

# **LIME CHEMICALS LIMITED**

**48<sup>th</sup> ANNUAL REPORT  
2017-2018**

**BOARD OF DIRECTORS**

Mr. Suresh John - Chairman  
 Mr. A. H. Dawoodani - Managing Director  
 Mrs. S. A. Dawoodani  
 Mr. K. S. Varadhan (upto 30.09.2017)  
 Mr. Sadruddin Jiwani  
 Dr. Akbar Virani  
 Mr. Husen Somji (w.e.from 30.05.2018)

**REGISTERED OFFICE**

404/405, Neco Chambers, 4<sup>th</sup> Floor  
 Plot No.48, Sector-11  
 Rajiv Gandhi Road,  
 C.B.D. Belapur (East),Navi Mumbai – 400 614  
 Tel. No: 022-27561976/77  
 Email: info@limechem.com  
 Website: www.limechem.com

**AUDITORS**

M/S. A.N. DAMANIA& CO.  
 CHARTERED ACCOUNTANTS, MUMBAI

**BANKERS**

BANK OF BARODA  
 AXISBANK LTD.  
 Kokan Mercantile Co-op Bank Ltd.

**REGISTRAR & SHARE TRANSFER AGENT**

BIGSHARE SERVICES PVT. LTD.  
 1ST FLOOR, BHARAT TIN WORKS BUILDING,  
 OPP. VASANT OASIS, MAKWANA ROAD,  
 MAROL, ANDHERI (EAST), MUMBAI 400059  
 Tel. No.: 022 62638200; Fax No: 022 62638299  
 email: investor@bigshareonline.com |  
 Website: www.bigshareonline.com

**FACTORIES**

Plot No. 43, Roha Industrial Area  
 Village Dhatav, Roha, Raigad (M.S)  
 31-32-33 & 34 Industrial Area  
 Paonta Sahib – 173 023 (H.P)

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**IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs has taken the "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / document including annual report can be sent by e-mail to its members. To support this green initiative of the Government in full measures, members who have so far not registered their e-mail addresses are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send the e-mail address to the Registrar & Transfer Agents quoting their folio number.

**NOTICE**

NOTICE IS HEREBY GIVEN THAT the Forty Eighth Annual General Meeting of the Members of Lime Chemicals Limited will be held at K Star Hotel, Rajiv Gandhi Road, Sector-11, C.B.D. Belapur (East), Navi Mumbai – 400 614, on Saturday the 29<sup>th</sup> September, 2018 at 10.00 am to transact the following business.

**ORDINARY BUSINESS**

1. To receive and adopt the Profit and Loss Account for the year ended on 31<sup>st</sup> March, 2018 and the Balance Sheet as on that date and the reports of Auditors and Directors thereof.
2. To appoint a Director in place of Mr. Sadruddin Jiwani (DIN 05002145), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
3. appoint a Director in place of Mrs. Shahnaz A. Dawoodani (DIN 02324234), who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment.
4. To appoint M/s. A.N. Damania & Co., Chartered Accountants as statutory auditors of the Company and fix their remuneration

**SPECIAL BUSINESS**

5. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
 “RESOLVED THAT Mr. Husen Somji (DIN 07950626 ), in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation“

**IMPORTANT NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument of Proxy should be deposited at the registered office of the Company not less than 48 hours before commencement of meeting.
3. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Registrar and Transfer Agents of the Company.
4. Details of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms integral part of the notice and given in Annexure “A” to this notice.
5. Electronic copy of the Notice of the 48th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 48th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
6. Members may also note that the Notice of the 48th Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company’s website [www.limechem.com](http://www.limechem.com) for their download. The physical copies of the aforesaid documents will also be available at the Company’s Registered Office at Navi Mumbai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company’s investor email id: [info@limechem.com](mailto:info@limechem.com)
7. **Voting through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 48th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on September 26, 2018 at 9.00 am and ends on September 28, 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 of September 22, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.

- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>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 (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN 180813024 for Lime Chemicals on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a 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.
- (xviii) 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. Apple 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.
- (xix) 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](http://www.evotingindia.com) and register themselves as Corporates. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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 linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.

- e. 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - f. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to [https:// www.evotingindia.co.in](https://www.evotingindia.co.in) and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
  - g. The voting period begins on September 26, 2018 (9:00 am) and ends on September 28, 2018 (5:00pm). During this period, shareholder of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of September 22 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
  - h. 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - i. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 22, 2018.
  - j. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as physical ballot voting.
8. Mr. N. Hariharan, Practicing Company Secretary (Membership No. FCS 559, CP No. 7119) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  9. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
  10. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.limechem.com](http://www.limechem.com) and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
  11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
  12. The Register of members and Share Transfer Books of the Company will be closed from 24<sup>th</sup> September 2018 to 28<sup>th</sup> September 2018 (both days inclusive).
  13. Members are requested to please bring their copies of the Annual Report to the Meeting.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013**

**ITEM NO. 4 OF NOTICE**

Mr. Husen Somji, was appointed as an Independent Director by the Board of Directors at their meeting held on 30<sup>th</sup> May 2018, who hold the office upto the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Husen Somji for the office of Director of the Company. Mr. Husen Somji is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

None of the Directors except Mr. Husen Somji is concerned or interested in the resolution. The Board of Directors recommends the resolution for approval of the members.

**ANNEXURE –A**

Brief Profile / Disclosure Relating to Directors Re-appointed pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards (SS-2) on General Meetings:

Particulars	Mr. Sadruddin Jiwani	Mrs. Shahnaz A. Dawoodani	Mr. Husen Somji
Date of Birth	15.05.1945	31.08.1966	15.01.1951
DIN	05002145	02324234	07950626
Qualification	Graduate	Undergraduate	Undergraduate
Expertise in specific function area and no. of years of experience	Having more than 48 years' experience in different business.	More than 28 years of experience in business related activities.	Having more than 35 years experience in the business of petroleum and related activities.
Directorship held in other public & private companies	Govind Kripa Infratech Pvt. Ltd. J.P.B. Developers LLP	1. SilvoLiacal Chemicals Ltd. 2. Himachal Polyolefins Ltd. 3. Lime Infra Realty Pvt. Ltd. 4. Sahid Investment & Trading Co. Pvt. Ltd. 5. West Point Minerals & Chemicals Co. Pvt. Ltd.	Nil
Chairmanship/ Membership of Board Committees of other companies	Nil	Nil	Nil
Number of shares held	0	365467	5000

**For and on behalf of the Board of Directors**

Ahmed H. Dawoodani  
Managing Director

**REGISTERED OFFICE**

404/405, Neco Chambers, 4<sup>th</sup> Floor  
Plot No.48, Sector-11, Rajiv Gandhi Road,  
C.B.D. Belapur (East), Navi Mumbai – 400 614

DATED: August 14, 2018

## DIRECTORS' REPORT

The Directors present their 48<sup>th</sup> Annual Report on the business and operations of the Company and the financial accounts for the year ended on 31<sup>st</sup> March, 2018.

