
Financial liabilities			
Borrowings	1,930.97	-	**1,930.97**
Trade payables			
Due to micro and small enterprises	601.47	-	**601.47**
Due to others	3,661.26	-	**3,661.26**
Other financial liabilities	2,120.87	3.51	**2,124.38**
Other current liabilities	1,255.35	357.00	**1,612.35**
Provisions	160.38	-	**160.38**
Current tax liabilities (net)	474.55	-	**474.55**
Total equity and liabilities	**45,275.29**	**39.63**	**45,314.92**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Reconciliation of total comprehensive income for the year ended 31st March, 2017 (Rupees in Lacs)

Particulars	Previous regrouped GAAP	Effect of transition to Ind AS	Ind AS
INCOME			
Revenue from operations	48,588.88	(1,118.21)	**47,470.67**
Other income	282.65	61.80	**344.45**
Total income	**48,871.53**	**(1,056.41)**	**47,815.12**
EXPENSES			
Cost of materials consumed	21,564.39	-	**21,564.39**
Purchase of stock-in-trade	221.21	-	**221.21**
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(603.15)	-	**(603.15)**
Excise duty	4,394.55		**4,394.55**
Employee benefits expense	5,275.61	(386.79)	**4,888.82**
Finance costs	596.96	(433.79)	**163.17**
Depreciation and amortisation expense	1,388.37	-	**1,388.37**
Other expenses	9,047.08	(635.26)	**8,411.82**
Total expenses	**41,885.02**	**(1,455.84)**	**40,429.18**
Profit before tax	**6,986.51**	**399.43**	**7,385.94**
Tax expense			
Current tax	1,833.00	-	**1,833.00**
Deferred tax	29.84	-	**29.84**
	1,862.84	-	**1,862.84**
Profit after tax	5,123.67	399.43	**5,523.10**
Other comprehensive income			
Items that will not be reclassified to Statement of Profit and loss			
Remeasurement of defined benefit plan	-	(386.79)	**(386.79)**
Income tax on remeasurement of defined benefit plan	-	133.86	**133.86**
Total other comprehensive income	-	(252.93)	**(252.93)**
Total comprehensive income for the year	**5,123.67**	**146.50**	**5,270.17**

Footnotes:

Non-current investments:

Under previous GAAP, the Company accounted for current investments in quoted equity shares at cost less provision for other than temporary diminution in the value of investments. Under Ind-AS, the investments are required to be classified and measured subsequently at fair value through profit or loss. At the date of transition to Ind-AS, difference between the fair value and GAAP carrying amount of Rs. (0.87) Lacs has been recognised in the retained earnings. The impact of Rs. 1.24 Lakhs as at 31st March, 2017 has been recognised in the Statement of Profit and Loss.

Proposed dividend :

Under previous GAAP, proposed dividend including dividend distribution tax are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind-AS, dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting).

Accordingly, the liability of Rs. 181.36 Lakhs for the year ended on 31st March, 2016 recorded for proposed dividend has been derecognised against retained earnings on 1st April, 2016.

Revenue from sale of products:

In the financial statements prepared under previous GAAP, revenue from sale of products was presented net of excise duty. However, under Ind AS, revenue from sale of products includes excise duty. Excise duty expense amounting to Rs 4,394.55 lacs is presented separately on the face of the Statement of Profit and Loss for the year ended 31st March, 2017.

Under Ind AS, revenue is recognised at the fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as sales tax, value added tax and goods and service tax except excise duty. Discounts given include rebates and incentives given to customers which have been reclassified from other expenses under previous GAAP and netted from revenue under Ind AS.

The above changes do not affect equity as at date of transition to Ind AS, profit after tax for the year ended 31st March, 2017 and Equity as at 31st March, 2017

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Remeasurement Benefits of defined benefit plan :

Both under previous GAAP and Ind-AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to Statement of Profit and Loss. Under Ind-AS, re-measurements comprising of actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the effect of change in asset ceiling (if applicable) and the return on plan assets (excluding net interest) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI). Thus, the employee benefit cost is reduced by Rs. 386.79 Lakhs (Net of Tax of Rs. 252.93 Lakhs) for 2016-17 and re-measurement losses on defined benefit plans has been recognised in the Other Comprehensive Incomes (net of tax).

Other Ind AS adjustments (non current financial assets / liabilities and provisions) :

Under previous GAAP, the Company accounted for non-current financial assets / liabilities and provisions at undiscounted values. In contrast, the Ind AS requires that where the effect of time value of money is material, the amount of non current financial assets / liabilities and provisions should be the present value of expenditure / income expected to be required to settle the obligations / received upon maturity. This impact is recognised as an interest income or as other borrowing cost.

NOTE- 30: CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves, long term funds attributable to the Equity holders. The primary objective of the Company's capital management is to maximise shareholders value and keep the debt equity ratio within acceptable range. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

(Rupees in Lacs)

	31 March 2018	31 March 2017	1 April 2016
Non-current long term borrowings	**93.53**	38.71	30.46
Current maturity of long term debt	**77.21**	36.05	121.39
Gross debt	**170.74**	74.76	151.85
Less - Cash and cash equivalents	**1,927.78**	3,554.58	1,182.52
Less - Other bank deposits	**9,982.36**	4,147.14	105.98
Adjusted net debt	**(11,739.40)**	(7,626.96)	(1,136.65)
Total equity	**35,415.46**	30,459.43	25,368.28
Adjusted net debt to equity ratio	**(0.33)**	(0.25)	(0.04)

NOTE- 31: FINANCIAL RISK MANAGEMENT

The Compnay's activities expose it to various financial risks, including market risk, credit risk and liquidity risk. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company by setting appropriate limits and controls and monitoring such risks. The policies and processes are reviewed regualarly to reflect changes in market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations The Company is exposed to credit risks from its operating activities, primarily trade receivables, investments and loans. Credit risk is managed through credit approvals, establishing credit limits and monitoring the credit worthiness of the counterparty to which the Company grants credit limits in the normal course of business.

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet the financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both, normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

The Company has unutilised working capital limits from banks of Rs. 6,500 Lacs as on 31st March, 2018, Rs. 5,116.04 lacs as on 31st March, 2017 and Rs. 4,502.36 as on 1st April, 2016

The table below provides details regarding the contractual maturities of significant financial liabilities

(Rupees in Lacs)

	Less than 1 year	1-3 years	More than 3 years	Total
31st March, 2018				
Non current borrowings	-	93.53	-	93.53
Non current financial liabilities	217.30	518.09	831.66	1,567.05
Currrent borrowings	547.00	-	-	547.00
Trade payable	5,636.43	-	-	5,636.43
Current financial liabilities	2,199.31	-	-	2,199.31
31st March, 2017				
Non current borrowings	-	38.71	-	38.71
Non current financial liabilities	189.13	33.37	1,045.53	1,468.03
Currrent borrowings	1,930.97	-	-	1,930.97
Trade payable	4,262.73	-	-	4,262.73
Current financial liabilities	2,124.38	-	-	2,124.38
1st April, 2016				
Non current borrowings	-	30.46	-	30.46
Non current financial liabilities	382.61	121.41	792.06	1,296.08
Currrent borrowings	2,554.64	-	-	2,554.64
Trade payable	3,793.34	-	-	3,793.34
Current financial liabilities	1,880.28	-	-	1,880.28

Market risks

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes investments, trade payables, trade receivables and loans.

Interest rate risks

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. Since the Company has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is minimal.

Foreign currency risks

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company does enters into forward exchange contracts to hedge its foreign currency exposures.

The carrying amounts of the Company's foreign currency denominated monetary items are as follows:

(Rupees in Lacs)

	Liabilities			Assets		
Currency	**As at 31.03.2018**	As at 31.03.2017	As at 1.04.2016	**As at 31.03.2018**	As at 31.03.2017	As at 1.04.2016
US Dollars	**147.39**	88.32	255.76	-	-	-

The table below demonstrates the sensitivity to a 1% increase or decrease in the foreign currency against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

(Rupees in Lacs)

	Liabilities			Assets		
Change in rate	**Year 2017-18**	Year 2016-17	Year 2015-16	**Year 2017-18**	Year 2016-17	Year 2015-16
1%	**148.86**	89.21	258.32	-	-	-
-1%	**145.92**	87.44	253.20	-	-	-

Other price risks

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and bonds.

The company dose not have significant investments in quoted shares . Hence the 10% price sensitivity upward /downward will not have any material impact on the profitabilty of the company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE- 32: FAIR VALUES AND HIERARCHY

Financial instruments – fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below .

(Rupees in Lacs)

31 March 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets								
Investments	2.86	-	255.14	**258.00**	-	2.86	255.14	**258.00**
Current investments	207.72	-	-	**207.72**	-	207.72	-	**207.72**
Loans - (non current)	-	-	40.37	**40.37**	-	-	40.37	**40.37**
Others financial assets (non current)	-	-	336.82	**336.82**	-	-	336.82	**336.82**
Trade receivables	-	-	8,860.03	**8,860.03**	-	-	8,860.03	**8,860.03**
Cash and cash equivalents	-	-	1,927.78	**1,927.78**	-	-	1,927.78	**1,927.78**
Bank balances	-	-	10,041.32	**10,041.32**	-	-	10,041.32	**10,041.32**
Loans	-	-	1.00	**1.00**	-	-	1.00	**1.00**
Others financial assets (current)			195.47	**195.47**	-		195.47	**195.47**
	210.58	**-**	**21,657.93**	**21,868.51**	**-**	**210.58**	**21,657.93**	**21,868.51**
Financial liabilities								
Borrowings - (non current)	-	-	93.53	**93.53**	-	-	93.53	**93.53**
Other financial liabilities (non current)	-	-	1,567.05	**1,567.05**	-	-	1,567.05	**1,567.05**
Borrowings - (current)	-	-	547.00	**547.00**	-	-	547.00	**547.00**
Trade payables	-	-	5,636.43	**5,636.43**	-	-	5,636.43	**5,636.43**
Other financial liabilities (current)	-	-	2,199.31	**2,199.31**	-	-	2,199.31	**2,199.31**
	-	**-**	**10,043.32**	**10,043.32**	**-**	**-**	**10,043.32**	**10,043.32**

(Rupees in Lacs)

31 March 2017	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets								
Investments	2.83	-	255.14	**257.97**	-	2.83	255.14	**257.97**
Loans - (non current)	-	-	50.98	**50.98**	-	-	50.98	**50.98**
Others financial assets (non current)	-	-	369.72	**369.72**	-	-	369.72	**369.72**
Trade receivables	-	-	7,374.15	**7,374.15**	-	-	7,374.15	**7,374.15**
Cash and cash equivalents	-	-	3,554.58	**3,554.58**	-	-	3,554.58	**3,554.58**
Bank balances	-	-	4,195.54	**4,195.54**	-	-	4,195.54	**4,195.54**
Loans	-	-	-	**-**	-	-	-	**-**
Others financial assets (current)	-	-	152.35	**152.35**	-	-	152.35	**152.35**
	2.83	**-**	**15,952.46**	**15,955.29**	**-**	**2.83**	**15,952.46**	**15,955.29**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rupees in Lacs)

31 March 2017	Carrying amount				Fair value			
	FVTPL	**FVTOCI**	**Amortised Cost**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Financial liabilities								
Borrowings - (non current)	-	-	38.71	**38.71**	-	-	38.71	**38.71**
Other financial liabilities (non current)	-	-	1,468.03	**1,468.03**	-	-	1,468.03	**1,468.03**
Borrowings - (current)	-	-	1,930.97	**1,930.97**	-	-	1,930.97	**1,930.97**
Trade payables	-	-	4,262.73	**4,262.73**	-	-	4,262.73	**4,262.73**
Other financial Liabilities (current)	-	-	2,124.38	**2,124.38**	-	-	2,124.38	**2,124.38**
	-	**-**	**9,824.82**	**9,824.82**	**-**	**-**	**9,824.82**	**9,824.82**

(Rupees in Lacs)

1 April 2016	Carrying amount				Fair value			
	FVTPL	**FVTOCI**	**Amortised Cost**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Financial assets								
Investments	1.54	-	138.49	**140.03**	-	1.54	138.49	**140.03**
Loans - (non current)	-	-	50.78	**50.78**	-	-	50.78	**50.78**
Others financial assets (non current)	-	-	329.66	**329.66**	-	-	329.66	**329.66**
Trade receivables	-	-	8,138.29	**8,138.29**	-	-	8,138.29	**8,138.29**
Cash and cash equivalents	-	-	1,182.52	**1,182.52**	-	-	1,182.52	**1,182.52**
Bank balances	-	-	144.27	**144.27**	-	-	144.27	**144.27**
Others financial assets (current)	-	-	205.51	**205.51**	-	-	205.51	**205.51**
	1.54	**-**	**10,189.52**	**10,191.06**	**-**	**1.54**	**10,189.52**	**10,191.06**
Financial liabilities								
Borrowings - (non current)	-	-	30.46	**30.46**	-	-	30.46	**30.46**
Other financial Liabilities (non current)	-	-	1,296.08	**1,296.08**	-	-	1,296.08	**1,296.08**
Borrowings - (current)	-	-	2,554.64	**2,554.64**	-	-	2,554.64	**2,554.64**
Trade payables	-	-	3,793.34	**3,793.34**	-	-	3,793.34	**3,793.34**
Other financial liabilities (current)	-	-	1,880.29	**1,880.29**	-	-	1,880.29	**1,880.29**
	-	**-**	**9,554.81**	**9,554.82**	**-**	**-**	**9,554.81**	**9,554.82**

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used: Financial instruments measured at fair value

Type	Valuation technique
Forward contracts for foreign exchange contracts	Forward pricing : The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
Non current financial assets / liabilities measured at amortised cost	Discounted cash flow technique : The valuation model considers present value of expected payments discounted using an appropriate discounting rate.

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of thier fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE- 33: EXPLANATORY INFORMATION AND OTHER ADDITIONAL NOTES

(Rupees in Lacs)

		2017-2018	2016-2017
A.	**Contingent liabilities not provided for:**		
	Disputed matters in appeal / contested in respect of:		
	- Income tax	**24.26**	24.26
	- Excise duty/ service tax (Rs. 30.44 Lacs paid)	**599.51**	503.15
	- Sales tax (Rs. 25.63 Lacs paid)	**388.80**	72.38
	Bank guarantees	**468.41**	869.99
	It is not possible for the company to estimate the timing of cash flows, if any, in respect of above pending matters.		
B.	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**34.86**	20.79
C.	**Trade receivables include:**		
	Debts due from companies in which directors are interested		
	Grauer & Weil Engineering Private Limited	**5.59**	5.53
	Grauer & Weil (Shanghai) Limited	**9.81**	9.81
	Grauer & Weil (Thailand) Co. Limited	**42.15**	243.32
	Growel Projects LLP	**-**	0.21
	Growel Chemicals Limited	**206.22**	152.61
D.	**Loans and advances include:**		
a)	**Loans to a associate company**		
	Grauer & Weil (Thailand) Co. Limited - (including interest of Rs.7.74 Lacs)	**46.74**	54.00
b)	**Advances due from a subsidiary company - on account of expenses**		
	Grauer & Weil (UK) Limited	**1.43**	0.98
E.	**Disclosure pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013**		

	Loan to an associate company:			**Shares held by the Loanee Company**	
		Amount Outstanding	**Maximum Balance during the year**	**No. of Shares held at the year end**	**Maximum No. of Shares held during the year**
		(Rs. in 'Lacs)	(Rs. in 'Lacs)	(in 'Lacs)	(Rs. in 'Lacs)
	Grauer & Weil (Thailand) Co. Limited	**39.00**	**50.00**	**Nil**	**Nil**
		(50.00)	(50.00)	(Nil)	(Nil)

Notes:

1. The above loan advanced prior to 1st April, 2014 for the purpose of working capital carries an interest @ **8% p.a.** (P.Y. @ 8% p.a.)
2. *Refer Note 4* for investments.
3. Previous year figures are in brackets.

F. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated if realised in the ordinary course of the business.

G. The Company has taken various premises under operating leases. These are generally not non-cancellable, range between 11 months to 3 years and above, and are renewable by mutual consent on mutually agreeable terms. Lease payments are recognised in the Statement of Profit and Loss under the head "Rent".