## FINANCIAL RESULTS

(₹ In lakhs)

Particulars	For the year ended on 31/03/2018	For the previous year ended on 31/03/2017
Gross Profit (before interest, depreciation & taxation)	891.36	726.32
Less: Interest	24.11	42.53
Depreciation	101.61	216.97
Profit before tax	765.64	466.82
Tax expense/Deferred Tax	-	(37.09)
Other comprehensive income	(12.98)	17.20
Profit / Loss after Tax	752.66	486.71
Add: Balance brought from previous year	(3202.82)	(3688.95)
Profit / (Loss) available for appropriations	(2109.72)	(3202.82)
APPROPRIATIONS / TRANSFERS		
Profit/(loss) carried to Balance Sheet	(2109.72)	(3202.82)

## DIVIDEND

Your Directors do not recommend any dividend on equity shares in view of the working capital requirement and brought forward loss of earlier years incurred by the Company.

## OPERATION AND FUTURE OUTLOOK

During the year under review, the turnover has increased to ₹ 5302.46 lakhs against ₹ 4719.63 lakhs in the previous year registering increase of 12.35% in revenue. The net profit during the year rose to ₹ 752.66 lakhs against ₹ 486.71 earned during the previous year registering 54.64%. Accordingly basic and diluted Earning Per Share stood at ₹ 19.01 against ₹ 14.27 in the previous year. The Company could able to achieve higher turnover on account of improved working capital.

## Board of Directors, Board and Audit Committee Meetings:

Your Company's Board is duly constituted and is in compliance with the requirements of the Companies Act, 2013, the Listing Regulations and provisions of the Articles of Association of the Company. During the year under review, a total of five Meetings of the Board of Directors and four meetings of Audit Committee held and details of Meetings held during the financial year 2017-18 have been provided in the Corporate Governance Report which forms part of this Annual Report.

Mr. Sadruddin Jiwani and Mrs. Shahnaz A. Dawoodani, the Directors of the Company shall retire by rotation at the forthcoming Annual General Meeting and offer themselves for re-appointment. Mr. Husen Somji has been appointed as Independent Director with effect from 30<sup>th</sup> May 2018 and hold office upto the date of the ensuing Annual General Meeting. A brief profile along with necessary disclosures of retiring Directors and appointed Independent Director has been annexed to the Notice convening the ensuing AGM and forms an integral part of this Annual Report.

Your Board recommends re-appointment of Mr. Sadruddin Jiwani and Mrs. Shahnaz A. Dawoodani as Directors liable to retire by rotation and Mr. Husen Somji as Independent Director of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed in Section 149(6) of the Companies Act, 2013.

## SHARE CAPITAL - PREFERENTIAL ISSUE

The Members of the Company passed a resolution through postal ballot dated 14<sup>th</sup> July 2017 to issue 8,00,000 equity shares of ₹ 10/- each at a premium of ₹ 15/- per share and 24,25,000 warrants convertible into equity shares within 18 months from the date of issue at a price of ₹ 25/- warrant on preferential basis to Promoter group and other than promoter group. The object of the issue was to meet (a) working capital, (b) reduction/ repayment of debt and (c) other general corporate purposes.

Accordingly, the Committee of Board of Directors allotted 8,00,000 equity shares of ₹ 10/- each at a premium of ₹ 15/- and 24,25,000 convertible warrants of ₹ 25/- each on August 11, 2017. Further, a warrant holder has exercised conversion option and allotted 8,00,000 equity shares on December 14, 2017 against 8,00,000 convertible warrants by the holder. The remaining warrant holders have exercised conversion option and allotted 16,25,000 equity shares on July 16, 2018.

The Management confirms that the Company has utilized the proceeds of issue of shares and convertible warrants for the objects as approved by the shareholders vide resolution passed through postal ballot on 14<sup>th</sup> July 2017.

Also, during the year 2017-18, the Company had forfeited 10548 Equity Shares of the Company for non-payment of allotment monies and calls in arrears. The paid up capital of the Company post Preferential Issue and Forfeiture of Shares is 65,04,728 Equity Shares of ₹10/- each.

**EXPORTS**

During the year under review, the Company has not exported its products to other countries.

**Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

There were no material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report like settlement of tax liabilities, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc.

**Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.**

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

**Internal control systems and their adequacy**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board and to the Chairman.

The Company has obtained ISO 9001 certification and adheres to the Standard Operating Practices its manufacturing and operating activities.

The management of the Company evaluates the efficiency and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the assessment, the management undertakes corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations with corrective actions thereon are presented to the Audit Committee of the Board.

**Subsidiaries/ Joint Ventures**

The Company does not have Subsidiary or Joint Ventures.

**Fixed deposit**

There no outstanding deposits payable by the Company.

**Auditors & auditor's report**

The Company's Auditors M/s. A.N. Damania & Co., Chartered Accountants will retire at the forthcoming Annual General Meeting and are eligible for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the provision prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Notes on Financial Statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

**Extract of Annual Return**

The details forming part of the extract of Annual Return in form MGT-9 is annexed herewith as Annexure –B.

**Conservation of energy, technology absorbtion etc.**

The particulars of conservation of Energy, Technology, Absorption, foreign Exchange Earnings and outgo have not been given since the same are not applicable to the Company.

**Corporate Social Responsibility Initiatives**

During the year under review, the Company does not come under the parameters specified under Section 135 of the Companies Act, 2013, hence no Committee were constituted for Corporate Social Responsibility (CSR) Initiatives. However CSR is applicable from the Financial Year 2018-2019 and accordingly the Company has constituted a Committee comprising Mr. Ahmed H. Dawoodani as Chairman, Mrs. Shahnaz A. Dawoodani and Mr. Suresh John as the Members.

**Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Appointment & Remuneration and Stakeholder's Grievance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

**Nomination and Remuneration Committee**

The Board has on the recommendation of the Appointment and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

**Board and Audit Committee Meetings**

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

**Vigil Mechanism / Whistle Blower Policy**

The Company has established a vigil mechanism to be known as the “Whistle Blower Policy” for its Directors and employees to report instances of unethical behavior, actual or suspected fraud or violation of the Company’s Code of Conduct. The aim of the policy is to provide adequate safeguards against victimization of whistle blower who avails of the mechanism and also provide direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise a concern about serious irregularities within the Company.

**Prevention of Insider Trading**

The Company has adopted a Code of Conduct for Prevention of Insider Trading under Securities and Exchange Board of India (Insider Trading) Regulation 2015 with a view to regulate trading in securities by the Directors, designated employees and their immediate relatives and other connected persons. The Code requires pre-clearance for dealing in the Company’s shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. All the members of the Board and designated employees have confirmed compliance with the Code.

**Policy on prevention of sexual harassment of women at workplace**

The Company has adopted a Policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Your Company is committed to provide a safe and secure environment to its women employees across its functions and other women stakeholders, as they are considered as integral and important part of the Organization.

An Internal Complaints Committee (ICC) with requisite number of representatives has been set up to redress complaints relating to sexual harassment, if any, received from women employees and other women associates. All employees (permanent, contractual, temporary, trainees) are covered under this policy, which also extends to cover all women stakeholders of the Company.

The following is a summary of sexual harassment complaints received and disposed off satisfactorily during the financial year ended March 31, 2018:

- Number of complaints received: Nil
- Number of complaints disposed off : Nil

**Particulars of loans, guarantees or investments**

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by the Company are given in the notes to the financial statements.

**Related Party Transactions**

During the financial year ended 31<sup>st</sup> March 2018, all transactions with the Related Parties as defined under the Companies Act, 2013 read with Rules framed there under were in the ordinary course of business and at arm’s length basis. Your Company does not have a ‘Material Subsidiary’ as defined under Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [‘Listing Regulations’].

During the year under review, your Company did not enter into any Related Party Transactions which require prior approval of the Members. The Members at their meeting held on 30<sup>th</sup> September 2016 have given approval to the Directors of the Company to enter into transactions upto ₹ 40 crores cumulatively with 5 Related Parties listed. All Related Party Transactions of your Company had prior approval of the Audit Committee and the Board of Directors, as required under the Listing Regulations. There has been no materially significant Related Party Transactions having potential conflict with the interest of the Company during the year under review.

All Related Party Transactions entered into by your Company were in the ordinary course of business and also on an arm’s length basis, therefore details required to be provided in the prescribed Form AOC - 2 is not applicable to the Company. Necessary disclosures required under the Ind AS 24 have been made in the Notes to the Financial Statements for the year ended on 31<sup>st</sup> March, 2018.

**Secretarial Audit**

Mr. N. Hariharan, Company Secretary in practice have undertaken the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as Annexure-A, which is self-explanatory.

**Risk Management Policy**

Pursuant to Section 134(3) (n) of the Companies Act, 2013 and SEBI Listing Regulations, the Company has constituted a business risk management committee. The details of the Committee and its terms of reference are set out in the corporate governance report forming part of the Board report. At present the Company has not identified any element of risk which may threaten the existence of the Company.

**Corporate Governance**

The Report on Corporate Governance along with a certificate of compliance from the Auditors and Management Discussion and Analysis Report forms part of this Report.

**Director's responsibility statement**

The Board of Directors of your Company confirms that:

- i) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the Company for that period;
- iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) the Directors have prepared the Annual Accounts on a going concern basis; and
- v) the Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operative effectively.

**Particulars of employees**

The Company did not have any employee falling within the purview of Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Persons Rule 2014).

**INDUSTRIAL RELATIONS**

The Industrial Relations continued to be cordial during the year under review.

**ACKNOWLEDGEMENT**

The Directors wish to place on record their sincere appreciation for the continued co-operation by the Company's Bankers and the support given by the Company's valued customers. The Board also express its sincere appreciation to the commitment and dedicated employees at all levels. Last but not least the Board places on record their gratitude to the Investors, Clients and Shareholders of the Company.

**On behalf of the Board of Directors**

PLACE: NAVI MUMBAI

DATE : August 14, 2018

Suresh John

Chairman

Annexure - A

**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,

Lime Chemicals Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Lime Chemicals Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Lime Chemicals Limited'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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 1st April 2017 to 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Lime Chemicals Limited ("the Company") for the financial year ended on 31st March 2018, according to the provisions as applicable to the Company:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable during the year)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable during the year)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable during the year)
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable during the year)
- (vi) Other laws applicable:
  - a) The Employees Provident Fund & Miscellaneous Provisions Act, 1952
  - b) Employees State Insurance Act, 1948
  - c) Payment of Bonus Act, 1965 and the payment of Bonus Rules, 1965
  - d) Payment of Gratuity Act, 1972;
  - e) Contract Labour (Regulation and Abolition) Central Rules, 1971
  - f) Income Tax 1961 and Rules made thereunder
  - g) Service Tax Act, 1994 and Rules made thereunder
  - h) Shops and Establishment Act of Maharashtra and Himachal Pradesh
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange i. e BSE Limited;

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

Non compliances / observations / audit qualification, reservation or adverse remarks:

- a) The Company has not appointed Company Secretary during the period of audit. As informed by the management, the Company is in the process of appointing a Company Secretary. However, a Compliance Officer has been appointed by the Company.
- b) From 30th June 2017 to 23rd March 2018, Director Identification Number of two directors were non-operational.
- c) There were delay in filing of 13 forms filed with Registrar of Companies with applicable late filing fees under the Companies Act, 2013.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

Specific observations / qualification, reservation or adverse remarks in respect of the Board Structures/ system and processes relating to the Audit period - Nil

**I further report that** during the audit period the Company has not incurred any specific event/ action except as stated above that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

N. HARIHARAN

Practicing Company Secretary

Membership No. 559

Certificate of Practice No. 7119

Place: Navi Mumbai

Date: 11th August 2018.

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 A to Secretarial Audit Report**

To the Members,

Lime Chemicals Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process 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. I believe that the processes and practices, followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. My 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 efficiency or effectiveness with which the management has conducted the affairs of the Company.

N. HARIHARAN

Practicing Company Secretary

Membership No. 559

Certificate of Practice No. 7119

Place: Navi Mumbai

Date: 11th August 2018.

## Annexure B to the Directors Report

Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2018

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 11(1) of the Companies (Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS

- i) CIN: L24100MH1970PLC014842
- ii) Registration date: 17<sup>th</sup> October 1970
- iii) Name of the Company: Lime Chemicals Limited
- iv) Category/ Sub-category of the Company: Company limited by shares
- v) Address of the Registered office and contact details: Neco Chambers, 4<sup>th</sup> Floor, Rajiv Gandhi Road, Sector-11, C.B.D Belapur, Navi Mumbai, Pin – 400 614, Maharashtra
- vi) Whether listed Company: Yes
- vii) Name, Address and contact details of Registrar and Transfer Agents:  
Bigshare Services Pvt. Ltd. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai 400059; Tel. No. : 022 62638200; Fax No: 022 62638299; email: investor@bigshareonline.com; Website: www.bigshareonline.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name & description of main products/ services	NIC code of the product/ service	% to total turnover of the company
1	Production of Calcium Carbonate	20299	99.58%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY - NIL

(No. of Companies for which information is being filled)

S.No.	Name and Address of the Company	CIN/GLN	Holding/subsidiary/associate	% of shares held	Applicable section
	NIL				

## iv) SHARE HOLDING PATTERN (Equity Share Capital breakup as percentage of Total Equity)

## i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of year				No. of Shares held at the end of the year				% of change total capital
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individuals/ Hindu Undivided Family	1191990	8060	1200050	36.47	1400030	0.00	1400030	28.69	-7.78
b) Central Government/ State Government(s)	0.00	0.00	0	0	0.00	0.00	0	0	0
c) Bodies Corporate	77370	50500	127870	3.89	127870	0.00	127870	2.62	-1.27
d) Financial Institutions/ Banks	0.00	0.00	0	0	0.00	0.00	0	0	0
<b>Sub Total(A)(1)</b>	<b>1269360</b>	<b>58560</b>	<b>1327920</b>	<b>40.36</b>	<b>1527900</b>	<b>0.00</b>	<b>1527900</b>	<b>31.31</b>	<b>-9.05</b>
<b>Foreign</b>									
a) NRI Individuals/ Other Individuals)	0.00	0.00	0	0	0.00	0.00	0	0	0
b) Bodies Corporate	0.00	0.00	0	0	0.00	0.00	0	0	0
d) Any Others(Specify)	0.00	0.00	0	0	0.00	0.00	0	0	0
<b>Sub Total(A)(2)</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>1269360</b>	<b>58560</b>	<b>1327920</b>	<b>40.36</b>	<b>1527900</b>	<b>0.00</b>	<b>1527900</b>	<b>31.31</b>	<b>-9.05</b>
<b>B. Public shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds/ UTI	60	3300	3360	0.10	60	3300	3360	0.10	0
b) Financial Institutions / Banks	64000	0.00	64000	1.95	64000	0.00	64000	1.95	0
c) Central/ State Government	0.00	0.00	0	0	0.00	0.00	0	0	0
d) Venture Capital Funds	0.00	0.00	0	0	0.00	0.00	0	0	0
e) Insurance Companies	0.00	0.00	0	0	0.00	0.00	0	0	0
f) Other Foreign Investors	0.00	0.00	0	0	0.00	0.00	0	0	0
<b>Sub-Total (B)(1)</b>	<b>64060</b>	<b>3300</b>	<b>67360</b>	<b>2.05</b>	<b>64060</b>	<b>3300</b>	<b>67360</b>	<b>2.05</b>	<b>0</b>