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Minimum Lease payments:

(Rupees in Lacs)

Particulars	2017-2018	2016-2017
-Not later than one year	**24.02**	41.67
-Later than one year, but not later than five years	**36.40**	40.76
-More than five years	**190.38**	193.84

H. Research & Development activities during the year at its R&D Centre at Kandivli and at its Paint Division at Chembur:

(Rupees in Lacs)

Nos.	Particulars	2017-18	2016-2017
i)	Salaries, wages, bonus & allowances	**537.23**	489.19
ii)	Chemicals consumed	**109.21**	100.76
iii)	Travelling & conveyance	**35.32**	40.43
iv)	Repairs & maintenance	**8.38**	8.03
v)	Other expenses	**5.46**	0.98
	Total	**695.60**	639.39
	Less : Testing & analysis charges	**(12.21)**	(10.24)
	Total	**683.39**	629.15

Note:

Depreciation includes **Rs.102.75 Lacs** (P.Y. Rs. 74.47 Lacs**)** in respect of fixed assets used for research & development.

Capital expenditure on research & development during the year is **Rs. 150.91 Lacs** (P.Y. Rs. 284.40 Lacs).

The Company has received the approval of In-house Research & Development facility at R&D centre, Kandivli, Mumbai & B. D. Patil Marg, Chembur, Mumbai granted by Government of India, Ministry of Science & Technology, Department of Scientific & Industrial Research vide their Letter No. TU/IV-RD/113/2016 dated 14th September, 2016 for the period 1st April, 2016 to 31st March, 2020.

The research & development expenditure incurred during the year at other locations of the Company not included in above is as follows:

(Rupees in Lacs)

	2017-2018	2016-2017
Revenue expenditure	**45.43**	48.57
Capital expenditure	**7.38**	23.21

I. The Company enters into forward exchange contracts being derivative instruments, which are not intended for trading or speculative purposes, but for hedge purposes, to establish the amount of reporting currency required or available at the date of settlement.

(i) Outstanding position in respect of forward exchange contracts as at 31st March, 2018 is as follows:

Purpose	No. of Contracts	US Dollar (In'Lacs)	Euro (In'Lacs)	INR (In'Lacs)
Forward Contracts in respect of foreign currency payables	**6**	**2.27**	**-**	**147.38**
	(1)	(1.30)	(-)	(88.32)

(ii) Un-hedged foreign currency exposure is as under:

Particulars	JPY (in'Lacs)	USD (in'Lacs)	EURO (in'Lacs)	GBP (in'Lacs)	Total (INR) (in 'Lacs)
Receivable	**-**	**16.96**	**2.15**	**-**	**1269.06**
	(-)	(17.78)	(1.49)	(0.13)	(1261.86)
Payable	**-**	**3.80**	**0.03**	**0.07**	**18.42**
	(0.47)	(-)	(-)	(-)	(0.28)

Previous year figures are in brackets.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(iii) Unamortised amount of premium on forward cover is **Rs. 1.14 Lacs** (P. Y. Rs. 0.42 Lacs)

J. Micro, Small and Medium Enterprise Development Act, 2006

The information given below and that given in Note 17: Trade Payables regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

(Rupees in Lacs)

Nos.	Particulars	2017-2018	2016-2017
i)	Principal amount due to suppliers under MSMED	**952.81**	601.47
ii)	Interest accrued and due to suppliers under MSMED on above amount, unpaid	**2.04**	0.45
iii)	Payments made to suppliers (other than interest) beyond the appointed date during the year	**1,391.04**	637.32
iv)	Interest paid to suppliers under MSMED Act	**-**	-
v)	Interest due and payable towards suppliers under MSMED Act towards payments already made	**15.43**	7.99
vi)	Amount of cumulative interest accrued and unpaid as at the year-end	**52.48**	35.00

K. Details of contracts in progress as on 31st March, 2018

(Rupees in Lacs)

Particulars		2017-2018	2016-2017
a)	Contract receipt for work done	**1,109.91**	787.35
b)	Contract costs for work done	**811.52**	516.13
c)	Amount of retention	**90.92**	78.10
d)	Amount due from customers for contract billing	**309.09**	180.70
e)	Amount due to sub contractors for contract billing	**403.35**	442.80

L. Donations to a political party

(Rupees in Lacs)

	2017-2018	2016-2017
Bhartiya Janta Party	**1.00**	3.00

M. The Company has investment in Grauer & Weil (Thailand) Co. Limited (G&W Thailand) of **Rs. 83.83 lakh** (P.Y. Rs. 83.83 lakh). The networth of that company has been fully eroded. The management worked with the management of G&W Thailand to take some effective steps during the year including disposal of some of the assets owned by G&W Thailand, which resulted in improvement in its networth. G&W Thailand was also able to repay a part of the loan advanced by the Company. Based on the expected additional restructuring steps and projected future earning, the management is of the opinion that the diminution in value of investment is temporary and that no provision is required, upon which, the auditors being unable to make an informed judgement, have placed their reliance.

N. Corporate social responsibility

(Rupees in Lacs)

				2017-2018
Average net profit in the last three years				**5,745.26**
				(4601.04)
Gross amount to be spent by the Company during the year				**114.91**
				(92.02)
	Amount spent during the year on:	**In cash**	**Yet to be paid in cash**	**Total**
(i)	Construction/ acquisition of an asset	**-**	**-**	**-**
(ii)	On purposes other than (i) above	**10.35**	**-**	**10.35**
		(4.25)	-	(4.25)

Previous year figures are in brackets.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

O. Segment reporting

The following tables present revenue and profit/(loss) information regarding business/ geographical segments for the year ended 31st March, 2018 and certain assets and liabilities information regarding business and geographical segments as at 31st March, 2018

(a) Primary segment reporting by business segments

(Rupees in Lacs)

	Chemical	Engineering	Shoppertainment	Paints	Oils & lubes	Total
Segment revenue						
Income from operations	**33,858.96**	**3,391.58**	**3,023.89**	**9,103.21**	**1,003.25**	**50,380.89**
	(32,880.45)	(3,703.92)	(2,517.58)	(7,290.26)	(1,078.06)	(47,470.27)
Less : Inter segment revenue	-	-	-	-		-
	-	-	-	-		-
Add : Other income	**217.00**	**33.37**	**114.10**	**7.21**	**1.75**	**373.43**
	(111.29)	(4.87)	(71.96)	(23.87)	0.53	(211.46)
Add : Unallocable						**556.65**
						(133.39)
Total	**34,075.96**	**3,424.95**	**3,138.00**	**9,110.42**	**1,005.00**	**51,310.97**
	(32,991.74)	(3,708.79)	(2,589.53)	(7,314.13)	(1,077.53)	(47,815.12)
Segment results	**8,419.29**	**16.63**	**2,175.48**	**459.53**	**127.09**	**11,198.02**
	(7,266.94)	(293.38)	(1,407.30)	(502.70)	(184.24)	(9,654.56)
Less : Finance cost						**181.43**
						(163.17)
Less : Other unallocable expenditure net of unallocable income						**2,272.84** (2,105.45)
Profit before tax						**8,743.75**
						(7,385.94)
Less : Provision for current and deferred tax						**2,687.93**
						(1,862.84)
Profit after tax						**6,055.82**
						(5,523.10)
Segment assets	**13,732.99**	**2,300.90**	**10,529.07**	**10,349.98**	**479.20**	**37,392.14**
	(12,790.81)	(2,324.03)	(11,094.68)	(9,995.76)	(453.26)	(36,658.54)
Unallocated corporate assets						**13,325.85**
						(8,656.38)
Total assets						**50,717.99**
						(45,314.92)
Segment liabilities	**5,205.74**	**1,504.15**	**2,081.53**	**2,219.30**	**99.58**	**11,110.30**
	(4,283.40)	(1,728.30)	(2,103.66)	(1,948.19)	(70.93)	(10,134.48)
Unallocated corporate liabilities						**39,607.69**
						(35,180.44)
Total liabilities						**50,717.99**
						(45,314.92)
Capital expenditure	**375.03**	**59.12**	**104.39**	**162.65**	**13.01**	
	(279.35)	(4.84)	(74.00)	(833.51)	(14.86)	
Depreciation	**551.69**	**33.92**	**658.33**	**183.01**	**2.60**	
	(546.97)	(36.17)	(649.37)	(87.58)	(3.23)	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(b) Secondary segment reporting by geographical segment

(Rupees in Lacs)

	Domestic	Foreign	Total
Revenue	**46,710.88**	**4,600.09**	**51,310.97**
	(43,044.73)	(4,770.39)	(47,815.12)
Total assets	**49,970.97**	**747.02**	**50,717.99**
	(43,805.34)	(1,509.58)	(45,314.92)

Note : Previous year's figures are in brackets

P. (i) List of related parties

Subsidiaries

Grauer & Weil (Shanghai) Limited
Grauer & Weil (UK) Limited
Growel Chemicals Limited

Associates

Grauer & Weil Engineering Private limited (erstwhile Growel Goema (I) Private Limited)
Growel Sidasa Industries Private Limited
Grauer & Weil (Thailand) Co. Limited
Poona Bottling Company Private Limited (upto 02.09.2016)

Key Management Personnel, their relatives and enterprises where significant influence exists, with whom the Company had transactions

Key Management Personnel

Mr. Umeshkumar More	Chairman
Mr. Nirajkumar More	Managing Director
Mr. Rohitkumar More	Whole Time Director
Mr. Vinod Haritwal	CEO & Whole Time Director
Late Mr. M M Chaturvedi (Up to 10/11/2017)	Independent Director
Mr. K C Srivastava (upto 01-07-2016)	Independent Director
Mr. Suresh Pareek	Independent Director
Ms. Pallavi More (From 30/05/2017 to 07/02/2018)	Whole Time Director
Mr. Yogesh Samat (From 30/05/2017)	Independent Director
Mr. Tarun Kumar Govil	Independent Director
Mrs. Aarti Shah	Independent Director
Mr. Jagdish Kadam	Chief Financial Officer
Mr. Chintan K Gandhi	Company Secretary

Enterprises of Key Management Personnel

Bubna More and Company LLP
Digikore Design Private Limited
Digikore Studios Private Limited
Growel Corporate Management Limited
Growel Projects LLP
Growel Softech Private Limited
Poona Bottling Company Private Limited (Up to 02.09.2016)
Radhakishan Nandlal LLP
Ridhi Sidhi Limited
Waluj Beverages LLP

Relatives of Key Management Personnel

Mr. Rameshkumar More	Father of Mr. Rohitkumar More
Mrs. Premlata More	Wife of Mr. Umeshkumar More
Mrs. Pallavi More	Wife of Mr. Nirajkumar More
Mrs. Manisha Dujodwala	Daughter of Mr. Umeshkumar More
Mrs. Shivani Rajgarhia	Daughter of Mr. Umeshkumar More
Mrs. Dinal Gandhi	Wife of Mr. Chintan K Gandhi
Mr. Aman More	Son of Mr. Nirajkumar More
Mr. Yash More	Son of Mr. Nirajkumar More
Nirajkumar More (HUF)	Mr. Nirajkumar More (Karta)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Related party transactions (excluding reimbursements) (Rupees in Lacs)

Particulars	Subsidiary		Associates		Enterprise of KMP		KMP		Relatives of KMP		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Directors fees												
Mr.Yogesh Samat		-	-	-	-	-	0.50	-	-	-	0.50	-
Mr. Suresh Pareek		-	-	-	-	-	0.95	1.60	-	-	0.95	1.60
Mr. M M Chaturvedi		-	-	-	-	-	-	1.20	-	-	-	1.20
Mr. Tarun Kumar Govil		-	-	-	-	-	2.05	1.60	-	-	2.05	1.60
Mrs. Aarti Shah		-	-	-	-	-	1.00	0.75	-	-	1.00	0.75
Commission to Directors		-	-	-	-	-	-	-	-	-		
Mr. K C Srivastava		-	-	-	-	-	-	1.83	-	-	-	1.83
Mr Yogesh Samat		-	-	-	-	-	2.93	-	-	-	2.93	-
Mr. Suresh Pareek		-	-	-	-	-	4.40	4.40	-	-	4.40	4.40
Mr. M M Chaturvedi		-	-	-	-	-	3.30	4.40	-	-	3.30	4.40
Mr. Tarun Kumar Govil		-	-	-	-	-	4.40	4.40	-	-	4.40	4.40
Mrs. Aarti Shah		-	-	-	-	-	3.00	3.00	-	-	3.00	3.00
Interest received												
Grauer & Weil (Thailand) Co. Limited		-	3.80	4.00	-	-	-	-	-	-	3.80	4.00
Repayment of loan accepted												
Radhakishan Nandlal LLP		-	-	-	-	10.00	-	-	-	-	-	10.00
Interest paid												
Bubna More and Company LLP		-	-	-	1.08	1.15	-	-	-	-	1.08	1.15
Radhakishan Nandlal LLP		-	-	-	0.32	0.54	-	-	-	-	0.32	0.54
Mr. Nirajkumar More		-	-	-	-	-	10.11	10.81	-	-	10.11	10.81
Poona Bottling Company Private Limited		-	-	12.62	47.31	37.98	-	-	-	-	47.31	50.60
Purchases												
Grauer & Weil (Thailand) Co. Limited		-	0.36	-	-	-	-	-	-	-	0.36	-
Grauer & Weil (Shanghai) Limited		41.62	-	-	-	-	-	-	-	-	-	41.62
Rent paid												
Poona Bottling Company Private Limited		-	-	3.01	6.54	4.23	-	-	-	-	6.54	7.24
Ridhi Sidhi Limited		-	-	-	7.20	7.20	-	-	-	-	7.20	7.20
Mr. Nirajkumar More		-	-	-	-	-	25.45	14.70	-	-	25.45	14.70
Mr. Umeshkumar More		-	-	-	-	-	0.90	0.90	-	-	0.90	0.90
Mrs. Pallavi More		-	-	-	-	-	6.00	-	3.00	9.00	9.00	9.00
Mrs. Premlata More		-	-	-	-	-	-	-	12.00	5.00	12.00	5.00
Rent/ hire charges received												
Ridhi Sidhi Limited		-	-	-	1.02	1.17	-	-	-	-	1.02	1.17
Bubna More and Company LLP*	-	-	-	-	0.15	0.00	-	-	-	-	0.15	0.00
Radhakishan Nandlal LLP*		-	-	-	0.15	0.00	-	-	-	-	0.15	0.00
Poona Bottling Company Private Limited		-	-	16.88	9.00	23.81	-	-	-	-	9.00	40.68
Sales												
Grauer & Weil (Shanghai) Limited		-	-	-	-	-	-	-	-	-	-	-
Grauer & Weil (Thailand) Co. Limited		-	41.66	85.69	-	-	-	-	-	-	41.66	85.69
Growel Chemicals Limited	276.49	247.87	-	-	-	-	-	-	-	-	276.49	247.87
Services paid												
Growel Projects LLP		-	-	-	45.30	44.70	-	-	-	-	45.30	44.70
Growel Softech Private Limited		-	-	-	0.10	0.86	-	-	-	-	0.10	0.86
Dividend paid												
Dividend Paid		-	-	33.74	354.74	37.45	169.48	37.76	104.32	17.60	628.54	126.55
Managerial remuneration#												
Mr. Umeshkumar More		-	-	-	-	-	110.34	80.98	-	-	110.34	80.98
Mr. Nirajkumar More		-	-	-	-	-	159.93	130.57	-	-	159.93	130.57
Mr. Rohitkumar More	-	-	-	-	-	-	53.56	33.22	-	-	53.56	33.22
Mr. Vinod Haritwal	-	-	-	-	-	-	198.79	138.59	-	-	198.79	138.59
Mrs. Pallavi More		-	-	-	-	-	63.45	-	-	-	63.45	-
Salary												
Mrs. Pallavi More	-	-	-	-	-	-	-	-	27.73	68.08	27.73	68.08
Mr. Jagdish Kadam	-	-	-	-	-	-	40.35	30.56	-	-	40.35	30.56
Mr. Chintan K Gandhi	-	-	-	-	-	-	15.65	12.06	-	-	15.65	12.06

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rupees in Lacs)