Category of Shareholder	No. of Shares held at the beginning of year				No. of Shares held at the end of the year				% of change total capital
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>Non-institutions</b>									
a) Bodies Corporate	45884	75871	121755	3.69	65851	74631	140482	2.88	-0.81
i) Indian									
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh	980555	521516	1502071	45.65	903430	499617	1403047	28.75	-16.90
ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakh.	151938	30000	181938	5.53	1642846	30000	1672846	34.26	28.73
Any Other (specify)	0.00	0.00	0	0	0.00	0.00	0	0	0
NRI (Repat& Non Repat)	30714	33900	64614	1.97	30111	33900	64011	1.31	-0.66
Trust	0	0	0	0	0	0	0	0	0
Hindu Undivided Family	0	0	0	0	0	0	0	0	0
Clearing Members	24618	0	24618	0.75	4082	0	4082	0.08	-0.67
<b>Sub-Total (B)(2)</b>	<b>1233709</b>	<b>661287</b>	<b>1894996</b>	<b>57.58</b>	<b>2646320</b>	<b>638148</b>	<b>3284468</b>	<b>67.31</b>	<b>9.73</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>1297769</b>	<b>664587</b>	<b>1962356</b>	<b>59.64</b>	<b>2710380</b>	<b>641448</b>	<b>3351828</b>	<b>68.69</b>	<b>9.05</b>
<b>TOTAL (A)+(B)</b>	<b>2567129</b>	<b>723147</b>	<b>3290276</b>	<b>100.00</b>	<b>4238280</b>	<b>641448</b>	<b>4879728</b>	<b>100.00</b>	<b>0</b>
<b>C. Shares held by Custodians for GDR &amp; ADRs</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>2567129</b>	<b>723147</b>	<b>3290276</b>	<b>100.00</b>	<b>4238280</b>	<b>641448</b>	<b>4879728</b>	<b>100.00</b>	<b>0</b>

## (ii) Shareholding of Promoters

Sr. No.	Name of the shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			%change in share holding during the year
		Number of shares held	% of total Shares of the Co.	% of Shares Pledged to total Shares	Number of shares held	% of total Shares of the company	%of Shares Pledged To total Shares	
1	A.H. DAWOODANI	663912	20.18	0.00	663912	13.60	0	0
2	S.A. SAWOODANI	365467	11.11	0.00	365467	7.49	0	0
3	RAHIM DAWOODANI	170651	5.19	0.00	370651	7.60	0	2.41
4	SAHID INVESTMENT & TRADING CO. PVT. LTD.	127870	3.89	0.00	127870	2.62	0	0
	<b>TOTAL</b>	<b>1327920</b>	<b>40.37</b>	<b>0.00</b>	<b>1527900</b>	<b>28.69</b>	<b>0</b>	<b>2.41</b>

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

Sr. No.	Name of the shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			%change in share holding during the year
		Number of shares held	% of total Shares of the Co.	% of Shares Pledged to total Shares	Number of shares held	% of total Shares of the company	%of Shares Pledged To total Shares	
1	RAHIM DAWOODANI	170651	5.19	0.00	370651	7.60	0	2.41
	<b>TOTAL</b>	<b>170651</b>	<b>5.19</b>	<b>0.00</b>	<b>370651</b>	<b>7.60</b>	<b>0</b>	<b>2.41</b>

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

Sr. No.		Shareholding at the beginning of the year		At the end of year on 31/03/2018	
		No. of shares	% of total shares	No. of Shares	% of total shares
1	Devanshi Parimal Merchant	0	0	800000	16.39
2	Parimal Rameshchandra Merchant	0	0	400000	8.19
3	Ayaz S. Thanawala	0	0	100000	2.05
4	Aziz Amirali Makani	0	0	100000	2.05
5	Life Insurance Corporation of India	64000	1.95	64000	1.95
6	Shree Suvarn Consultants Pvt. Ltd.	50000	1.52	50000	1.52
7	Ramesh Jain	0	0	40000	0.82
8	Deepak B. Goradia HUF	0	0	39660	0.81
9	Munesh J. Jalota	22631	0.69	33785	0.69
10	Nevein Nasruddin Bharwani	30000	0.91	30000	0.91

## (v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Inter-se transfer & Buy/ sold & during the year		Cumulative Shareholding during year	At the end of year on 31/03/2018	
		No. of shares 01/042017	% of total shares	Date	No. of shares	No. of shares	No. of Shares	% of total shares
1	Ahmed H. Dawoodani	663912	20.18	0	0	663912	663912	13.60
2	Shahnaz A. Dawoodani	365467	11.11	0	0	365467	365467	7.49
3	Tejas P. Shah	24121	0.73	0	0	24121	0	0

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2101629	324459616	0	326561245
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	2101629	324459616	0	326561245
Change in Indebtedness during the financial year				
• Addition	3095671	0	0	3095671
• Reduction	0	72679540	0	72679540
Net Change	3095671	72679540	0	69583869
Indebtedness at the end of the financial year				
i) Principal Amount	5197300	251780076	0	256977376
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	5197300	251780076	0	251780076

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD	Total Amount
		Mr. A. H. Dawoodani	
1	Gross salary	0	0
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission- as % of profit&- others, specify...	0	0
5	Others, please specify	0	0
	Total (A)	0	0
	Ceiling as per the Act	0	0

## B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		S.A. Dawoodani	Sadruddin Jiwani	Akbar Virani	Suresh John	
1	<b>Independent Directors</b>					
	Fee for attending board committee meetings	0	0	0	0	0
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (1)	0	0	0	0	0
2	<b>Other Non-Executive Directors</b>					
	Fee for attending board committee meetings	0	0	0	0	0
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (2)	0	0	0	0	0
	<b>Total (B)=(1+2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Total Managerial Remuneration	0	0	0	0	0
	Overall Ceiling as per the Act	0	0	0	0	0

## C. Remuneration to key managerial personnel other than MD/Manager/WTD- NIL

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS/CO	CFO	Total
1	Gross salary	Nil	Nil		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission – as % of profit	0	0	0	0
	others, specify...	0	0	0	0
5	Others, please specify	0	0	0	0
	Total	0	0	0	0

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES- NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>(A.) COMPANY (B) DIRECTORS (C) OTHER OFFICERS IN DEFAULT - NIL</b>					
Penalty					
Punishment					
Compounding					

## MANAGEMENT DISCUSSION AND ANALYSIS

### Overview

Management discussion and analysis of financial condition and results of operations include forward looking statements based on certain assumptions and expectations of future events. The Company cannot assure that these assumptions and expectations are accurate. Although the management has considered future risks as part of the discussions, future uncertainties are not limited to the management perceptions.