Particulars	Subsidiary		Associates		Enterprise of KMP		KMP		Relatives of KMP		Total	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
Share investments												
Growel Chemicals Limited		116.70	**-**	-	**-**	-	**-**	-	**-**	-	**-**	116.70
Professional fees paid												
Mrs. Dinal Gandhi		-	**-**	-	**-**	-	**-**	-	**3.71**	3.60	**3.71**	3.60
Growel Corporate Management Limited		-	**-**	-	**2.25**	1.00	**-**	-	**-**	-	**2.25**	1.00
Mr. Tarun Kumar Govil		-	**-**	-	**-**	-	**1.01**	-	**-**	-	**1.01**	-
Outstanding loans given												
Grauer & Weil (Thailand) Co. Limited**		-	**46.74**	54.00	**-**	-	**-**	-	**-**	-	**46.74**	54.00
Repayment of loan given												
Grauer & Weil (Thailand) Co. Limited**		-	**32.20**	-	**-**	-	**-**	-	**-**	-	**32.20**	-
Advances receivable												
Grauer & Weil (UK) Limited	**1.43**	0.98	**-**	-	**-**	-	**-**	-	**-**	-	**1.43**	0.98
Creditors												
Growel Projects LLP		-	**2.62**	-	**-**	-	**-**	-	**-**	-	**2.62**	-
Ridhi Sidhi Limited		-	**-**	-	**0.86**	-	**-**	-	**-**	-	**0.86**	-
Mr. Nirajkumar More		-	**-**	-	**-**	-	**0.38**	-	**-**	-	**0.38**	-
Mr. Umeshkumar More		-	**-**	-	**-**	-	**0.52**	-	**-**	-	**0.52**	-
Debtors												
Grauer & Weil (Shanghai) Limited	**9.81**	9.81	**-**	-	**-**	-	**-**	-	**-**	-	**9.81**	9.81
Grauer & Weil Engineering Private limited		-	**5.59**	5.53	**-**	-	**-**	-	**-**	-	**5.59**	5.53
Grauer & Weil (Thailand) Co. Limited		-	**42.15**	243.32	**-**	-	**-**	-	**-**	-	**42.15**	243.32
Growel Projects LLP		-	**-**	-	**-**	0.21	**-**	-	**-**	-	**-**	0.21
Growel Chemicals Limited	**206.22**	152.61	**-**	-	**-**	-	**-**	-	**-**	-	**206.22**	152.61
Unsecured loan												
Poona Bottling Company Private Limited		-	**-**	-	**440.00**	440.00	**-**	-	**-**	-	**440.00**	440.00
Bubna More and Company LLP		-	**-**	-	**10.00**	10.00	**-**	-	**-**	-	**10.00**	10.00
Radhakishan Nandlal LLP	**-**	-	**-**	-	**3.00**	3.00	**-**	-	**-**	-	**3.00**	3.00
Mr. Nirajkumar More	**-**	-	**-**	-	**-**	-	**94.00**	94.00	**-**	-	**94.00**	94.00

Note:

1. The detailed disclosure of the investments in subsidiaries / associates is given in *Note No. 4* forming part of the Balance Sheet.
2. The Company has during the year written off bad debts/advances amounting to **Rs. 164.56 Lacs** (P.Y. Rs. 76.38 Lacs), comprising of Grauer & Weil (Thailand) Co. Limited
3. ** includes interest of **Rs. 3.79 Lacs** (P.Y. Rs 4.00 Lacs)
4. #Managerial remuneration does not include provision for gratuity and leave encashment, which is determined for the Company as a whole.

Q. Earnings per share

		31.03.2018	31.03.2017
Profit for the year	(Rupees in Lacs)	**6,055.82**	5,523.10
Weighted average number of Equity shares	(Nos. in Lacs)	**2,267.06**	2,267.06
(Face value Re. 1 per share)			
Basic earnings per share	(Rupees)	**2.67**	2.44
Diluted earnings per share	(Rupees)	**2.67**	2.44

R. The Board of Directors has recommended a final dividend of 60 paise on a Re. 1/- face value subject to approval from the shareholders. On approval, the total dividend payment is expected to be Rs. 1,360.24 lacs and the payment of dividend distribution tax is expected to be Rs. 276.94 lacs.

S. Previous years figures have been regrouped and reclassified wherever required.

As per our report of even date attached

For SCA & ASSOCIATES
Chartered Accountants
(Firm Reg. No. 101174W)

KIRON MALLAPUR
Partner
Membership No. 036336

Mumbai, 30th May 2018

For and on behalf of the Board of Directors

UMESHKUMAR MORE
Chairman
DIN: 00112662

NIRAJKUMAR MORE
Managing Director
DIN: 00113191

VINOD HARITWAL
CEO & Director
DIN: 00112862

JAGDISH KADAM
Chief Financial Officer
Membership No. 41955

CHINTAN K. GANDHI
Company Secretary
Membership No. 21369

CSR

World Environment Day | Celebration of World Environment Day at Barotiwala Plant

World Environment Day | World Environment Day celebrated at Dadra Plant

Donate Blood, Give Life | Blood Donation Camp held at Dadra, Donated 46 Bottles to Red Cross Society

Swachh Bharat Abhiyan | Swachh Bharat Abhiyan, initiative taken by Barotiwala Plant

Note Books Distribution | Note Books distributed to underprivileged student

Eye Check-up Camp | Free Eye Check-up Camp held for public at Dadra Plant

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GRAUER & WEIL (INDIA) LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of **GRAUER & WEIL (INDIA) LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its associates, comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of Significant Accounting Policies and Other Explanatory Information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 (hereinafter referred to as "the Act") with respect to the preparation of these Consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates, in accordance with accounting principles generally accepted in India, including the Accounting Standards, specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material mis-statements, 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. 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 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 Company's preparation and presentation 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 Company's 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 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 Consolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements of a subsidiary, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2018, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

(a) We have relied on the audited financial statements of a subsidiary, whose, financial statements reflect total assets of Rs 332.36 Lacs as at 31st December, 2017, total revenues of Rs. 384.29 Lacs, total net loss after tax of Rs 6.47 lacs and total comprehensive loss of Rs Nil for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The consolidated financial statements also include the Groups' share of Rs Nil for the year ended 31st December 2017 in respect of an associate. These financial statements have been audited by other auditor whose report has been furnished to us by the management. Our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary and associate is solely based on the report of the other auditor. The aforesaid subsidiary is incorporated outside India and the auditor of the said company is not required to report in terms of sub-sections (3) and (11) of Section 143 of the Act, and consequently we have not reported upon the same in terms of sub-sections (3) and (11) of Section 143 of the Act.

(b) We did not audit the financial statements of certain subsidiaries incorporated outside India, whose financial statements reflect total assets of Rs. 7.38 lacs as at 31st December, 2017, total revenues of Rs. 427.45 lacs, total net profit after tax of Rs 370.96 lacs and total other comprehensive income of Rs Nil for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include the Group's share of net profit of Rs. Nil for the year ended 31st March, 2018 in respect of an associate. These financial statements are unaudited and have been certified 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 the aforesaid subsidiaries and associate and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associate, is based solely on such unaudited financial statements.

(c) The comparative financial information of the Group for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these Consolidated Ind AS Financial Statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2017 and 31st March 2016 dated 30th May, 2017 and 30th May, 2016 respectively expressed an unmodified opinion on those Consolidated Ind AS Financial Statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, have been audited by us.

(d) 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 report of the other auditor and the financial statements certified by the Management.

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 the 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 report of the other auditor.

   c) The consolidated balance sheet, the consolidated statement of profit and loss, including the statement of other comprehensive income, the consolidated cash flow statement and consolidated statement of changes in equity dealt with by this report are in agreement with the relevant books of account, maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.

   d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

   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 report of other auditors, in respect of entities audited by them, for all the entities incorporated in India, none of the directors of the Holding Company and associate incorporated in India, is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial control over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure 'A'; and

   g) With respect to 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 Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 32(F) 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 Holding Company. There were no amounts which were required to be transferred to Investor Education and Protection Fund by the associate companies incorporated in India.

For SCA AND ASSOCIATES
Chartered Accountants
(Firm's Registration No.101174W)

(KIRON MALLAPUR)
Partner
Membership No. 036336

Place: Mumbai
Date: 30th May 2018

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF GRAUER & WEIL (INDIA) LIMITED

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

In conjunction with our audit of the Consolidated Ind AS Financial Statement of the Company as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of GRAUER & WEIL (INDIA) LIMITED (hereinafter referred to as "the Holding Company") and its associate company which is a company 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 associate 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 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.

Auditor's 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") issued by ICAI 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 issued by ICAI applicable to an audit of Internal Financial Controls.. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the holding Company and its associate company, which are companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI as it appears from our examination of the books and records of the holding Company and representation received from the management for entity un-audited.

Other matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control over financial reporting, in so far as it relates to un-audited associate company is based on representation received from the management. Our opinion is not qualified in respect of this matter.

For SCA AND ASSOCIATES
Chartered Accountants
(Firm's Registration No.101174W)

(KIRON MALLAPUR)
Partner
Membership No. 036336

Place: Mumbai
Date: 30th May 2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

(Rupees in Lacs)

	Note	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	2	**20,558.52**	21,103.06	20,873.17
Capital work-in-progress		**0.07**	1.90	12.82
Other intangible assets	3	**70.09**	101.23	118.54
Financial assets				
Investments	4	**93.28**	100.56	125.09
Loans	5	**40.37**	50.98	50.78
Other financial assets	6	**341.29**	369.72	329.66
Income tax assets (net)	7	**207.91**	179.01	118.39
Other non-current assets	8	**175.03**	187.75	173.96
		21,486.56	22,094.21	21,802.41
Current assets				
Inventories	9	**6,922.09**	6,866.37	6,431.87
Financial assets				
Investments	4	**207.72**	-	-
Trade receivables	10	**8,828.72**	7,423.78	7,904.39
Cash and cash equivalents	11A	**1,954.15**	3,589.26	1,325.85
Other balances with banks	11B	**10,041.32**	4,195.54	144.27
Loans	5	**1.00**	-	-
Other financial assets	6	**195.47**	152.35	205.51
Other current assets	8	**1,027.54**	1,059.87	1,101.70
		29,178.01	23,287.17	17,113.59
Total assets		**50,664.57**	45,381.38	38,916.00
EQUITY AND LIABILITIES				
Equity				
Equity share capital	SOCE	**2,267.06**	2,267.06	2,267.06
Other equity	SOCE	**33,082.58**	27,765.04	23,012.51
		35,349.64	30,032.10	25,279.57
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	12	**93.53**	38.71	30.46
Other financial liabilities	13	**1,567.05**	1,468.03	1,296.08
Provisions	14	**1,617.25**	1,614.07	1,307.34
Deferred tax liabilities (net)	15	**1,692.68**	1,169.32	921.90
		4,970.51	4,290.13	3,555.78
Current liabilities				
Financial liabilities				
Borrowings	12	**547.00**	1,930.97	2,560.40
Trade payables				
Due to micro and small enterprises	17	**952.81**	601.47	155.32
Due to others	17	**4,696.02**	4,153.60	3,664.95
Other financial liabilities	13	**2,199.31**	2,125.83	1,880.28
Other current liabilities	16	**1,126.71**	1,612.35	1,169.93
Provisions	14	**171.32**	160.38	182.66
Current tax liabilities (net)	18	**651.25**	474.55	467.11
		10,344.42	11,059.15	10,080.65
		15,314.93	15,349.28	13,636.43
Total equity and liabilities		**50,664.57**	45,381.38	38,916.00
Significant accounting policies and key accounting estimates and judgements	1			
Explanatory information and other additional notes	2-32			

As per our report of even date attached

For SCA & ASSOCIATES
Chartered Accountants
(Firm Reg. No. 101174W)

KIRON MALLAPUR
Partner
Membership No. 036336

Mumbai, 30th May 2018

For and on behalf of the Board of Directors

UMESHKUMAR MORE
Chairman
DIN: 00112662

NIRAJKUMAR MORE
Managing Director
DIN: 00113191

VINOD HARITWAL
CEO & Director
DIN: 00112862

JAGDISH KADAM
Chief Financial Officer
Membership No. 41955

CHINTAN K. GANDHI
Company Secretary
Membership No. 21369

GROWEL SINCE 1957

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

(Rupees in Lacs)

	Note	2017-2018	2016-2017
INCOME			
Revenue from operations	19	**50,924.89**	47,548.68
Other income	20	**928.67**	368.73
Total income		**51,853.56**	47,917.41
EXPENSES			
Cost of materials consumed	21	**25,088.18**	21,564.38
Purchase of stock-in-trade	22	**288.07**	282.25
Changes in inventories of finished goods, stock-in-trade and work-in-progress	23	**(58.83)**	(628.92)
Excise duty		**1,076.31**	4,394.55
Employee benefits expense	24	**5,781.33**	4,943.88
Finance costs	25	**181.49**	165.28
Depreciation and amortisation	26	**1,497.57**	1,388.55
Other expenses	27	**8,933.89**	8,524.75
Total expenses		**42,788.01**	40,634.72
Profit before tax		**9,065.55**	7,282.69
Tax expense			
Current tax		**2,619.00**	1,833.00
Deferred tax		**68.93**	29.84
		2,687.93	1,862.84
Profit after tax		**6,377.62**	5,419.85
Other comprehensive income			
Items that will not be reclassified to Statement of Profit and Loss			
Remeasurement of defined benefit plan		**(12.78)**	(386.79)
Income tax on remeasurement of defined benefit plan		**4.42**	133.86
		(8.36)	(252.93)
Total comprehensive income for the year		**6,369.26**	5,166.92
Earnings per equity share (in rupees)			
Basic		**2.81**	2.39
Diluted		**2.81**	2.39
Significant accounting policies and key accounting estimates and judgements	1		
Explanatory information and other additional notes	2-32		

As per our report of even date attached
For SCA & ASSOCIATES
Chartered Accountants
(Firm Reg. No. 101174W)

KIRON MALLAPUR
Partner
Membership No. 036336

Mumbai, 30th May 2018

For and on behalf of the Board of Directors

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JAGDISH KADAM
Chief Financial Officer
Membership No. 41955

CHINTAN K. GANDHI
Company Secretary
Membership No. 21369

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

(Rupees in Lacs)

	2017-2018	2016-2017
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**9,065.55**	7,282.69
Adjustment for :		
Depreciation	**1,497.57**	1,388.55
Bad debts written off	**332.77**	203.11
Finance costs	**181.48**	165.28
Loss/(gain) on fixed assets sold/discarded (net)	**(2.62)**	7.30
Unrealised exchange loss	**47.02**	(186.39)
Net loss/(gain) arising on fair value change	**(16.87)**	(388.04)
Interest income	**(650.81)**	(233.42)
Dividend income	**(0.39)**	(0.28)
Operating profit before working capital changes	**10,453.71**	8,238.78
Adjustments for changes in working capital		
Trade receivables	**(1,737.72)**	241.38
Inventories	**(55.70)**	(434.53)
Long term loans and advances	**6.20**	(36.86)
Short term loans and advances	**32.31**	41.85
Other current assets	**(38.93)**	44.68
Trade payables	**893.73**	947.73
Other non current liabilities	**43.50**	267.22
Other current liabilities	**(399.06)**	681.96
Long term provisions	**3.18**	306.74
Short term provisions	**10.94**	(22.28)
Cash generated from operations	**9,212.16**	10,276.67
Less: Direct taxes paid	**(2,012.35)**	(1,534.73)
Net cash flow from operating activities	**7,199.81**	8,741.94
CASH FLOW FROM INVESTING ACTIVITIES		
Payment towards capital expenditure	**-**	(0.50)
Payment towards purchase of fixed assets	**(943.49)**	(1,591.77)
Proceeds from sale of fixed assets	**26.06**	33.50
Deposits/Balance with Banks with maturity more than 3 motnhs	**(5,810.84)**	(4,067.76)
Interest and dividend income	**552.85**	181.68
Net cash flow from investing activities	**(6,175.42)**	(5,444.85)

(Rupees in Lacs)

	2017-2018	2016-2017
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of fixed deposits	**-**	(42.70)
Net proceeds/(repayment) of hire purchase credits	**95.99**	(34.40)
Repayment of working capital facilities	**(1,383.97)**	(613.67)
Loan to related parties	**9.60**	(0.20)
Net proceeds / (repayment) of loan from related parties	**-**	(15.76)
Interest paid	**(97.72)**	(118.77)
Dividend and corporate dividend tax	**(1,080.87)**	(208.18)
Net cash flow from financing activities	**(2,456.97)**	(1,033.68)
Net increase / (decrease) in cash and cash equivalents	**(1,432.58)**	2,263.41
Cash and cash equivalents as at the beginning of the period	**3,589.26**	1,325.85
Cash and cash equivalents *(Refer Note 11A)*	**3,589.26**	1,325.85
Current investments *(Refer Note 4)*	**-**	-
Cash and cash equivalents as at the end of the period	**2,156.67**	3,589.26
Cash and cash equivalents *(Refer Note 11A)*	**1,954.15**	3,589.26
Current investments *(Refer Note 4)*	**202.52**	-
	2,156.68	3,589.26

Note:

1. The above Cash Flow Statement has been prepared under the Indirect Method.
2. Reconciliation of liabilities arising from financiang activities:

	31st March 2018	31st March 2017
Opening balance	**2,005.73**	2,712.25
Cash inflow/(outflow) of non current borrowings	**54.82**	8.24
Cash inflow/(outflow) of current borrowings	**(1,342.81)**	(714.77)
Closing balance	**717.74**	2,005.73

As per our report of even date attached
For SCA & ASSOCIATES
Chartered Accountants
(Firm Reg. No. 101174W)

KIRON MALLAPUR
Partner
Membership No. 036336

Mumbai, 30th May 2018

For and on behalf of the Board of Directors

UMESHKUMAR MORE
Chairman
DIN: 00112662

NIRAJKUMAR MORE
Managing Director
DIN: 00113191

VINOD HARITWAL
CEO & Director
DIN: 00112862

JAGDISH KADAM
Chief Financial Officer
Membership No. 41955

CHINTAN K. GANDHI
Company Secretary
Membership No. 21369

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

EQUITY SHARE CAPITAL	As at 31 March 2018		As at 31 March 2017		As at 01 April 2016	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Authorised share capital	**50,00,00,000**	**5,000.00**	50,00,00,000	5,000.00	50,00,00,000	5,000.00
Issued share capital	**22,67,05,750**	**2,267.06**	22,67,05,750	2,267.06	22,67,05,750	2,267.06
Subscribed share capital	**22,67,05,750**	**2,267.06**	22,67,05,750	2,267.06	22,67,05,750	2,267.06
Fully paid-up share capital	**22,67,05,750**	**2,267.06**	22,67,05,750	2,267.06	22,67,05,750	2,267.06
Balance at the beginning of the year	**22,67,05,750**	**2,267.06**	22,67,05,750	2,267.06	22,67,05,750	2,267.06
Changes in equity share capital during the year:						
Issued during the year	**-**	**-**	-	-	-	-
Balance at the end of the reporting year	**22,67,05,750**	**2,267.06**	22,67,05,750	2,267.06	22,67,05,750	2,267.06

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The Company has one class of equity shares having a par value of Re. 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Shares in the Company held by each shareholder holding more than five per cent shares	As at 31 March 2018		As at 31 March 2017		As at 01 April 2016	
	No.	%	No.	%	No.	%
Mr. Umeshkumar More	**2,28,05,999**	**10.06%**	2,28,05,999	10.06%	2,28,05,999	10.06%
Mr. Nirajkumar More	**1,78,52,106**	**7.87%**	1,78,52,106	7.87%	2,26,87,726	10.01%
Mrs. Premlata More	**1,27,24,455**	**5.61%**	1,27,24,455	5.61%	1,27,24,455	5.61%
M/s. Growel Projects Limited	**1,25,58,000**	**5.54%**	1,25,58,000	5.54%	1,25,58,000	5.54%
M/s. Poona Bottling Company Private Limited	**4,25,00,050**	**18.75%**	4,25,00,050	18.75%	4,21,75,000	18.60%
M/s. Ridhi Sidhi Limited	**3,23,59,000**	**14.27%**	3,23,59,000	14.27%	3,23,59,000	14.27%

(Rupees in Lacs)

OTHER EQUITY	Reserves and Surplus				Other Comprehensive Income (OCI)	TOTAL
	General Reserve	Capital Reserve	Foreign Currency Translation Reserve	Retained Earnings	Remeasurements of Defined Benefit Plans	
Balance at the beginning of the comparative reporting year	22,546.18	91.38	(101.53)	611.26		**23,147.29**
Share of accumulated profit/(loss) in respect of investment in associates	33.09					**33.09**
Ind AS adjustments for 1st April, 2016				(4.38)		**(4.38)**
Revaluation reserve	(39.26)					**(39.26)**
Adjustment in carrying value	(124.23)					**(124.23)**
Balance at the beginning of the comparative reporting Year - 1st April, 2016	22,415.78	91.38	(101.53)	606.88	-	**23,012.51**
Profit for the comparative year ending 31st March 2017				5,419.85		**5,419.85**
Share of accumulated profit/(loss) in respect of investment in associates	7.31					**7.31**
Revaluation reserve	39.26					**39.26**
Foreign currency translation reserve			(242.68)			**(242.68)**
Other comprehensive income for the comparative year ending 31st March, 2017					(252.93)	**(252.93)**
Total comprehensive income for the comparative year	22,462.35	91.38	(344.21)	6,026.73	(252.93)	**27,983.32**

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

OTHER EQUITY	Reserves and Surplus				Other Comprehensive Income (OCI)	TOTAL
	General Reserve	Capital Reserve	Foreign Currency Translation Reserve	Retained Earnings	Remeasurements of Defined Benefit Plans	
Transactions with owners in their capacity as owners:						
Dividends and dividend distribution tax						
- Final dividend (Rs. 0.08 per share)				(181.36)		**(181.36)**
- Dividend distribution tax				(36.92)		**(36.92)**
Transfer to general reserves	4,000.00			(4,000.00)		**-**
Balance at the end of the comparative reporting year ending 31st March 2017	26,462.35	91.38	(344.21)	1,808.45	(252.93)	**27,765.04**
Profit for the current year ending 31st March, 2018				6,377.62		**6,377.62**
Adjustment in carrying value	43.80	-				**43.80**
Foreign currency translation reserve			(4.09)			**(4.09)**
Other comprehensive income for the current reporting year ending 31st March 2018					(8.36)	**(8.36)**
Total comprehensive income for the year	43.80	-	4.09	6,377.62	(8.36)	**6,408.97**
Transactions with owners in their capacity as owners:						
Dividends and dividend distribution tax						
- Final dividend (Rs. 0.40 per share)				(906.82)		**(906.82)**
- Dividend distribution tax				(184.61)		**(184.61)**
Transfer to general reserve	6,000.00			(6,000.00)		**-**
Balance at the end of the reporting year ending 31st March 2018	32,506.15	91.38	(348.30)	1,094.64	(261.29)	**33,082.58**

Nature and Purpose of each component of equity	Nature and Purpose
i. General reserve	General reserve represents accumulated profits and is created by transfer of profits from retained earnings and it is not an item of other comprehensive income and the same shall not be subsequently reclassified to Statement of Profit and Loss.
ii. Retained earnings	Profit earned during the year.
iii. Remeasurements of defined benefit plans	Gains/losses arising on remeasurements of defined benefit plans are recognised in the other comprehensive income as per Ind AS-19 and shall not be reclassified to the Statement of Profit and Loss in the subsequent years.

As per our report of even date attached
For SCA & ASSOCIATES
Chartered Accountants
(Firm Reg. No. 101174W)

KIRON MALLAPUR
Partner
Membership No. 036336

Mumbai, 30th May 2018

For and on behalf of the Board of Directors

UMESHKUMAR MORE
Chairman
DIN: 00112662

NIRAJKUMAR MORE
Managing Director
DIN: 00113191

VINOD HARITWAL
CEO & Director
DIN: 00112862

JAGDISH KADAM
Chief Financial Officer
Membership No. 41955

CHINTAN K. GANDHI
Company Secretary
Membership No. 21369

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUTING ESTIMATES AND JUDGEMENTS

A) General Information:

Grauer & Weil (India) Limited (the "Company") is primarily engaged in the business of manufacturing and selling of Basic, Electroplating and Intermediary Chemicals, Oils and Lubricants, Paints, Enamels, Varnishes and Oil bound Distempers. The Company presently has its manufacturing facilities in Dadra, Vapi (Gujarat), Barotiwala (H.P.) and Samba (J.K.) and engineering division at Khed, Pune District and a Mall at Kandivli (Mumbai).

The Registered office of the Company is located at Growel Corporate, Akurli Road, Kandivli (East), Mumbai 400 101.

B) Basis of preparation of consolidated financial statements:

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented.

The Group has adopted the Indian Accounting Standards (Índ AS') in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. The Group has transited from its previous GAAP as defined in Ind AS 101 with the necessary disclosures relating to reconciliation of Shareholders Equity under Previous GAAP and Ind AS and of the net profit as per previous GAAP and total comprehensive income under Ind AS. *(Refer Note 28)*

i. Statement of compliance:

In accordance with the notification issued by the Ministry of Corporate Affairs, the Group has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. These consolidated financial statements have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

The financial statements for the year ended 31st March, 2018 are the first financial statement, the Group has prepared in accordance with Ind AS. (*Refer Para 'C'* below for the details of first-time adoption exemptions availed by the Group.)

ii. Basis of preparation and presentation:

The consolidated financial statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013, except for the following items that have been measured at fair value as required by the relevant Ind AS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of initial recognition.

a) Certain financial assets/liabilities measured at fair value *(Refer Note-31)* and

b) Any other item as specifically stated in the accounting policy.

The financial statement are presented in INR and all values are rounded off to Rupees Lacs unless otherwise stated.

The financial statements of the Group for the year ended 31st March, 2018 were authorised for issue in accordance with a resolution of the Board of Directors dated 30th May, 2018.

iii. Basis and principle of consolidation:

The consolidated financial statements relate to Grauer & Weil (India) Limited, (hereinafter referred to as "the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), and includes its associates.

The financial statements of the group and its associates have been prepared in compliance with Accounting Standards specified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015., and those of foreign subsidiaries and a foreign associate have been prepared in compliance with the local laws and applicable Accounting Standards. Necessary adjustments for material differences in the accounting policies, if any, have been made in the consolidated financial statements. The financial statements have been prepared on an accrual basis and under the historical cost convention.

All assets and liabilities have been classified as current or non-current as per the normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, it has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

The consolidated financial statements have been prepared on the following basis:-

a) Investment in subsidaries:

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

- The ability to use its power over the investee to affect its returns

  Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements - The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments, if material, are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedure:

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income:

OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

b) Investments in associates:

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate.

Distributions received from an associate reduce the carrying amount of the investment. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

c) Foreign subsidiaries – Revenue items have been consolidated at the average rate of foreign exchange prevailing during the year. The assets and liabilities, both monetary and non-monetary, of the non-integral foreign operations are translated at the closing rate. Exchange differences arising on monetary and non-monetary items that in substance forms part of the Group's net investments in non-integral foreign operations are accumulated in the Foreign Currency Translation Reserve.

d) Information on subsidiaries / associate companies:

Sr. No.	Particulars	% Shares held as at March 31, 2018	% Shares held as at March 31, 2017	Country of Incorporation
i	Grauer & Weil (Shanghai) Limited	**100%**	100%	China
ii	Grauer & Weil (UK) Limited	**100%**	100%	England
iii	Growel Chemicals Limited	**100%**	100%	Thailand

The financial statements of the subsidiary companies viz Grauer & Weil (Shanghai) Limited and Growel Chemicals Limited used in the consolidation are drawn up to 31st December, 2017 and that of Grauer & Weil (UK) Limited up to 30th June, 2017 respectively.

The following associate companies are considered in the consolidated financial statements:

Sr. No.	Particulars	% Shares held as at March 31, 2018	% Shares held as at March 31, 2017	Country of Incorporation
i	Grauer & Weil Engineering Private Limited	**29.99%**	29.99%	India
ii	Grauer & Weil (Thailand) Co. Limited	**48.99%**	48.99%	Thailand
iii	Growel Sidasa Industries Private Limited	**49.80%**	49.80%	India
iv	Poona Bottling Company Private Limited	**18.27%**	18.27%	India

From 2.09.2016, Poona Bottling Company Private Limited is no longer an associate.

iv) Use of estimate and judgment:

In the application of accounting policies which are described in Para C below, the management is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

The few critical estimations and judgments made in applying accounting policies are:

- Inventories:

Inventory obsolescence is based on assessment of the future uses. In all cases, inventory is carried at the lower of historical cost and net realisable value.

- Lease:

Lease accounting after evaluating the right to use the underlying assets, substance of the transactions including legally enforceable arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under Ind AS 17.

- Impairment of non-financial assets:

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

- Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- Defined benefit plans:

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

C) Summary of Significant Accounting Policies:

1) Property, Plant and Equipment (PPE):

For transition to Ind AS, the Group has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognized as of 1st April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost of the PPE as on the transition date.

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price after deducting trade discount / rebate, import duties, non-refundable taxes, cost of replacing the component parts, borrowing costs and other directly attributable cost of bringing the asset to its working condition in the manner intended by the management.

Spares parts procured along with the Plant and Equipment or subsequently which meets the definition and recognition criteria of PPE considering the concept of materiality are capitalized and added to the carrying amount of such items. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as 'stores and spares' forming part of the inventory. If the cost of the replaced part is not available, the estimated cost of similar new parts is used as an indication of what the cost of the existing part was when the item was acquired.

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use or disposal. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when the asset is derecognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Expenditure on acquisition of PPE for Research and Development (R&D) is included in PPE and depreciation thereon is provided as applicable.

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognised till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with Ind AS 105 and the date that the asset is derecognised. Depreciation on all assets is provided on straight line basis.

Description of the asset	Estimated useful life
Tangible:	
Land – Leasehold	Primary period of lease
Building	
– Factory	30 Years
– Other than factory buildings	60 Years
Plant and equipment	15 Years
Furniture and fixtures	10 Years
Computer servers	6 Years
Computers	3 Years
Laboratory equipment	10 Years
Office equipment	5 Years
Vehicles four wheelers	8 Years
Vehicles two wheelers	10 Years
Intangible:	
Software	5 Years

Further, the Group has identified and determined separate useful life for each major component of fixed assets, if they are materially different from that of the remaining assets, for providing depreciation in compliance with Schedule II of the Companies Act, 2013.

Depreciation on fixed assets added/disposed off during the period is provided on pro-rata basis with reference to the date of addition/ disposal.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

In respect of fixed assets of foreign subsidiaries,depreciation is provided on straight line method based on management estimates of useful life of assets.The proportion of depreciation of the subsidiaries to the total depreciation of the Group is not material.

2) Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Software (not being an integral part of the related hardware) acquired for internal use are treated as intangible assets.

An item of intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any profit or loss arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets are amortised on straight line basis over a period of five years.

3) Impairment of tangible (PPE) and intangible assets:

At the end of each reporting period, the Group reviews the carrying amounts of its PPE and other intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit and Loss.

4) Investment properties:

Management has assessed applicability of Ind AS 40 - Investment property to the Mall property. In assessing such applicability, management has considered the ownership of assets, terms of license agreements, various services provided to the licensees, etc. Based on such assessment, the management has considered the Mall property as owner occupied property and hence classified as Property, Plant and Equipment.

5) Inventories:

Raw materials, packing materials and stores and spares are valued at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products in which they will be incorporared are expected to be sold at or above cost. Cost of raw materials, packing materials and stores and spares is determined on daily moving weighted average cost basis.

Work in progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

6) Leases:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is (or contains) a lease, if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

Where the Group is a lessee-

Finance leases that transfer substantially all the risks and benefits incidental to ownership of the leased item (i.e. PPE), are generally capitalized at the inception of the lease at the fair value of the leased assets or, if lower, at the present value of minimum lease payments. Lease payments are apportioned between finance charges and a reduction in lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Statement of Profit and Loss.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss over the period of lease on straight line basis other than those cases where the escalations are linked to expected general inflation in which case they are charged on contractual terms.

Where the Group is a lessor-

Leases in which a significant portion of the risks and rewards of ownership are not transferred by the Group are classified as operating leases. Assets subject to operating leases are included as fixed assets. Lease income on an operating lease is recognised in the Statement of Profit and Loss on a straight line basis other than those cases where escalations are linked to expected general inflation in which case they are recognised on contractual terms.

Leases are classified as finance leases when substantially all the risks and rewards of ownership transfer from the Groupto the lessee. Amounts due from the lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

7) Government grants:

Government grants/subsidy are recognized when there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants/subsidy will be received.

Grants/subsidy related to income are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate on a systematic basis. Government grants/subsidy that are receivable as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support with no future related costs are recognized in the Statement of Profit and Loss in the period in which they become receivable. Grants/subsidy related to income are presented under other income in the Statement of Profit and Loss except for grants/subsidy received in the form of rebate or exemption which are deducted in reporting the related expense. Grant/subsidy receivable against a specific fixed asset is deducted from the cost of the relevant fixed asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

8) Provisions, contingent liabilities and contingent assets:

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) 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. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

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

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

Contingent liabilities are disclosed on the basis of judgment of management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are not recognized, however, disclosed in financial statement when inflow of economic benefits is probable.

9) Foreign currency transactions:

The financial statements of Group are presented in INR, which is also the functional currency. In preparing the financial statements, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling on the date of transaction. Exchange difference on monetary items are recognised in the statement of profit and loss in the period in which they arise.