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles (GAAP) in India. The Management of the Company accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present the Company's state of affairs and profits for the year. The following discussion may include forward looking statements, which may involve risks and uncertainties, including but not limited to the risks inherent to Company's growth strategy, dependency on certain clients, dependency on availability of qualified technical personnel and other factors discussed in this report.

### Industry structure and developments

The Company is engaged in the manufacturing Calcium Carbonate. Calcium carbonate is an inorganic mineral. It is classified into two categories viz. Ground calcium carbonate (GCC) and precipitated calcium carbonate (PCC). It is used in various sectors such as the paper, paints, and plastics industries. GCC is used in various applications such as paper, plastics, adhesives and other applications. It is also used in construction of building as fillers and extenders, as they offer cost benefits and improved performance. In the building and construction application, product applications consist of vinyl floor tile, asphalt roofing shingles, sheeting, tape joint compounds, stucco, concrete, glass, masonry, and plasters. GCC adds important qualities such as brightness (whiteness), particle size, and chemical purity, which suggests its use in industrial applications. PCC is used in Tooth Paste, Pharmaceuticals, PVC products, Rubber, Plastic, Polymer, Cable, Leather, Paper and Paints etc

Your Company is one the largest producers of Precipitated and Coated Calcium Carbonate (PCC) in the Country and operating in the sector since 1976. The Company operates two manufacturing plants one at Roha in Raigad District, Maharashtra and in Paonta Sahib, Himachal Pradesh.

### Opportunities and Threats

The Company's products are well accepted in the market. The Company is eager to add new products delivering value addition which will increase the overall profitability of the Company.

The major factors hindering the growth of Calcium Carbonate market is unfavourable limestone mining and stringent regulations. Limestone is one of the chief sources of ground calcium carbonate. Its reserves are concentrated in few places and are situated far from production facilities. Further the company also import good quality limestone from other countries. All these factors contribute to higher the production cost thereby effect on profit of the Company. The cost reduction plans of the company have provided an edge to the company to compete with unorganized sector. The company continues to face competition from other big players and other unorganized players in calcium carbonate industry.

During the normal course of its business operations, your Company has been subjected to litigations in connection with or incidental thereto. These litigations include civil cases, excise and customs related cases, etc. filed by and against the Company. These cases are being pursued with due importance and in consultation with legal experts in respective areas. Your Board believes that the outcome of these cases are unlikely to cause a materially adverse effect on the Company's profitability or business performance.

### Outlook

The Company is proactively engaged in taking appropriate steps to tap the opportunities in order to improve its market share in the industry. The Company is also exploring overseas market for its products and optimistic to achieve good results. The growth in industrial output and increase in investment in core and infrastructure sector should improve the sentiments of Economy.

On behalf of the Board of Directors

PLACE: Navi Mumbai  
DATE : August 14, 2018

Suresh John  
Chairman

**REPORT ON CORPORATE GOVERNANCE**

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance is given below:

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Company has adopted good corporate governance practices and ensures compliance with all relevant laws and regulations. It has led to the satisfaction and transparency to the shareholders. Company's philosophy is concerned with ethics, values, morals and social responsibility of the Company. The Company remains accountable to shareholders and other beneficiaries for their actions. The Company conducts its activities in a manner that is fair and transparent and perceived to be such by others.

**2. BOARD OF DIRECTORS****a) Composition**

Name	Category	Designation
Mr. A. H. Dawoodani	Executive-Non Independent	Managing Director
Mrs. Shahnaz A. Dawoodani	Non-Independent	Director
Mr. K.S. Varadhan (upto 30.09.2017)	Independent	Director
Mr. Sadruddin H. Jiwani	Non-Independent	Director
Dr. Akbar J. Virani	Independent	Director
Mr. Suresh John (from 31/08/2017)	Independent	Chairman

The composition of the Board of Directors is in accordance with the provisions of SEBI Listing Regulations, Non-Executive Independent Directors of your Company have no pecuniary relationship or any transaction with your Company.

**b) Board Meetings**

The meeting of the Board of Directors are scheduled well in advance and generally held at the Company's Registered Office. The notice and the detailed agenda are sent well in advance to all the Directors. During the financial year ended on 31/3/2018, Five board meetings were held on 30/05/2017, 31/08/2017, 14/09/2017, 14/12/2017 & 14/02/2018.

The attendance of each Director at the Board Meetings and last Annual General Meeting (AGM) and number of other Directorship and Membership/Chairmanship of Committee are as follows:

Name of the Director	Attendance Particulars		No. of directorship/and Committee Membership / Chairmanship in other Companies			
	Board Meeting	Last AGM	Directorship in private Companies	Directorship in public Companies	Committee Memberships	Committee Chairmanships
Mr. A. H. Dawoodani	5	Yes	3	2	0	0
Mr. K. S. Varadhan	0	No	0	0	0	0
Mrs. Shahnaz Dawoodani	5	Yes	3	3	0	0
Mr. Sadrudin H. Jiwani	1	No	1	0	0	0
Dr. Akbar J. Virani	1	No	0	0	0	0
Mr. Suresh John (from 31/08/2017)	4	Yes	0	0	3	1

**c) Brief Note on the Directors seeking appointment/ re-appointment at the 48<sup>th</sup> Annual General Meeting:**

In Compliance with and provisions of Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, brief resume, expertise and details of other directorship, membership in committees of Directors of other companies and shareholding in the Company of the Directors proposed to be re-appointed are given in the Annexure A of forming part of Notice.

**d) Remuneration of Directors**

The Company has not paid remuneration to Mr. Ahmed H. Dawoodani, the Managing Director of the Company. At present Independent Directors are not paid any remuneration for attending Board and Committee Meetings.

**3. AUDIT COMMITTEE**

The scope of activities and powers of Audit Committee includes the areas prescribed under the SEBI Listing Regulations and section 177 of the Companies Act, 2013. The members of Audit Committee Mr. Suresh John as Chairman and Mr. Ahmed H. Dawoodani and Dr. Akbar Virani are other members of the Committee. During the financial year under review, 4 meetings were held on, 30/05/2017, 31/08/2017, 14/12/2017 & 14/02/2018.

**4. NOMINATION AND REMUNERATION COMMITTEE**

In compliance with the provisions of Section 178 of the Companies Act, 2013 and provisions of Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the Stock Exchange, the Company has constituted Nomination and Remuneration Committee. The present committee consists Mr. Husen Somji as the Chairman and Mr. Suresh John and Mrs. Shahnaz A. Dawoodani are the other members of the Committee.

The terms of reference of the Nomination and Remuneration Committee cover all the areas mentioned under and provisions of Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the Stock Exchange and Section

178 of the Companies Act, 2013. The broad terms of reference of the Nomination and Remuneration Committee therefore include recommending a policy relating remuneration and employment terms of Managing Director and senior management personnel, adherence to the remuneration / employment policy from time to time as finally approved by the Board of Directors. Preliminary evaluation of every Director's performance, Board diversity, compliance of the Code for Independent Directors referred to in Schedule IV of the Companies Act, 2013, compliance with the Company's Code of Conduct by Directors and employees of the Company, reporting of non-compliances to the Board of Directors, recommending draft of the report required under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, monitor loans to employees and any other matters which the Board of Directors may direct from time to time.