10) Share capital and securities premium:

Ordinary shares are classified as equity, incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as securities premium.

11) Dividend distribution to equity shareholders:

The Group recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Group. A distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in other equity along with any tax thereon.

12) Cash flows and cash and cash equivalents:

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant Ind AS. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with banks, other short-term, highly liquid investments 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.

13) Revenue recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

i. Sale of goods:

Revenue from sale of goods is recognized, when all significant risks and rewards are transferred to the buyer, as per the terms of the contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It includes excise duty and excludes value added tax/sales tax.goods and services tax. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

ii. Engineering division:

Equipment manufactured by the Engineering division for use by other divisions is included in the sales at transfer price and are capitalised by other division.

iii. Import entitlement:

Benefit on account of entitlement to import duty free materials under the "Duty Entitlement Exemption Certificate" (DEEC) is accounted in the year of import.

iv. Income from business conducting/licence fees:

Income arising out of business conducting/license fees is accounted at contracted rates, keeping in view, the collectability of the resulting receivables is reasonably assured and is disclosed net of indirect taxes, if any.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

v. Revenue from amenities provided:

Revenue from amenities provided is recognized at value of service and is disclosed net of indirect taxes, if any. Recoveries made against common area maintenance expenses are netted of against relevant expenses.

vi. Job contract receipts:

Income from operations in Paints division includes Job Contract receipts, net of payments made to sub contractors. The Group follows the "Percentage of Completion Method" of accounting for all contracts. The revenue from the execution of contracts is recognized proportionately with the degree of completion achieved under each contract, matching revenue with expenses incurred.

vii. Rendering of services:

Revenue from rendering of services is recognized as per the terms of the contract with customers when related services are performed and when the outcome of the transactions involving rendering of services can be estimated reliably.

viii. Dividend income:

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

ix. Interest income:

Interest income on financial assets measured at amortised cost is recognised on a time-proportion basis using the effective interest method.

x. Insurance and other claims:

Insurance and other claims/refunds, due to uncertainty in realisation are accounted for on acceptance/actual receipt basis.

14) Borrowing costs:

Borrowing cost includes interest, commitment charges, brokerage, underwriting costs, discounts / premiums, financing charges, exchange difference to the extent they are regarded as interest costs and all ancillary / incidental costs incurred in connection with the arrangement of borrowing.

Borrowing costs which are directly attributable to acquisition / construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of cost pertaining to those assets. All other borrowing costs are recognised as expense in the period in which they are incurred.

15) Employee benefits:

i. Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

ii. Long term employee benefits:

The cost of providing long term employee benefit such as earned leave is measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period. The expected costs of the benefit is accrued over the period of employment using the same methodology as used for defined benefits post employment plans. Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Other Comprhensive Income in which they arise except those included in cost of assets as permitted. The benefit is valued annually by independent actuary.

iii. Post employment benefits:

The Company provides the following post employment benefits:

i) Defined benefit plans such as gratuity; and

ii) Defined contributions plans such as provident fund.

iv. Defined benefits plans:

The cost of providing benefits on account of gratuity are determined using the projected unit credit method on the basis of actuarial valuation made at the end of each balance sheet date, which recognises each period of service as given rise to additional unit of employees benefit entitlement and measuring each unit separately to build up the final obligation. The yearly expenses on account of these benefits are provided in the books of accounts.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss except those included in cost of assets as permitted.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Re-measurements comprising of actuarial gains and losses arising from experience adjustments and change in actuarial assumptions, the effect of change in assets ceiling (if applicable) and the return on plan asset (excluding net interest as defined above) are recognized in other comprehensive income (OCI) except those included in cost of assets as permitted in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognized in the Statement of Profit and Loss except those included in cost of assets as permitted in the period in which they occur.

v. Defined contribution plans:

Payments to defined contribution retirement benefit plans, viz., Provident Fund for eligible employees, and Superannuation benefits are recognized as an expense when employees have rendered the service entitling them to the contribution.

16) Taxes on income:

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

a) Current tax:

Current tax includes provision for income tax computed under special provision (i.e., mnimum alternate tax) or normal provision of income tax Act. Tax on Income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

b) Deferred tax:

Deferred tax is recognised on 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. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets 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.

Deferred 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 and the Group intends to settle its current tax assets and liabilities on a net basis.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognises MAT credit available as deferred tax asset only to the extent it is possible that sufficient taxable profit will be available to allow all or part of MAT credit to be utilised during the specified period, i.e. the period for which such credit is allowed to be utilised.

17) Earnings per share:

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings 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.

18) Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

a) An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle,

- Held primarily for the purpose of trading,

- Expected to be realised within twelve months after the reporting period, or

- 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.

b) A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

c) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

19) 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 another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these financial statements is determined in such basis except for transactions in the scope of Ind AS 2, 17 and 36. Normally at initial recognition, the transaction price is the best evidence of fair value.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial assets and Financial liabilities that are recognized at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

20) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group recognizes a financial asset or financial liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

a) Financial assets:

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favourable to the Group.

Investments in subsidiaries:

Investments in equity shares of subsidiaries are carried at cost less impairment. Impairment is provided for on the basis explained in Para C (3) above.

Financial assets other than investment in subsidiaries:

Financial assets of the Group comprise trade receivable, cash and cash equivalents, bank balances, investments in equity shares of companies other than in subsidiaries, investment other than equity shares, loans/advances to employee / related parties / others, security deposit, claims recoverable etc.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss. Where transaction price is not the measure of fair value and fair value is determined using a valuation method that uses data from observable market, the difference between transaction price and fair value is recognized in Statement of Profit and Loss and in other cases spread over life of the financial instrument using effective interest method.

Subsequent measurement:

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost

- Financial assets at fair value through OCI

- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost:-

Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets 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. These financials assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss in finance costs.

Financial assets at fair value through OCI (FVTOCI):-

Financial assets are measured at fair value through other comprehensive income if the financial asset 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. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the income statement. On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to income statements.

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

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss. Further, financial assets at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit and Loss.

Derecognition:

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

Impairment of financial assets:

The Company assesses impairment based on expected credit loss (ECL) model on the following:

- Financial assets that are measured at amortised cost.

- Financial assets measured at fair value through other comprehensive income (FVTOCI).

ECL is measured through a loss allowance on a following basis:

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)

- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

The Group follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Group to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

For recognition of impairment loss on other financial assets, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Group assesses the credit risk characteristics on instrument-by-instrument basis.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss.

b) Financial liabilities:

The Group's financial liabilities include loans and borrowings including book overdraft, trade payable, accrued expenses and other payables.

Initial recognition and measurement:

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the effective rate of interest.

Subsequent measurement:

The subsequent measurement of financial liabilities depends upon the classification as described below:-

Financial liabilities classified as amortised cost:

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate. Interest expense that is not capitalised as part of costs of assets is included as finance costs in the Statement of Profit and Loss.

Financial liabilities at fair value through profit and loss (FVTPL):-

FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities have not been designated upon initial recognition at FVTPL.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged / cancelled / expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

c) First time adoption of Ind AS – mandatory exceptions / optional exemptions:

Overall principle:

The Group has prepared the opening balance sheet as per Ind AS as of 1st April, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying certain items from previous GAAP to Ind AS as required under the Ind AS, and applying Ind AS in the measurement of recognized assets and liabilities. However, this principle is subject to certain mandatory exceptions and certain optional exemptions availed by the Group as detailed below:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Derecognition of financial assets and financial liabilities:

The Group has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April, 2016 (the transition date).

Impairment of financial assets:

The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

Deemed cost for PPE, CWIP and Intangible assets:

The Group has opted for historical cost of Property, Plant and Equipment / intangible assets as per Indian GAAP as the deemed cost on the opening balance sheet date.

Determining whether an arrangement contains a lease:

The Group has applied Appendix C of Ind AS 17 for determining whether an arrangement contains a Lease at the transition date on the basis of facts and circumstances existing at that date.

d) Recent accounting pronouncements:

The Ministry of Corporate Affairs (MCA), on 28 March 2018, notified Ind AS 115, Revenue from Contracts with Customers and Appendix B to Ind AS 21, The effects of changes in foreign exchange rates as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. These amendments will come into force from 1st April, 2018.

Ind AS 115 – Revenue from contract with customers:

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18, Revenue, Ind AS 11, Construction contracts and the related interpretations when it becomes effective.

The core principle of Ind AS 115 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. Specifically, the standard introduces a 5-step approach to revenue recognition:

Identify the contract(s) with a customer, Identify the performance obligations in the contract, Determine the transaction price, Allocate the transaction price to the performance obligations in the contract and Recognise revenue when (or as) the entity satisfies a performance obligation.

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e., when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in Ind AS 115 to deal with specific scenarios. Furthermore, extensive disclosures are required by Ind AS 115.

The Group has evaluated the effect of these amendments on the financial statement and the impact is not expected to be material.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

(Rupees in Lacs)

Nature of fixed assets	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
	Cost as at 01-04-2017	Additions	Deductions	Other adjustments	Cost as at 31-03-2018	Up-to 31-03-2017	Provided during the year	Transitional charge	Deductions adjustments	Up-to 31-03-2018	As at 31-03-2018	As at 31-03-2017
Tangible assets												
Land												
a) Freehold	1,484.78	-	-	-	**1,484.78**	-	-	-	-	**-**	**1,484.78**	1,484.78
b) Leasehold	1,672.75	-	-	-	**1,672.75**	5.26	31.37	-	-	**36.63**	**1,636.12**	1,667.49
Buildings	12,019.73	95.97	-	-	**12,115.70**	484.87	492.49	-	-	**977.36**	**11,138.34**	11,534.86
Plant and machinery	4,888.50	384.11	6.99	-	**5,265.62**	496.84	540.32	-	-	**1,037.16**	**4,228.46**	4,391.66
Laboratory equipment	114.17	10.71	2.48	-	**122.40**	18.51	15.42	-	-	**33.93**	**88.47**	95.66
R and D equipment	846.77	150.92	-	-	**997.69**	74.45	102.76	-	-	**177.21**	**820.48**	772.32
Furniture and fixtures	728.28	13.34	0.03	-	**741.59**	130.62	132.27	-	-	**262.89**	**478.70**	597.66
Vehicles	551.07	260.45	13.90	-	**797.62**	104.01	114.04	-	-	**218.05**	**579.57**	447.06
Office equipment	143.69	21.16	0.01	-	**164.84**	32.12	29.12	-	-	**61.24**	**103.60**	111.57
Total	**22,449.74**	**936.66**	**23.41**	**-**	**23,362.99**	**1,346.68**	**1,457.79**	**-**	**-**	**2,804.47**	**20,558.52**	**21,103.06**

Nature of fixed assets	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
	Cost as at 01-04-2016	Additions	Deductions	Other adjustments	Cost as at 31-03-2017	Up-to 31-03-2016	Provided during the year	Transitional charge	Deductions adjustments	Up-to 31-03-2017	As at 31-03-2017	As at 31-03-2016
Tangible assets												
Land												
a) Freehold	1,484.78	-	-	-	**1,484.78**	-	-	-	-	**-**	**1,484.78**	1,484.78
b) Leasehold	1,650.32	-	-	(22.43)	**1,672.75**	-	5.26	-	-	**5.26**	**1,667.49**	1,650.32
Buildings	11,524.86	482.47	-	(12.40)	**12,019.73**	-	484.87	-	-	**484.87**	**11,534.86**	11,524.86
Plant and machinery	4,282.13	605.55	68.14	(68.96)	**4,888.50**	-	496.84	-	-	**496.84**	**4,391.66**	4,282.13
Laboratory equipment	90.40	24.63	0.86	-	**114.17**	-	18.51	-	-	**18.51**	**95.66**	90.40
R and D equipment	559.90	284.40	-	(2.47)	**846.77**	-	74.45	-	-	**74.45**	**772.32**	559.90
Furniture and fixtures	704.45	23.83	-	-	**728.28**	-	130.62	-	-	**130.62**	**597.66**	704.45
Vehicles	488.81	99.55	37.29	-	**551.07**	-	104.01	-	-	**104.01**	**447.06**	488.81
Office equipment	87.52	57.68	(38.55)	40.06	**143.69**	-	32.12	-	-	**32.12**	**111.57**	87.52
Total	**20,873.17**	**1,578.11**	**67.74**	**(66.20)**	**22,449.74**	**-**	**1,346.68**	**-**	**-**	**1,346.68**	**21,103.06**	**20,873.17**

Note: The company has elected to measure all its Property, plant and equipment at previous GAAP carrying amount at the date of transition to Ind AS. *(Refer note* 28) - First time Ind AS adoption reconciliation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 3: OTHER INTANGIBLE ASSETS

(Rupees in Lacs)

Nature of fixed assets	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
	Cost as at 01-04-2017	Additions	Deductions	Other adjustments	Cost as at 31-03-2018	Up-to 31-03-2017	Provided during the year	Transitional charge	Deductions adjustments	Up-to 31-03-2018	As at 31-03-2018	As at 31-03-2017
Computer software	143.10	8.67	0.03	-	**151.74**	41.87	39.78	-	-	**81.65**	**70.09**	101.23
Total	**143.10**	**8.67**	**0.03**	**-**	**151.74**	**41.87**	**39.78**	**-**	**-**	**81.65**	**70.09**	**101.23**

Nature of fixed assets	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
	Cost as at 01-04-2016	Additions	Deductions	Other adjustments	Cost as at 31-03-2017	Up-to 31-03-2016	Provided during the year	Transitional charge	Deductions adjustments	Up-to 31-03-2017	As at 31-03-2017	As at 31-03-2016
Computer software	118.54	24.56	-	-	**143.10**	-	41.87	-	-	**41.87**	**101.23**	118.54
Total	**118.54**	**24.56**	**-**	**-**	**143.10**	**-**	**41.87**	**-**	**-**	**41.87**	**101.23**	**118.54**

Note: The company has elected to measure its intangible assets at previous GAAP carrying amount at the date of transition to Ind AS. (*Refer note* 28) - First time Ind AS adoption reconciliation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 4: INVESTMENTS

NON CURRENT INVESTMENTS (at cost less permanent diminution in value)	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Nos.	Rupees in Lacs	Nos.	Rupees in Lacs	Nos.	Rupees in Lacs
A) Quoted (Other than trade)						
(Carried at fair value through Statement of Profit and Loss)						
In fully paid-up Equity shares of Rs. 10 each						
Sunflag Iron & Steel Company Limited	**2,000**	**1.50**	2,000	0.74	2,000	0.40
Ginni Filaments Limited	**900**	**0.24**	900	0.32	900	0.14
In fully paid-up Equity shares of Rs. 2 each						
Punjab National Bank	**1,175**	**1.12**	1,175	1.77	1,175	1.00
				-		
B) Unquoted (Trade)				-		
Other investments						
The Saraswat Co-operative Bank Limited	**5,000**	**0.50**	5,000	0.50	5,000	0.50
(Fully paid up Equity shares of Rs. 10/- each)						
C) Unquoted (Other than trade)						
In fully paid-up Equity shares of Rs. 10 each						
Shree Vaishanavi Dyeing & Printing Limited	**1,500**	**-**	1,500	-	1,500	-
Arihant Threads Limited	**2,100**	**-**	2,100	-	2,100	0.05
Rasik Plast Limited	**13,500**	**-**	13,500	-	13,500	-
Surlux Health Centres Limited	**1,000**	**-**	1,000	-	1,000	-
Shivalik Solid Waste Management Limited	**20,000**	**2.00**	20,000	2.00	20,000	2.00
Crystal Software Solutions Limited	**8,600**	**-**	8,600	-	8,600	-
Indo-French Bio-tech Enterprises Limited	**89,800**	**-**	89,800	-	89,800	-
National Savings Certificates		**0.19**		0.19		0.19
Associates valuation		**87.73**		95.04		120.81
		93.28		100.56		125.09
	Cost Rs.	**Market value Rs.**	Cost Rs.	Market value Rs.	Cost Rs.	Market value Rs.
Aggregate market value of quoted investments		**2.86**		2.83		1.54
Aggregate book value of unquoted investments		**90.42**		97.73		123.55

NOTE 4: INVESTMENTS

CURRENT INVESTMENTS	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
Unquoted (Other than trade)	Nos.	Rupees in Lacs	Nos.	Rupees in Lacs	Nos.	Rupees in Lacs
India Infoline Housing Finance Limited (Non convertible debentures)	**16**	**207.72**	**-**	-	-	-
		207.72		**-**		**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 5: LOANS

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Unsecured - considered good						
Loans and advances to related parties	**40.37**	50.98	50.78		-	-
Other advances				**1.00**		
	40.37	50.98	50.78	**1.00**	-	-

NOTE 6: OTHER FINANCIAL ASSETS

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Unsecured - considered good						
Interest receivable				**37.71**	33.58	42.09
Others				**157.76**	118.77	163.42
Security deposits	**339.53**	333.01	309.44			
Term deposits with more than twelve months of maturity	**1.76**	36.71	20.22			
	341.29	369.72	329.66	**195.47**	152.35	205.51

NOTE 7: INCOME TAX ASSETS (NET)

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Advance income tax (net of provisions)	**207.91**	179.01	118.39			
	207.91	179.01	118.39	**-**	-	-

NOTE 8: OTHER ASSETS

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Capital advances	**169.79**	170.29	169.79			
Advances other than capital advances						
Advances to employees	**5.24**	17.46	4.17	**36.31**	25.84	14.86
Advances to suppliers				**378.97**	449.38	546.28
Prepaid expenses				**75.57**	78.05	45.08
Balances with government authorities						
VAT receivable				**177.92**	124.56	116.08
CENVAT credit receivable				**113.96**	280.30	242.96
Service tax credit receivable				**3.64**	101.74	136.44
Goods and service tax				**241.17**	-	
	175.03	187.75	173.96	**1,027.54**	1,059.87	1,101.70

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 9: INVENTORIES

(Rupees in Lacs)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
At lower of cost and net realisable value			
Raw materials	**3,172.82**	2,638.15	2,822.54
Raw materials-in-transit	**223.43**	461.80	584.23
	3,396.25	3,099.95	3,406.77
Work-in-progress	**1,179.54**	1,168.09	868.20
Finished goods	**1,990.49**	2,239.89	1,893.99
Finished goods - traded goods	**91.99**	105.56	81.47
Finished goods-in-transit	**47.12**	51.64	-
	2,129.60	2,397.09	1,975.46
Stores and spares	**216.70**	201.24	181.44
	6,922.09	6,866.37	6,431.87

NOTE 10: TRADE RECEIVABLES

(Rupees in Lacs)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured considered good	**697.00**	520.74	687.93
Unsecured considered good	**8,131.72**	6,903.04	7,216.46
	8,828.72	7,423.78	7,904.39

Note:

The company has used practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit loss experience and accordingly provisions are made for expected credit loss for amount due from customers where necessary.