#### 5. STAKEHOLDERS GRIEVANCE COMMITTEE

The Stakeholders' Grievance Committee comprises of 3 Directors viz. Mrs. Shahnaz A. Dawoodani, the non-executive Director is the Chairman and Mr. Ahmed H. Dawoodani and Mr. Suresh John are the members of the Committee. The Committee reviews the status of Investor Grievances and recommends measure to improve in solving Investor Services. During the year there were no complaints received from shareholders and there is no complaint which has remained un-addressed.

#### 6. RISK MANAGEMENT COMMITTEE

The Board of Directors, during the year, constituted "Risk Management Committee" as required under SEBI Listing Regulations. The Committee is responsible for risk identification, evaluation and mitigation and to set up process for risk management plan. The Risk Management Committee comprises of Mr. Ahmed H. Dawoodani, Managing Director, Mr. Suresh John and Mrs. Shahnaz A. Dawoodani as Member of the Committee.

#### 7. PERFORMANCE EVALUATION OF THE BOARD

Based on the inputs on aspects under the provisions of the Companies Act, 2013 and under the SEBI Listing Regulations such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, independence of judgement, safeguarding the interest of the Company etc. received from each Directors specifically Executive, Non-Executive and Independent Directors, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Appointment and Remuneration Committees.

#### 8. GENERAL BODY MEETINGS

Date	AGM/EGM	Location	Time	No. of Special Resolution
30.09.2017	AGM	Registered Office at Neco Chambers, 4 <sup>th</sup> Floor, Rajiv Gandhi Road, Sector-11, C.B.D. Belapur, Navi Mumbai – 400 614	10.30 a.m	4
30.09.2016	AGM	Husami Hall, 119/127, Dr. Mascarenhas Road, Unit No.3, 1st Floor, Anjir Wadi, Mazgaon, Mumbai – 400 010	10.30 a.m	3
30.09.2015	AGM	Light House Building, Ground Floor, Sitaphalwadi, Mazgaon, Mumbai – 400 010	10.30 a.m	0

During the last year the Company have passed 2 special resolutions through postal ballot.

#### 9. DISCLOSURES:

- There was no transaction of material nature with the Promoters, Directors, Management or their relatives during the financial year of the Company, which could have potential conflict with the interests of the Company at large. However, the transactions detailed in Notes part of the Accounts may be considered as related party transactions.
- During the last three years, there were no strictures or penalties imposed either by Securities and Exchange Board of India or the Stock Exchange or any regulatory authority for non-compliance of any matter related to the capital market.
- No personnel have been denied access to the Chairman or members of the Audit Committee. The mechanism of Whistle Blower Policy is in place.
- The Company is in Compliance with the mandatory Provisions of SEBI Listing Regulations.
- Code of Business Conduct and Ethics for Board of Directors and Senior Management:** The Company has in place the Code of Business Conduct and Ethics for Board of Directors and Senior Management (the Code) approved by the Board of Directors. The Code has been communicated to Directors and the members of the senior management.

#### 10. MEANS OF COMMUNICATION

- The Annual, half Yearly and quarterly results are regularly submitted to the Stock Exchange and published in accordance with the SEBI Listing Regulations.
- The financial results or official news are displayed on the Company's website [www.limechem.com](http://www.limechem.com).
- There were no presentations made to the institutional investors or to the analysts.
- Management Discussion and Analysis Report forms a part of this Annual Report.

**11. GENERAL INFORMATION FOR SHAREHOLDERS**

i) AGM: Date, Time & Venue	29 <sup>th</sup> September, 2018 at 10.00 a. m K Star Hotel, Rajiv Gandhi Road, Sector-11, CBD Belapur, Navi Mumbai 400 614.
ii) Financial Year	1 <sup>st</sup> April 2017 - 31 <sup>st</sup> March, 2018
iii) Book closure	24-09-2018 to 28-09.2018
iv) Dividend payment date	No dividend recommended
v) Listing on Stock Exchange	The BSE Limited
vi) Listing fees paid for the year	2018-2019
vi) Dematerialisation of shares	As on 31-03-2018, <b>86.85%</b> of total paid-up equity capital is dematerialized.
vii) ISIN of the Company for demat	INE891G01011
viii) Registrar & Share Transfer Agent	BIGSHARE SERVICES PVT. LTD. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai 400059

**12. MARKET PRICE DATE: HIGH / LOW DURING EACH MONTH IN 2017 – 2018 ON BSE Limited**

Month	High – ₹	Low – ₹	BSE Sensex
April 2017	24.15	24.15	25606.62
May 2017	24.15	24.15	26667.96
June 2017	28.40	24.15	26999.72
July 2017	28.40	28.40	28051.86
August 2017	28.40	28.40	28452.17
September 2017	28.40	28.40	27865.96
October 2017	36.90	29.80	27930.21
November 2017	49.95	38.70	26652.81
December 2017	49.95	49.95	26626.46
January 2018	71.40	52.40	27655.96
February 2018	74.65	61.05	28743.32
March 2018	73.50	63.30	29620.50

**13. DISTRIBUTION OF SHAREHOLDING AS ON 31-03-2018**

No. of Equity Shares Held	No. of Shareholders	No. of Shares	% Total
1 - 500	4,459	612554	12.55
501 - 1000	237	190064	3.89
1001 - 2000	78	121539	2.49
2001 - 3000	30	76711	1.57
3001 - 4000	20	68946	1.42
4001 - 5000	19	90889	1.87
5001 - 10000	19	141493	2.90
10001 and above	40	35775320	73.31
<b>TOTAL</b>	<b>4,902</b>	<b>4879728</b>	<b>100.00</b>

**14. SHAREHOLDING PATTERN AS ON 31-03-2018 IS AS FOLLOWS :**

SR. NO	CATEGORY	NO. OF SHARES HELD	% OF SHARE-HOLDING
1.	Promoters Holding		
	Indian Promoters and Persons Acting in concert	1527900	31.31
	- Foreign Promoters	--	--
2.	Banks, Financial Institutions / Insurance Cos.	64000	1.31
3.	Mutual Funds & UTI	3360	0.07
4.	Private Corporate Bodies	140482	2.88
5.	NRI/OCBs	58451	1.20
6.	Clearing Members	4082	0.08
7.	Indian Public	3081453	63.15
	<b>TOTAL</b>	<b>4879728</b>	<b>100.00</b>

On behalf of the Board of Directors

Place: Navi Mumbai  
DATED : August 14, 2018

**Suresh John**  
Chairman

**ANNEXURE TO CORPORATE GOVERNANCE REPORT**

Declaration regarding affirmation of Code of Conduct

In terms of the requirements of the Clause SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all the members of the Board and the senior management personnel have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2018.

Mumbai  
Dated: August 14, 2018

**A.H. DAWOODANI**  
Managing Director

**COMPLIANCE CERTIFICATE****[Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]**

The Board of Directors

Lime Chemicals Limited

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee that there is no:
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which we have become aware and the involvement therein; if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Lime Chemicals Limited

Ahmed H. Dawoodani  
Managing Director  
Date: August 14, 2018

Firoj Ladhani  
Chief Financial Officer

**Auditors' Certificate on compliance with the conditions of Corporate Governance****To the members of Lime Chemicals Limited**

We have examined the compliance of conditions of corporate governance by Lime Chemicals Limited ("the company") for the year ended on 31st March, 2018, as specified in Chapter IV of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to 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 and based on the representations made by the Directors and the management, we certify that the company has complied with conditions of corporate governance as specified in Chapter IV of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

**A.N. DAMANIA & CO.**  
Chartered Accountants  
Firm Reg. No: 102077W

Place: MUMBAI  
Date: August 14, 2018.

**Ashvin Damania**  
Membership No. 040166  
Proprietor

## Independent Auditor's Report

### To the Members of Lime Chemicals Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of **Lime Chemicals Limited** ('the Company'), which comprise the Balance Sheet as at **31<sup>st</sup> March 2018**, the statement of Profit and Loss, (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements 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 financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 Ind AS financial statements.

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

#### Basis for Qualified Opinion

*In our opinion, the qualification is material, but not pervasive to the financial statements.*

*As stated in Note No. 35, the management has decided not to provide for interest amounting to ₹3.01 lakh payable to parties registered under Micro, Small & Medium Enterprises Act, 2006. Consequently, profit is overstated and liabilities are understated by ₹12.84 lakh.*

#### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, **except for the effects of the matter described in the Basis for Qualified Opinion paragraph**, the aforesaid 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 31 March 2018 and its profit and its cash flows and the changes in equity for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss including other comprehensive income, the cash flow statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

- (d) in our opinion, the aforesaid 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 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30a to the financial statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund.

**For A. N. Damania & Co.**  
**Chartered Accountants**  
**Firm Registration No. 102077W**

**Ashvin Damania**  
**Proprietor**  
**Membership No.040166**

Mumbai  
30<sup>th</sup> May 2018

## Annexure - A to the Auditor's Report

The Annexure referred to in Independent Auditor's Report to the members of Lime Chemicals Limited ("the Company") on the financial statements for the year ended 31<sup>st</sup> March 2018

We report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) As per the information and explanations provided to us, the title deeds of immovable property except that of free hold land are held in the name of the Company.
- (ii) As per the information and explanations provided to us, the inventories have been physically verified by the management at reasonable interval and no material discrepancy was noticed on physical verification.
- (iii) During the year the Company has not granted loans to any party covered in the register maintained under section 189 of the Act. Hence, paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are no transactions as referred to in section 185 of the Act. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of 186 of the Act with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public. Hence, paragraph 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has prescribed maintenance of cost records u/s. 148(1) of the Companies Act, 2013. However, the Company has not maintained the cost records during the year.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us the Company has not been regular in depositing with the appropriate authorities undisputed dues, including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, goods and service tax, value added tax, cess and other material statutory dues as applicable to it and no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable except sales tax amounting to ₹ 415.95 lakh, provident fund amounting to ₹ 26.36 lakh, income tax amounting to ₹ 3.14 lakh, property tax amounting to ₹ 1.13 lakh, staff profession tax amounting to ₹ 1.44 lakh, excise/service tax amounting to ₹ 9.59 lakh, good & service tax amounting to ₹ 30.15 lakh, Gram Panchayat Tax ₹ 2.50 lakh and employees' state insurance amounting to ₹ 14.71 lakh.
- (b) According to the information and explanations given to us and the records of the Company examined by us, disputed amounts in respect of the aforesaid dues which have not been deposited as at 31<sup>st</sup> March 2018 are given below.

Name of Statute	Nature of the Dues	Amount (₹)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,017,000/-	A.Y 1994-95	Delhi High Court
Income Tax Act, 1961	Income Tax	469,000/-	A.Y 1997-98	Delhi High Court
Income Tax Act, 1961	Income Tax	6,410,000/-	A.Y 2005-06	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax (penalty u/s 271(i)(C))	25,15,770/-	A.Y 2005 -06	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax / FBT	57,27,000/-	A.Y 2006-07	Rectification before ITO Ward 6(3) – 2 Mumbai
Income Tax Act, 1961	Income Tax	3,39,47,880/-	A.Y.2012-13	Commissioner of Income Tax (Appeals)
MVAT Act 2005/CST Act 1956	MVAT/CST	1,14,83,458/-	F.Y 2005-06	Maharashtra Sales Tax Tribunal Mumbai
MVAT Act 2005/CST Act 1956	MVAT/CST	1,99,84,892/-	F.Y 2006-07	Maharashtra Sales Tax Tribunal Mumbai
MVAT Act 2005/CST Act 1956	MVAT/CST	1,56,46,310/-	F.Y 2007-08	Deputy Commissioner of Sales Tax (Appeals)
MVAT Act 2005/CST Act 1956	MVAT/CST	1,14,29,504/-	F.Y 2007-08	Maharashtra Sales Tax Tribunal Mumbai
MVAT Act 2005/CST Act 1956	MVAT/CST	49,52,431/-	F.Y 2008-09	Joint Commissioner of Sales Tax (Appeals)
MVAT Act 2005/CST Act 1956	MVAT/CST	20,25,951/-	F.Y 2008-09	Maharashtra Sales Tax Tribunal Mumbai
MVAT Act 2005/CST Act 1956	MVAT/CST	1,14,91,241/-	F.Y 2009-10	Maharashtra Sales Tax Tribunal Mumbai
MVAT Act 2005/CST Act 1956	MVAT/CST	24,70,571/-	F.Y 2010-11	Maharashtra Sales Tax Tribunal Mumbai
Employees PF & Misc. Provisions Act, 1952	Provident Fund	30,36,102/-	Aug. 2011 to Sept. 2013	EPF Appellate Tribunal New Delhi

Name of Statute	Nature of the Dues	Amount (₹)	Period to which amount relates	Forum where dispute is pending
Employees PF & Misc. Provisions Act,1952	Provident Fund	37,60,175/-	Feb. 2014 to April 2016	EPF Appellate Tribunal ,Chandigarh Shimla High Court
Employees PF & Misc. Provisions Act,1952	Provident Fund	14,94,776/-	Jan. 2010 to May 2016	EPF Appellate Tribunal Mumbai
Employees PF & Misc. Provisions Act,1952	Provident Fund	17,32,634/-	March 2000 to June 2009	Bombay High Court

- (viii) The Company does not have any loans or borrowings from any financial institution, government or debenture holders during the year. The Company has not defaulted in repayment of loans or borrowings to Bank.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Hence, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has neither paid nor provided for managerial remuneration. Hence, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Hence, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment of shares during the year under review complying with the provisions of section 42 of the Companies Act, 2013. The amount raised have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Hence, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**or A. N. Damania & Co.**

**Chartered Accountants**

**Firm Registration No. 102077W**

**Ashvin Damania**

**Proprietor**

**Membership No.040166**

Mumbai

30<sup>th</sup> May 2018

**Annexure - B to the Auditor's Report****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 **Lime Chemicals Limited** ("the Company") as of **31<sup>st</sup> March 2018** in conjunction with our audit of the Ind As financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**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 ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**or A. N. Damania & Co.**