NOTE 11: CASH AND BANK BALANCES

(Rupees in Lacs)

	Non-Current			**Current**		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
(A) Cash & cash equivalents						
Balances with banks						
In current accounts				**1,271.38**	3,150.66	650.03
In EEFC accounts				**659.29**	384.46	606.68
Cash on hand				**23.48**	54.14	69.14
	-	-	-	**1,954.15**	3,589.26	1,325.85
(B) Other balances with banks						
Unpaid dividend accounts				**58.96**	48.40	38.29
Term deposits with original maturity for more than 3 months but less than 12 months				**9,982.36**	4,147.14	105.98
Term deposits with original maturity for more than 12 months	**1.76**	36.71	20.22			
	1.76	36.71	20.22	**10,041.32**	4,195.54	144.27
Amount included under the head 'Other Financial Assets' *(Refer Note 6)*	**(1.76)**	(36.71)	(20.22)	**-**	-	-
	-	-	-	**10,041.32**	4,195.54	144.27

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 12: BORROWINGS

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Secured						
Hire purchase credits	**93.53**	38.71	29.21	**77.21**	36.05	79.95
Loans repayable on demand from banks				**-**	1,383.97	1,997.64
Unsecured						
Fixed deposits	**-**	-	1.25	**-**	-	41.44
Loans and advances from related parties	**-**	-	-	**547.00**	547.00	562.76
	93.53	38.71	30.46	**624.21**	1,967.02	2,681.79
Amounts disclosed under the head 'Other Financial Liabilities' (*Refer Note 13*)	**-**	-	-	**(77.21)**	(36.05)	(121.39)
	93.53	38.71	30.46	**547.00**	1,930.97	2,560.40

Nature of security and terms of repayment for hire purchase credits:

Hire purchase credits are for purchase of cars. These facilities are secured by first charge on respective car against which the specific facility has been taken from the Bank. The loan amount is repayable in equitable monthly installments with interest rates ranging from 7.76% to 10.90% as applicable and are expected to be fully repaid as per the respective repayment schedules and shall get fully repaid between April 2018 to January 2021.

Nature of security for working capital facilities :

The working capital facilities are secured by hypothecation of all stocks, moveable assets and book debts by way of first charge on pari-passu basis and are further collaterally secured by second pari-passu charge on the block assets of shopping mall at Kandivali, Mumbai. The working capital facility is repayable on demand and carries interest rate ranging from 8.45% to 10%.

NOTE 13: OTHER FINANCIAL LIABILITIES

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Current maturities of long term debt (*Refer Note 12*)				**77.21**	36.05	121.39
Investor Education and Protection Fund						
Unpaid dividend*				**58.96**	48.40	38.29
Others						
Deposits from licensees and dealers	**1,567.05**	1,468.03	1,296.08			
Security deposit from employees				**95.77**	88.61	83.67
Payable towards capital expenditure				**75.34**	101.68	40.16
Payable to employees				**112.03**	117.75	113.63
Interest accrued and due on borrowings				**-**	-	2.62
Expenses payable				**1,775.80**	1,662.97	1,441.24
Others				**4.20**	70.37	39.28
	1,567.05	1,468.03	1,296.08	**2,199.31**	2,125.83	1,880.28

*There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 14: PROVISIONS

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits						
Leave benefits	**64.14**	216.39	125.10	**-**	11.20	44.68
Gratuity	**1,553.11**	1,397.68	1,182.24	**171.32**	149.18	137.98
	1,617.25	1,614.07	1,307.34	**171.32**	160.38	182.66

NOTE 15: DEFERRED TAX LIABILITIES (NET)

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
The breakup of deferred tax liabilities arising on account of timing difference in:						
- Depreciation	**2,482.85**	2,446.81	2,313.65			
- Accrued expenses allowable on actual payments	**(790.17)**	(818.63)	(581.44)			
MAT credit entitlement	**-**	(458.86)	(810.31)			
	1,692.68	1,169.32	921.90	**-**	-	-

NOTE 16: OTHER LIABILITIES

(Rupees in Lacs)

	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Revenue received in advance						
Advance received from customers				**449.43**	658.82	325.83
Deferred income				**291.04**	357.01	273.15
Statutory payables: (Goods and service tax, TDS etc)				**386.24**	596.52	570.95
	-	-	-	**1,126.71**	1,612.35	1,169.93

NOTE 17: TRADE PAYABLES

(Rupees in Lacs)

	Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total outstanding dues to Micro enterprises and Small enterprises	**952.81**	601.47	155.32
Total outstanding dues of other creditors	**4,696.02**	4,153.60	3,664.95
	5,648.83	4,755.07	3,820.27

NOTE 18: CURRENT TAX LIABILITIES (NET)

(Rupees in Lacs)

	Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for income tax (net)	**651.25**	474.55	467.11
	651.25	474.55	467.11

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 19: REVENUE FROM OPERATIONS

(Rupees in Lacs)

	2017-2018	2016-2017
Sale of products (including excise duty)	**51,494.91**	49,310.60
Less: Trade discount	**4,831.16**	5,195.64
	46,663.75	44,114.96
Business conducting fees/Licence fees and related income	**3,037.68**	2,527.52
Other operating revenues		
Erection & commissioning charges	**178.63**	105.13
Labour charges	**7.10**	71.24
Testing analysis charges	**12.21**	10.24
License fees	**7.50**	7.50
Insurance subsidy received	**2.17**	2.17
Excise duty refund / Budgetary support for Jammu	**303.34**	379.27
Scrap sales	**124.21**	119.01
Export duty drawback	**118.44**	87.50
Sundry balances written back	**448.88**	103.33
Royalty income	**12.89**	-
Others	**8.09**	20.81
	1,223.46	906.20
Revenue from operations	**50,924.89**	47,548.68

NOTE 20: OTHER INCOME

(Rupees in Lacs)

	2017-2018	2016-2017
Interest income	**650.81**	233.43
Dividend income on investments		
Other than trade investments	**0.39**	0.28
Net gain on sale of fixed assets	**2.62**	-
Net gain on foreign currency transactions and translation	**202.27**	16.84
Bad debts written off earlier now recovered	**28.40**	19.52
Insurance claim	**4.60**	7.44
Lease income	**10.33**	37.03
Miscellaneous receipts	**29.25**	54.19
	928.67	368.73

NOTE 21: COST OF MATERIALS CONSUMED

(Rupees in Lacs)

	2017-2018	2016-2017
Opening stock	**2,638.15**	2,822.54
Add: Purchases	**25,622.85**	21,379.99
	28,261.00	24,202.53
Less: Closing stock	**3,172.82**	2,638.15
	25,088.18	21,564.38

NOTE 22: PURCHASE OF STOCK IN TRADE

(Rupees in Lacs)

	2017-2018	2016-2017
Traded goods	**288.07**	282.25

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 23: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(Rupees in Lacs)

	2017-2018	2016-2017
Closing Stock		
Traded goods	**91.99**	105.56
Work-in-progress	**1,179.54**	1,168.09
Finished goods	**1,990.49**	2,239.89
	3,262.02	3,513.54
Opening Stock		
Traded goods	**105.56**	81.46
Work-in-progress	**1,168.09**	868.20
Finished goods	**2,239.89**	1,893.99
	3,513.54	2,843.65
Net (increase)/decrease in opening and closing stock	**251.52**	(669.89)
Net movement in excise duty on finished goods	**(310.35)**	40.97
	(58.83)	(628.92)

NOTE 24: EMPLOYEE BENEFITS EXPENSE

(Rupees in Lacs)

	2017-2018	2016-2017
Salaries, wages, bonus and allowances	**5,155.76**	4,328.88
Contribution to provident, gratuity and other funds	**202.38**	192.61
Staff welfare expenses	**423.19**	422.39
	5,781.33	4,943.88

NOTE 25: FINANCE COSTS

(Rupees in Lacs)

	2017-2018	2016-2017
Interest on financial liabilities carried at amortised cost	**181.49**	165.28
	181.49	165.28

NOTE 26: DEPRECIATION AND AMORTISATION EXPENSE

(Rupees in Lacs)

	2017-2018	2016-2017
Depreciation of property, plant and equipment *(Refer Note 2)*	**1,457.79**	1,346.68
Amortisation of intangible assets *(Refer Note 3)*	**39.78**	41.87
	1,497.57	1,388.55

NOTE 27: OTHER EXPENSES

(Rupees in Lacs)

	2017-2018	2016-2017
Stores and spares consumed	**315.48**	337.29
Packing materials consumed	**1,754.70**	1,506.47
Power and fuel	**399.21**	384.08
Job work charges	**1,714.27**	1,434.07
Drawings, designs and layout expenses	**34.13**	33.69
Rent	**195.75**	183.33
Repairs and renewals:		
Buildings	**413.65**	387.49
Plant and machinery	**267.14**	229.19
Other assets	**119.85**	77.29
	800.64	693.97

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

	2017-2018	2016-2017
Insurance	**75.72**	79.27
Rates and taxes	**117.67**	203.51
Printing and stationery	**75.83**	70.34
Travelling and conveyance	**562.61**	516.70
Communication expenses	**96.71**	120.96
Legal and professional charges	**702.76**	455.59
Auditors' remuneration:		
As auditors	**4.85**	5.09
For tax audit	**1.19**	1.10
For taxation matters	**1.19**	1.10
For other services	**3.94**	2.94
Reimbursement of expenses	**0.56**	2.25
	11.73	12.48
Cost auditors' remuneration:		
As auditors	**2.15**	2.16
Directors' fees	**4.50**	5.15
Loss on fixed assets sold / discarded (net)	**-**	7.30
Vehicle expenses	**51.47**	86.57
Donations and contributions	**7.92**	7.39
Business promotion	**278.75**	454.33
Service tax	**9.27**	22.02
Freight and forwarding (net)	**584.84**	579.59
Bad debts written off	**332.77**	203.11
Research and development expenses	**148.10**	147.66
Discount and commission	**12.90**	8.92
Guards and security	**145.35**	131.02
Unrecovered common area maintenance expenses	**(85.90)**	46.87
Bank charges	**73.52**	87.84
Miscellaneous expenses	**511.04**	703.07
	8,933.89	8,524.75

NOTE- 28: FIRST TIME IND AS ADOPTION RECONCILIATION

The Company has transitioned the basis of accounting from Indian generally accepted accounting principles (“IGAAP”) to Ind AS. The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the “transition date”).

In preparing the opening Ind AS balance sheet, amounts reported in financial statements prepared in accordance with IGAAP have been adjusted. An explanation of how the transition from IGAAP to Ind AS has affected the financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Reconciliation of equity as at 1st April 2016 (Date of transition) (Rupees in Lacs)

Particulars	Previous regrouped GAAP	Effect of transition to Ind AS	Ind AS
ASSETS			
Non-current assets			
Property, plant and equipment	20,873.17	-	**20,873.17**
Capital work-in-progress	12.82	-	**12.82**
Other intangible assets	118.54	-	**118.54**
Financial assets			
Investments	125.96	(0.87)	**125.09**
Loans	50.78	-	**50.78**
Other financial assets	329.66	-	**329.66**
Income tax assets (net)	118.39	-	**118.39**
Other non-current assets	173.96	-	**173.96**
Current assets			
Inventories	6,431.87	-	**6,431.87**
Financial assets			
Trade receivables	7,904.39	-	**7,904.39**
Cash and cash equivalents	1,325.85	-	**1,325.85**
Other balances with banks	144.27	-	**144.27**
Other financial assets	205.51	-	**205.51**
Other current assets	1,101.70	-	**1,101.70**
Total assets	**38,916.87**	**(0.87)**	**38,916.00**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2,267.06	-	**2,267.06**
Other equity	22,798.61	213.90	**23,012.51**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	30.46	-	**30.46**
Other financial liabilities	1,569.23	(273.15)	**1,296.08**
Provisions	1,307.34	-	**1,307.34**
Deferred tax liabilities (net)	921.90	-	**921.90**
Current liabilities			
Financial liabilities			
Borrowings	2,560.40	-	**2,560.40**
Trade payables			
Due to micro and small enterprises	155.32	-	**155.32**
Due to others	3,664.95	-	**3,664.95**
Other financial liabilities	1,876.78	3.51	**1,880.29**
Other current liabilities	896.78	273.15	**1,169.93**
Provisions	400.94	(218.28)	**182.66**
Current tax liabilities (net)	467.11	-	**467.11**
Total equity and liabilities	**38,916.87**	**(0.87)**	**38,916.00**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Reconciliation of equity as at 31st March 2017 (Rupees in Lacs)

Particulars	Previous regrouped GAAP	Effect of transition to Ind AS	Ind AS
ASSETS			
Non-current assets			
Property, plant and equipment	21,063.80	39.26	**21,103.06**
Capital work-in-progress	1.90	-	**1.90**
Other intangible assets	101.23	-	**101.23**
Financial assets			
Investments	100.18	0.37	**100.56**
Loans	50.98	-	**50.98**
Other financial assets	369.72	-	**369.72**
Income tax assets (net)	179.01	-	**179.01**
Other non-current assets	187.75	-	**187.75**
Current assets			
Inventories	6,866.37	-	**6,866.37**
Financial assets			
Trade receivables	7,423.78	-	**7,423.78**
Cash and cash equivalents	3,589.26	-	**3,589.26**
Other balances with banks	4,195.54	-	**4,195.54**
Other financial assets	152.35	-	**152.35**
Other current assets	1,059.87	-	**1,059.87**
Total assets	**45,341.75**	**39.63**	**45,381.38**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2,267.06	-	**2,267.06**
Other equity	27,583.64	181.40	**27,765.04**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	38.71	-	**38.71**
Other financial liabilities	1,836.45	(368.42)	**1,468.03**
Provisions	1,614.07	-	**1,614.07**
Deferred tax liabilities (net)	1,303.18	(133.86)	**1,169.32**
Current liabilities			
Financial liabilities			
Borrowings	1,930.97	-	**1,930.97**
Trade payables			
Due to micro and small enterprises	601.47	-	**601.47**
Due to others	4,153.60	-	**4,153.60**
Other financial liabilities	2,122.32	3.51	**2,125.83**
Other current liabilities	1,255.35	357.00	**1,612.35**
Provisions	160.38	-	**160.38**
Current tax liabilities (net)	474.55	-	**474.55**
Total equity and liabilities	**45,341.75**	**39.63**	**45,381.38**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Reconciliation of total comprehensive income for the year ended 31st March 2017

(Rupees in Lacs)

Particulars	Previous Regrouped GAAP	Effect of Transition to Ind AS	Ind AS
INCOME			
Revenue from operations	48,666.88	(1,118.20)	**47,548.68**
Other Income	306.95	61.78	**368.73**
Total income	**48,973.83**	**(1,056.42)**	**47,917.41**
EXPENSES			
Cost of materials consumed	21,564.38	-	**21,564.38**
Purchase of stock-in-trade	282.25	-	**282.25**
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(628.92)	-	**(628.92)**
Excise duty	4,394.55	-	**4,394.55**
Employee benefits expense	5,330.67	(386.79)	**4,943.88**
Finance costs	599.08	(433.80)	**165.28**
Depreciation and amortisation expense	1,388.55	-	**1,388.55**
Other expenses	9,160.03	(635.28)	**8,524.76**
Total expenses	**42,090.59**	**(1,455.87)**	**40,634.72**
Profit before tax	**6,883.24**	**399.45**	**7,282.69**
Tax expense			
Current tax	1,833.00	-	**1,833.00**
Deferred tax	29.84	-	**29.84**
	1,862.84	-	**1,862.84**
Profit after tax	5,020.40	399.45	**5,419.85**
Other comprehensive income			
Items that will not be reclassified to Statement of Profit and loss			
Remeasurement of defined benefit plan	-	(386.79)	**(386.79)**
Income tax on remeasurement of defined benefit plan	-	133.86	**133.86**
Total other comprehensive income	-	(252.93)	**(252.93)**
Total comprehensive income for the year	5,020.40	146.52	**5,166.92**

Footnotes:

Non-current investments:

Under previous GAAP, the Company accounted for current investments in quoted equity shares at cost less provision for other than temporary diminution in the value of investments. Under Ind-AS, the investments are required to be classified and measured subsequently at fair value through profit or loss. At the date of transition to Ind-AS, difference between the fair value and GAAP carrying amount of Rs. (0.87) Lakhs has been recognised in the retained earnings. The impact of Rs. 1.24 Lakhs as at 31st March, 2017 has been recognised in the Statement of Profit and Loss.

Proposed dividend:

Under previous GAAP, proposed dividend including dividend distribution tax are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind-AS, dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting).

Accordingly, the liability of Rs. 181.36 Lakhs for the year ended on 31st March, 2016 recorded for proposed dividend has been derecognised against retained earnings on 1st April, 2016.

Revenue from sale of products:

In the financial statements prepared under Previous GAAP, revenue from sale of products was presented net of excise duty. However, under Ind AS, revenue from sale of products includes excise duty. Excise duty expense amounting to Rs 4394.55 lacs is presented separately on the face of the Statement of Profit and Loss for the year ended 31st March, 2017.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Under Ind AS, revenue is recognised at the fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as sales tax, value added tax and goods and service tax except excise duty. Discounts given include rebates and incentives given to customers which have been reclassified from other expenses under previous GAAP and netted from revenue under Ind AS.

The above changes do not affect equity as at date of transition to Ind AS, profit after tax for the year ended 31st March, 2017 and Equity as at 31st March, 2017

Remeasurement benefits of defined benefit plan:

Both under previous GAAP and Ind-AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to Statement of Profit and Loss. Under Ind-AS, re-measurements comprising of actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the effect of change in asset ceiling (if applicable) and the return on plan assets (excluding net interest) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI). Thus, the employee benefit cost is reduced by Rs. 386.79 Lakhs (Net of Tax of Rs. 252.93 Lakhs) for 2016-17 and re-measurement losses on defined benefit plans has been recognised in the Other Comprehensive Incomes (net of tax).

Other Ind AS adjustments (non current financial assets / liabilities and provisions):

Under previous GAAP, the Company accounted for non-current financial assets / liabilities and provisions at undiscounted values. In contrast, the Ind AS requires that where the effect of time value of money is material, the amount of non current financial assets / liabilities and provisions should be the present value of expenditure / income expected to be required to settle the obligations / received upon maturity. This impact is recognised as an interest income or as other borrowing cost.

NOTE- 29: CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves, long term funds attributable to the Equity holders. The primary objective of the Group's capital management is to maximise shareholders value and keep the debt equity ratio within acceptable range. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

(Rupees in Lacs)

	31 March 2018	31 March 2017	1 April 2016
Non-current long term borrowings	**93.53**	38.71	30.46
Current maturity of long term debt	**77.21**	36.05	121.39
Gross debt	**170.74**	74.76	151.85
Less - Cash and cash equivalents	**1,954.14**	3,589.26	1,325.84
Less - Other bank deposits	**9,982.36**	4,147.14	105.98
Adjusted net debt	**(11,765.76)**	(7,661.64)	(1,279.97)
Total equity	**35,349.64**	30,032.10	25,279.57
Adjusted net debt to equity ratio	**(0.33)**	(0.26)	(0.05)

NOTE- 30: FINANCIAL RISK MANAGEMENT

The Group's activities expose it to various financial risks, including market risk, credit risk and liquidity risk. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group by setting appropriate limits and controls and monitoring such risks. The policies and processes are reviewed regualarly to reflect changes in market conditions and the Group's activities.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations The Group is exposed to credit risks from its operating activities, primarily trade receivables, investments and loans. Credit risk is managed through credit approvals, establishing credit limits and monitoring the credit worthiness of the counter party to which the Group grants credit limits in the normal course of business.

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counter parties that have a good credit rating. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet the financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both, normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation.

The Group has unutilised working capital limits from banks of Rs 6500 Lacs as on 31st March, 2018, Rs 5116.04 lacs as on 31st March, 2017 and Rs.4502.36 as on 1st April, 2016.

The table below provides details regarding the contractual maturities of significant financial liabilities

(Rupees in Lacs)

	Less than 1 year	1-3 years	More than 3 years	Total
31st March, 2018				
Non current borrowings	-	93.53	-	93.53
Non current financial liabilities	217.30	518.09	831.66	1,567.05
Currrent borrowings	547.00	-	-	547.00
Trade payable	5,648.84	-	-	5,648.84
Current financial liabilities	2,199.31	-	-	2,199.31
31st March, 2017				
Non current borrowings	-	38.71	-	38.71
Non current financial liabilities	189.13	33.37	1,045.53	1,468.03
Currrent borrowings	1,930.97	-	-	1,930.97
Trade payable	4,755.10	-	-	4,755.10
Current financial liabilities	2,125.83	-	-	2,125.83
1st April, 2016				
Non current borrowings	-	30.46	-	30.46
Non current financial liabilities	382.61	121.41	792.06	1296.08
Currrent borrowings	2560.40	-	-	2560.40
Trade payable	3820.29	-	-	3820.29
Current financial liabilities	1880.28	-	-	1880.28

Market risks

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes investments, trade payables, trade receivables and loans.

Interest rate risks

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. Since the Group has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is minimal.

Foreign currency risks

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Group does enters into forward exchange contracts to hedge its foreign currency exposures,

The carrying amounts of the Group's foreign currency denominated monetary items are as follows:

(Rupees in Lacs)

	Liabilities			Assets		
Currency	**As at 31.03.2018**	As at 31.03.2017	As at 1.04.2016	**As at 31.03.2018**	As at 31.03.2017	As at 1.04.2016
US Dollars	**147.39**	88.32	255.76	**-**	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

The table below demonstrates the sensitivity to a 1% increase or decrease in the foreign currency against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Group as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

(Rupees in Lacs)

	Liabilities			Assets		
Change in rate	**Year 2017-18**	Year 2016-17	Year 2015-16	**Year 2017-18**	Year 2016-17	Year 2015-16
1%	**148.86**	89.21	258.32	**-**	-	-
-1%	**145.92**	87.44	253.20	**-**	-	-

Other price risks

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and bonds.

The Group dose not have significant investments in quoted shares . Hence the 10% price sensitivity upward/downward will not have any material impact on the profitabilty of the Group.

NOTE- 31: FAIR VALUES AND HIERARCHY

Financial instruments – fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below.

(Rupees in Lacs)

31 March 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observ-able inputs (Level 2)	Significant unobserv-able inputs (Level 3)	Total
Financial assets					-			
Investments	2.86	-	90.42	**93.28**	-	2.86	90.42	**93.28**
Loans - (non current)	-	-	40.37	**40.37**	-	-	40.37	**40.37**
Current investment	207.72	-	-	**207.72**	-	207.72	-	**207.72**
Others financial assets (non current)	-	-	341.29	**341.29**	-	-	341.29	**341.29**
Trade receivables	-	-	8,828.72	**8,828.72**	-	-	8,828.72	**8,828.72**
Cash and cash equivalents	-	-	1,954.15	**1,954.15**	-	-	1,954.15	**1,954.15**
Bank balances	-	-	10,041.32	**10,041.32**	-	-	10,041.32	**10,041.32**
Loans	-	-	1.00	**1.00**	-	-	1.00	**1.00**
Others financial assets (Current)			195.47	**195.47**	-		195.47	**195.47**
	210.58	**-**	**21,492.74**	**21,495.60**	**-**	**210.58**	**21,492.74**	**21,495.60**
Financial liabilities					-			
Borrowings - (non current)	-	-	93.53	**93.53**	-	-	93.53	**93.53**
Other financial Liabilities (non current)	-	-	1,567.05	**1,567.05**	-	-	1,567.05	**1,567.05**
Borrowings - (current)	-	-	547.00	**547.00**	-	-	547.00	**547.00**
Trade payables	-	-	5,648.83	**5,648.83**	-	-	5,648.83	**5,648.83**
Other financial liabilities (current)	-	-	2,199.31	**2,199.31**	-	-	2,199.31	**2,199.31**
	-	**-**	**10,055.73**	**10,055.73**	**-**	**-**	**10,055.73**	**10,055.73**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

(Rupees in Lacs)

31 March 2017	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets								
Investments	2.83	-	97.73	**100.56**	-	2.83	97.73	**100.56**
Loans - (non current)	-	-	50.98	**50.98**	-	-	50.98	**50.98**
Others financial assets (non current)	-	-	369.72	**369.72**	-	-	369.72	**369.72**
Trade receivables	-	-	7,423.78	**7,423.78**	-	-	7,423.78	**7,423.78**
Cash and cash equivalents	-	-	3,589.26	**3,589.26**	-	-	3,589.26	**3,589.26**
Bank balances	-	-	4,195.54	**4,195.54**	-	-	4,195.54	**4,195.54**
Loans	-	-	-	**-**	-	-	-	**-**
Others financial assets (Current)	-	-	152.35	**152.35**	-	-	152.35	**152.35**
	2.83	**-**	**15,879.35**	**15,882.18**	**-**	**2.83**	**15,879.35**	**15,882.18**
Financial liabilities								
Borrowings - (non current)	-	-	38.71	**38.71**	-	-	38.71	**38.71**
Other financial liabilities (non current)	-	-	1,468.03	**1,468.03**	-	-	1,468.03	**1,468.03**
Borrowings - (current)	-	-	1,930.97	**1,930.97**	-	-	1,930.97	**1,930.97**
Trade payables	-	-	4,755.07	**4,755.07**	-	-	4,755.07	**4,755.07**
Other financial liabilities (current)	-	-	2,125.83	**2,125.83**	-	-	2,125.83	**2,125.83**
	-	**-**	**10,318.61**	**10,318.61**	**-**	**-**	**10,318.61**	**10,318.61**

(Rupees in Lacs)

1 April 2016	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets								
Investments	1.54	-	123.55	**125.09**	-	1.54	123.55	**125.09**
Loans - (non current)	-	-	50.78	**50.78**	-	-	50.78	**50.78**
Others financial assets (non current)	-	-	329.66	**329.66**	-	-	329.66	**329.66**
Trade receivables	-	-	7,904.39	**7,904.39**	-	-	7,904.39	**7,904.39**
Cash and cash equivalents	-	-	1,325.89	**1,325.89**	-	-	1,325.89	**1,325.89**
Bank balances	-	-	144.27	**144.27**	-	-	144.27	**144.27**
Loans	-	-	-	**-**	-	-	-	**-**
Others financial assets (current)	-	-	205.51	**205.51**	-	-	205.51	**205.51**
	1.54	**-**	**10,084.01**	**10,085.55**	**-**	**1.54**	**10,084.01**	**10,085.55**
Financial liabilities								
Borrowings - (non current)	-	-	30.46	**30.46**	-	-	30.46	**30.46**
Other financial liabilities (non current)	-	-	1,296.08	**1,296.08**	-	-	1,296.08	**1,296.08**
Borrowings - (current)	-	-	2,560.40	**2,560.40**	-	-	2,560.40	**2,560.40**
Trade payables	-	-	3,820.27	**3,820.27**	-	-	3,820.27	**3,820.27**
Other financial liabilities (current)	-	-	1,880.28	**1,880.28**	-	-	1,880.28	**1,880.28**
	-	**-**	**9,587.49**	**9,587.49**	**-**	**-**	**9,587.49**	**9,587.49**

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used:

Financial instruments measured at fair value

Type	Valuation technique
Forward contracts for foreign exchange contracts	Forward pricing : The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies
Non current financial assets / liabilities measured at amortised cost	Discounted cash flow technique : The valuation model considers present value of expected payments discounted using an appropriate discounting rate.
The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of thier fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.	

NOTE 32: EXPLANATORY INFORMATION & OTHER ADDITIONAL NOTES

A. The Notes to these consolidated financial statements are disclosed to the extent necessary for presenting a true and fair view of the consolidated financial statements. The Company has given disclosures in the Notes to the extent it is relevant for consolidated financial statements in line with the General Circular No. 39/2014 dated 14th October 2014.

B. Disclosures related to related party transactions, employee benefits, capital commitments, lease payments, research and development activities, dues from MSMED, donation to political parties, contract in progress, corporate social responsibility, forward contracts and unhedged foreign currency exposure are same as disclosed in the standalone financial statements of the Parent company, except for elimination of related party transactions with Subsidiary Companies.

C. The Company has investment in Grauer & Weil (Thailand) Co. Limited (G&W Thailand) of Rs. 83.83 lakh (P.Y. Rs. 83.83 lakh). The networth of that company has been fully eroded. The management worked with the management of G&W Thailand to take some effective steps during the year including disposal of some of the assets owned by G&W Thailand, which resulted in improvement in its networth. G&W Thailand was also able to repay a part of the loan advanced by the Company. Based on the expected additional restructuring steps and projected future earning, the management is of the opinion that the diminution in value of investment is temporary and that no provision is required, upon which, the auditors being unable to make an informed judgement, have places their reliance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

D. Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiaries / associates.

Name of the Entity	Net assets, i.e., total assets minus total liabilities				Share in profit or (loss)				Share in other comprehensive income (OCI)				Share in total comprehensive income (TCI)			
	2017-18		2016-17		**2017-18**		2016-17		**2017-18**		2016-17		**2017-18**		2016-17	
	As % of consoli-dated net assets	**Rupees in Lacs**	As % of consoli-dated net assets	Rupees in Lacs	**As % of consoli-dated net assets**	**Rupees in Lacs**	As % of consoli-dated net assets	Rupees in Lacs	**As % of consoli-dated net assets**	**Rupees in Lacs**	As % of consoli-dated net assets	Rupees in Lacs	**As % of consoli-dated net assets**	**Rupees in Lacs**	As % of consoli-dated net assets	Rupees in Lacs
Parent																
Grauer & Weil (I) Limited	**99.6%**	**35,415.46**	100.8%	30,459.43	**94.3%**	**6,055.82**	102.0%	5,523.10	**100.0%**	(8.36)	100.0%	(252.93)	**94.3%**	**6,047.46**	102.1%	5,270.17
Subsidiaries																
Foreign																
Grauer & Weil (Shanghai) Limited	**0.0%**	**7.38**	-1.2%	-363.59	**5.8%**	**370.97**	-1.5%	-80.05	**0.0%**	**-**	0.0%	-	**5.8%**	**370.97**	-1.6%	(80.05)
Growel Chemicals Limited	**0.4%**	**129.77**	0.4%	132.01	-0.1%	-6.47	-0.5%	-26.27	**0.0%**	**-**	0.0%	-	-0.1%	(6.47)	-0.5%	(26.27)
Grauer & Weil (UK) Limited	**0.0%**	**-**	0.0%	-	**0.0%**	**-**	0.0%	-	**0.0%**	**-**	0.0%	-	**0.0%**	**-**	0.0%	-
Subtotal	**100.0%**	**35,552.61**	100.0%	30,227.85	**100.0%**	**6,420.32**	100.0%	5,416.78	**100.0%**	-8.36	100.0%	-252.93	**100.0%**	**6,411.96**	100.0%	5,163.85
Associates																
Indian																
Growel Sidasa Industries Private Limited		**-**		-		**-**		-		**-**		-		**-**		-
Grauer & Weil Engineering Private Limited		**-**		-		**-**		-		**-**		-		**-**		-
Poona Bottling Company Private Limited		**-**		259.64		**-**		11.34		**-**		-		**-**		11.34
Foreign																
Grauer & Weil (Thailand) Co. Ltd.		**-**		-		**-**		-		**-**		-		**-**		-
Adjustments arising out of consolidation		-202.97		-455.39		-42.70		-8.27		**-**		-		-42.70		-8.27
		35,349.64		30,032.10		**6,377.62**		5,419.85		-8.36		-252.93		**6,369.26**		5,166.92

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

E. Earnings per share

(Rupees in Lacs)

Particulars		31.03.2018	31.03.2017
Profit for the year	(Rupees in Lacs)	**6,377.62**	5,419.85
Weighted average number of Equity shares	(Nos. in Lacs)	**2,267.06**	2,267.06
(Face value Re. 1 per share)			
Basic earnings per share	(Rupees)	**2.81**	2.39
Diluted earnings per share	(Rupees)	**2.81**	2.39

F. Contingent Liabilities not provided for:

(Rupees in Lacs)

Particulars	2017-2018	2016-2017
Disputed matters in appeal / contested in respect of:		
- Income tax	**24.26**	24.26
- Excise duty/ service tax (Rs. 30.44 Lacs paid)	**599.51**	503.15
- Sales tax (Rs. 25.63 Lacs paid)	**388.80**	72.38
Bank guarantees	**468.41**	869.99

It is not possible for the company to estimate the timing of cash flows, if any, in respect of above pending matters.

G Segment reporting

The following tables present revenue and profit/(loss) information regarding business/ geographical segments for the year ended 31st March, 2018 and certain assets and liabilities information regarding business and geographical segments as at 31st March, 2018.

(a) Primary segment reporting by business segments (Rupees in Lacs)

	Chemical	Engineering	Shopper-tainment	Paints	Olis & lubes	Total
Segment revenue						
Income from operations	**34,389.27**	**3,391.58**	**3,023.89**	**9,103.21**	**1,003.25**	**50,911.21**
	(32,958.45)	(3,703.92)	(2,517.58)	(7,290.26)	(1,078.06)	(47,548.27)
Add : Other Income	**229.29**	**33.37**	**114.10**	**7.21**	**1.75**	**385.72**
	(135.57)	(4.87)	(71.96)	(23.87)	0.53	(235.73)
Add : Unallocable Income						**556.64**
						(133.41)
Total	**34,618.56**	**3,424.95**	**3,138.00**	**9,110.42**	**1,005.00**	**51,853.56**
	(33,094.02)	(3,708.79)	(2,589.52)	(7,314.13)	(1,077.53)	(47,917.41)
Segment results	**8,741.17**	**16.63**	**2,175.48**	**459.53**	**127.09**	**11,519.90**
	(7,165.77)	(293.38)	(1,407.30)	(502.70)	(184.24)	(9,553.39)
Less : Finance cost						**181.49**
						(165.28)
Less : Other unallocable expenditure						**2,272.87**
net of unallocable Income						(2,105.42)
Profit before tax						**9,065.55**
						(7,282.69)
Less : Provision for current and deferred tax						**2,687.93**
						(1,862.84)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

	Chemical	Engineering	Shopper-tainment	Paints	Olis & lubes	Total
Profit after tax						**6,377.62**
						(5,419.85)
Segment assets	**13,679.56**	**2,300.90**	**10,529.07**	**10,349.98**	**479.20**	**37,338.71**
	(12,857.25)	(2,324.03)	(11,094.68)	(9,995.76)	(453.26)	(36,724.97)
Unallocated corporate assets						**13,325.86**
						(8,656.40)
Total assets						**50,664.57**
						(45,381.38)
Segment liabilities	**5,152.32**	**1,504.15**	**2,081.53**	**2,219.30**	**99.58**	**11,056.88**
	(4,349.84)	(1,728.30)	(2,103.66)	(1,948.19)	(70.93)	(10,200.92)
Unallocated corporate liabilities						**39,607.69**
						(35,180.46)
Total liabilities						**50,664.57**
						(45,381.38)
Capital expenditure	**375.03**	**59.12**	**104.39**	**162.65**	**13.01**	
	(279.35)	(4.84)	(74.00)	(833.51)	(14.86)	
Depreciation	**551.69**	**33.92**	**658.33**	**183.01**	**2.60**	
	(546.97)	(36.17)	(649.37)	(87.58)	(3.23)	

(b) Secondary segment reporting by geographical segment (Rupees in Lacs)

	Domestic	Foreign	Total
Revenue	**47,253.47**	**4,600.09**	**51,853.56**
	(43,147.03)	(4,770.39)	(47,917.41)
Total assets	**49,917.55**	**747.02**	**50,664.57**
	(43,871.79)	(1,509.58)	(45,381.38)

Note : Previous year's figures are in brackets

H Figures pertaining to the previous year/subsidiary companies have been reclassfied whereever necessary to bring them in line with the Group's financial statements.

As per our report of even date attached
For SCA & ASSOCIATES
Chartered Accountants
(Firm Reg. No. 101174W)

KIRON MALLAPUR
Partner
Membership No. 036336

Mumbai, 30th May 2018

For and on behalf of the Board of Directors

UMESHKUMAR MORE
Chairman
DIN: 00112662

NIRAJKUMAR MORE
Managing Director
DIN: 00113191

VINOD HARITWAL
CEO & Director
DIN: 00112862

JAGDISH KADAM
Chief Financial Officer
Membership No. 41955

CHINTAN K. GANDHI
Company Secretary
Membership No. 21369

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries

Part "A": Subsidiaries (Rupees in Lacs)

Sr. No.	Name of the subsidiary company	1	2	3
		Grauer & Weil (Shanghai) Limited	**Growel Chemicals Limited**	**Grauer & Weil (UK) Limited**
		(Wholly owned subsidiary)		
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Jan - Dec 2017	Jan - Dec 2017	July - June 2017
2	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	CNY (Renminbi)	THB (Thai Baht)	GBP
		1 CNY = 9.7862 INR	1 THB = 1.96493 INR	1 GBP = 84.1760 INR
3	Share capital	334.79	172.42	-
4	Reserves & surplus	-327.41	-42.65	-
5	Total assets	7.38	332.36	-
6	Total liabilities	-	202.59	-
7	Investments	-	-	-
8	Turnover	-	372.00	-
9	Profit before taxation	370.97	(6.47)	-
10	Provision for taxation	-	-	-
11	Profit after taxation	370.97	(6.47)	-
12	Proposed dividend	-	-	-
13	% of shareholding	100%	100%	100%
1	Names of subsidiaries which are yet to commence operations	Grauer & Weil (UK) Limited		
2	Names of subsidiaries which have been liquidated or sold during the year	None		

Part "B": Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to associate companies (Rupees in Lacs)

Name of associates	Growel Goema (India) Private Limited	Grauer & Weil (Thailand) Co. Limited	Growel Sidasa Industries Private Limited	Poona Bottling Company Private Limited
1. Latest audited balance sheet date	31.03.2017	31.12.2017	31.03.2017	31.03.2017
2. Shares of associate held by the company on the year end (No. of shares)	1,49,980	58,800	12,88,300	91,960
Amount of investment in associates	14.99	83.83	128.83	3.90
Extend of holding %	29.99%	48.99%	49.80%	18.27%
3. Description of how there is significant influence	By virtue of 29.99% shareholding	By virtue of 48.99% shareholding	By virtue of 49.80% shareholding	By virtue of 18.27% shareholding
4. Reason why the associate is not consolidated	Not applicable	Not applicable	Not applicable	Not applicable
5. Networth attributable to shareholding as per latest audited balance sheet	-12.19	-23.83	1.06	259.64
6. Profit / Loss for the year	-2.33	122.70	-0.22	87.03
i. Considered in consolidation	-	-	-	15.90
ii. Not considered in consolidation	(2.33)	122.70	(0.22)	71.13

1 Names of associates which are yet to commence operations None
2 Names of associates which have been liquidated or sold during the year None

GROWEL
SINCE 1957

Registered Office: Growel Corporate, Akurli Road, Kandivli (East), Mumbai - 400 101.
CIN: L74999MH1957PLC010975

Green Initiative in Corporate Governance

Dear Shareholder,
In case you have not registered your e-mail address for receiving communication from the Company in electronic mode, you may submit the Registration Form given below to the Registrar - Link Intime India Pvt. Ltd. Shareholders holding shares in demat mode are requested to register their e-mail address with the Depository Participant only.

E-COMMUNICATION REGISTRATION FORM

(In terms of Circular No.17/2011 dated 21.04.2011 and Circular no. 18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs)

Folio No./DP ID & Client ID : ______________________________

Name of 1st Registered Holder : ______________________________

____

Name of Joint Holder(s) : ______________________________

____

Registered address : ______________________________

____

____

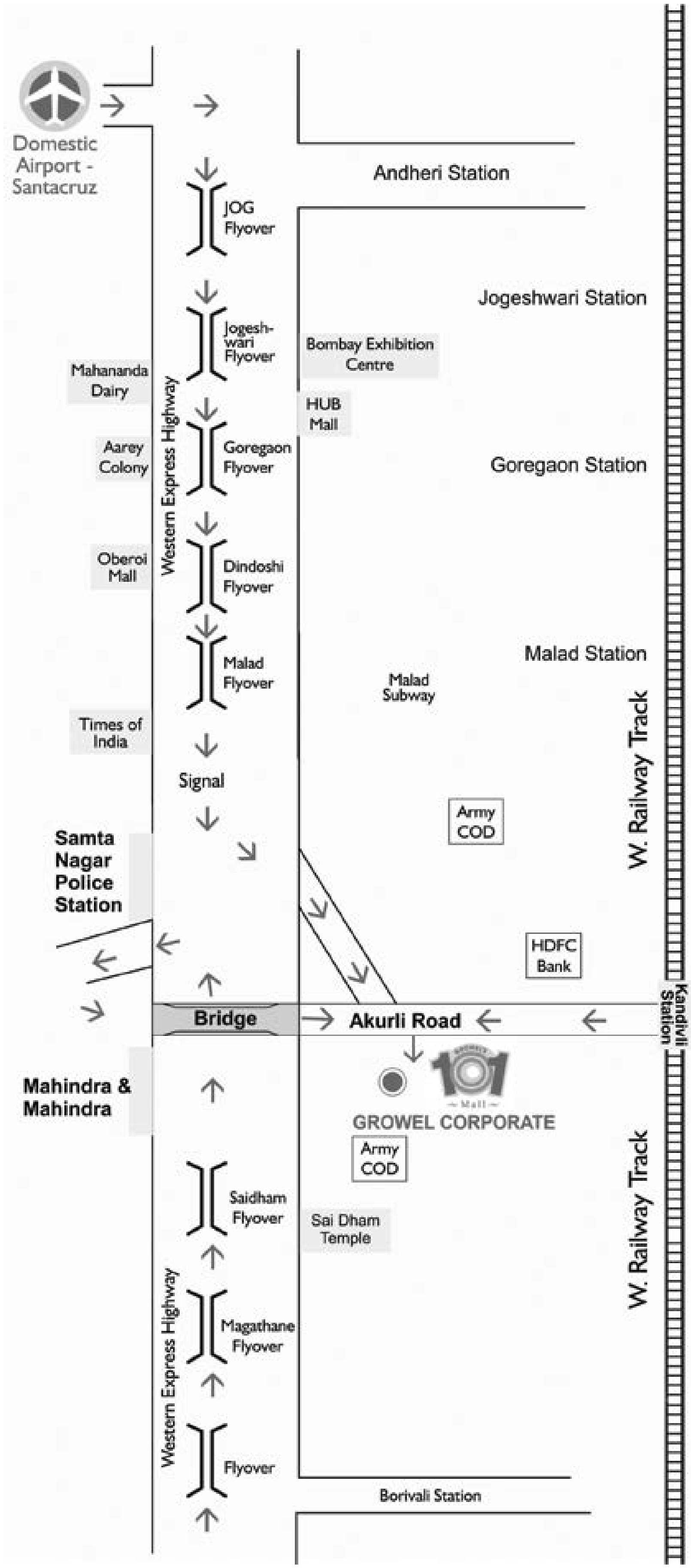
E-mail Address (to be registered) : ______________________________

I/We shareholder(s) of Grauer & Weil (India) Ltd. agree to receive communication from the Company in electronic mode. Please register my / our above e-mail address in your records for sending communication through e-mail.

Date : ____________________ Signature : ____________________

Note : Shareholder(s) are requested to keep the Company / Depository Participant informed as and when there is any change in the e-mail address.

ROUTE MAP TO THE VENUE OF AGM



GROWEL
SINCE 1957

GRAUER & WEIL (INDIA) LIMITED

Regd. Office: Growel Corporate, Akurli Road, Kandivli (East), Mumbai - 400 101.
CIN: L74999MH1957PLC010975

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.
Joint Shareholders may obtain additional Attendance Slips on request.

Name & address of the shareholders:		Folio No. / Client ID: DP ID: No. of shares held:	

I hereby record my presence at the 60th Annual General Meeting of the Company to be held on Thursday, August 30, 2018 at 3.00 pm at Growel's 1O1 Mall, Akurli Road, Kandivli (East), Mumbai - 400101.

Signature of Shareholders / Proxy

SINCE 1957

GRAUER & WEIL (INDIA) LIMITED

Regd. Office: Growel Corporate, Akurli Road, Kandivli (East), Mumbai - 400101.
CIN: L74999MH1957PLC010975

PROXY FORM

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

Name & address of the member (s):		Folio No. / Client ID: DP ID: e-mail address:	

I/We, being the member(s) of __________ shares of Grauer & Weil (India) Ltd., hereby appoint:

1) ________________________________ of____________________________ having e-mail address ____________________or failing him

2) ________________________________ of____________________________ having e-mail address _____________________or failing him

3) ________________________________ of____________________________ having e-mail address ______________________or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 60th Annual General Meeting of the Company to be held on Thursday, August 30, 2018 at 3.00 pm at Growel's 101 Mall, Akurli Road, Kandivli (East), Mumbai – 400101 and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTIONS	FOR	AGAINST
ORDINARY BUSINESS:		
1. Receive, consider, approve and adopt the Standalone and Consolidated Audited Profit and Loss Account for the year ended March 31, 2018 and the Balance Sheet as at that date together with Report of Director's and the Auditor's thereon.		
2. Declare a dividend on equity shares for the financial year ended March 31, 2018.		
3. Appoint a director in place of Shri Umeshkumar More (DIN : 00112662), who retires by rotation and being eligible, offers himself for re-appointment.		
SPECIAL BUSINESS:		
4. Re-appointment of Shri Suresh Pareek as Independent Director of the Company.		
5. Re-appointment of Shri Tarun Kumar Govil as Independent Director of the Company.		
6. Ratification of remuneration of Cost Auditors for the financial year ending March 31, 2019.		

Signed this..................... day of..................2018 Signature of shareholder

Affix Revenue Stamp

____________________________ Signature of first proxy holder

____________________________ Signature of second proxy holder

____________________________ Signature of third proxy holder

Notes:

(1) This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

(2) A Proxy need not be a member of the Company.

(3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

(4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

(5) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

GROWEL NETWORK

INDIA OPERATIONS

★ INTERNATIONAL NETWORK

ARGENTINA	GERMANY	MALAYSIA	SRI LANKA
AUSTRALIA	GREECE	MEXICO	TAIWAN
BANGLADESH ▲	HONG KONG	MIDDLE EAST	TANZANIA
BRAZIL	INDONESIA	NEPAL	THAILAND ▲
C.I.S.	IRAN	NIGERIA	TURKEY
CHINA	ITALY	PAKISTAN	U.S.A.
EGYPT	JAPAN	SINGAPORE	VIETNAM
ETHIOPIA	KENYA	SOUTH AFRICA	
FRANCE	KOREA	SPAIN	

Corporate Office | ▲ Branch Office / Depot | Plants | ★ Exports