**Chartered Accountants**

**Firm Registration No. 102077W**

**Ashvin Damania**

**Proprietor**

**Membership No.040166**

Mumbai

30<sup>th</sup> May 2018

## BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at March 31, 2018	As at March 31, 2017
		₹	₹
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property plant and equipment (net)	2	92515085	89512271
(b) Capital work-in-progress		-	7455358
(c) Intangible assets	3	5863	5863
		92520948	96973492
(d) Financial assets			
(i) Investments	4	895924	297734
(ii) Advances and Deposits	5	4594962	4973890
(e) Income tax Assets (net)		515168	-
(f) Other Non Current assets	10	1617786	1161531
		100144788	103406647
<b>(2) Current assets</b>			
(a) Inventories	6	42298527	25784511
(b) Financial assets			
(i) Advances and Deposits	5	5428275	5707922
(ii) Trade receivables	7	179428349	115870088
(iii) Cash and cash equivalents	8	6907237	31957864
(iv) Other financial assets	9	2062227	2622360
(c) Other Current assets	10	5469826	355612
		241594441	182298357
<b>Total Assets</b>		<b>341739229</b>	<b>285705004</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			109178592
Equity share capital	11	48832755	32566380
Other equity	12	-210972244	-320150836
Total Equity		-162139489	-287584456
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	3025458	3108251
(b) Provisions	14	9850077	9528100
(c) Deferred tax liabilities (net)	15	11638725	11638725
(d) Income tax liabilities (net)		1640469	1240459
		26154729	25515535
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	249696743	296479748
(ii) Trade payables	16	149640987	153730315
(iii) Advances and Deposits	17	4807785	4834067
(iv) Other financial liabilities	18	26153186	26446296
(b) Provisions	14	1269839	1060377
(c) Other Current Liabilities	19	46155448	65223122
		477723988	547773925
<b>Total Equity and liability</b>		<b>341739229</b>	<b>285705004</b>
The accompanying notes are an integral part of these financial statement.			
Significant accounting policies and Notes to Financial Statement	1 to 46		

## As Per Our Attached Report of Even Date

## For A.N.Damania &amp; Co.

Chartered Accountants  
Firm Reg No : 102077WAshvin Damania  
Proprietor  
Membership No : 040166Place : Mumbai  
Date : 30/05/2018

## For and on behalf of the Board of Directors

A.H.Dawoodani  
Managing Director  
DIN 00934276S.A.Dawoodani  
Director  
DIN 02324234Suresh John  
Chairman  
DIN 00079852Firoj Ladhani  
Chief Financial OfficerPlace : Mumbai  
Date : 30/05/2018

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

Particulars	Note	For the year ended	For the year ended
		March 31, 2018	March 31, 2017
		₹	₹
<b>I Revenue</b>			
Revenue from operations (Net)	20	524754841	470419649
Other income	21	5491087	1543311
<b>Total Revenue</b>		<b>530245928</b>	<b>471962960</b>
<b>II Expenses</b>			
Cost of Materials Consumed	22	267563769	235230104
Purchases of stock-in-trade		1260420	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress	23	-1942065	-915240
Excise duty on sale of goods		8606677	32736693
Employee benefits expense	24	21997635	21470172
Finance costs	25	2411775	4252640
Depreciation and amortisation	26	10161213	21696630
Other expenses	27	143622318	110810065
<b>Total expenses</b>		<b>453681741</b>	<b>425281063</b>
<b>III Profit before tax</b>		<b>76564186</b>	<b>46681896</b>
<b>IV Tax expenses</b>	28		
(1) Current tax expenses		-	-
(2) Current tax adjustment for earlier years		-	-
(3) Deferred tax expenses		-	- 3708894
<b>Net profit for the year ( III - IV )</b>		<b>76564186</b>	<b>50390790</b>
<b>V Other Comprehensive Income</b>			
OCI items not reclassified to profit or loss			
(a) Remeasurement of net defined benefit liability		-1297985	-1719718
Income tax relating to item not to be classified in profit and loss in subsequent period			-
Net OCI items not reclassified to profit or loss		75266201	48671072
<b>VI Total comprehensive income for the year( IV + V )</b>		<b>75266201</b>	<b>48671072</b>
<b>VII Earnings per equity share:</b>	29		
(1) Basic (in ₹)		19.01	14.42
(2) Diluted (in ₹)		19.01	14.27
The accompanying notes are an integral part of these financial statement.			
Significant accounting policies and Notes to Financial Statement	1 to 46		

## As Per Our Attached Report of Even Date

## For A.N.Damania &amp; Co.

Chartered Accountants

Firm Reg No : 102077W

Ashvin Damania

Proprietor

Membership No : 040166

Place : Mumbai

Date : 30/05/2018

## For and on behalf of the Board of Directors

A.H.Dawoodani

Managing Director

DIN 00934276

Suresh John

Chairman

DIN 00079852

S.A.Dawoodani

Director

DIN 02324234

Firoj Ladhani

Chief Financial Officer

Place : Mumbai

Date : 30/05/2018

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

Particulars	For the year ended	For the year ended
	March 31, 2018	March 31, 2017
	₹	₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	76564186	46681896
Adjustments to reconcile profit before tax to net cash flows :		
Depreciation	10161213	21696630
Interest on Borrowings	2411775	4252640
Interest Income	-866686	-554397
Change in Fair Value of Deposits through P & L	-5335	56182
Change in Fair Value of Investments through P & L	37110	-132776
Remeasurement of net defined benefit liability	-1297985	-1719718
<b>Operating profit before working capital changes</b>	<b>87004278</b>	<b>70280457</b>
<b>Adjustments for :</b>		
Increase / (Decrease) in Other Non Current Financial Liabilities	-82793	1835308
Increase / (Decrease) in Long Term Provisions	321977	1410298
Increase / (Decrease) in Income Tax Liabilities	400010	-82421
Increase / (Decrease) in Current Financial Liabilities	-51191725	36703543
Increase / (Decrease) in Short Term Provisions	209462	65034
Increase / (Decrease) in Other Liabilities	-19067674	2290667
(Increase)/ Decrease in Non Current Advances and Deposits	378928	-594872
(Increase)/ Decrease in Investments		
(Increase)/ Decrease in Other Non Current Financial Assets	-456255	21120
(Increase)/ Decrease in Inventories	-16514016	-7526640
(Increase)/ Decrease in Current Financial Assets	-62713146	-62724520
(Increase)/ Decrease in Other Assets	-5114214	119840
Increase / (Decrease) in Income Tax Assets	-515168	0
<b>Cash generated from operations</b>	<b>-67340335</b>	<b>41797812</b>
Direct Taxes paid	-	-
<b>Net cash from operating activities(A)</b>	<b>-67340335</b>	<b>41797812</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets and addition to Capital Work in Progress	-5708669	-10882084
Investment in Kokan Mercantile Shares	-635300	
Interest received (Net of TDS)	866686	554397
<b>Net cash used in investing activities(B)</b>	<b>-5477283</b>	<b>-10327688</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Long Term Borrowings		
Share Issue Expenses	-243859	
Call money Received	266375	
Share Application Money	50156250	
Interest paid	-2411775	-4252640
<b>Net cash from financing activities(C)</b>	<b>47766991</b>	<b>-4252640</b>
<b>NET (DECREASE)/INCREASE IN CASH &amp; CASH EQUIVALENTS(A+B+C)</b>	<b>-25050627</b>	<b>27217484</b>
<b>Cash and Cash equivalents at the beginning of the period</b>	<b>31957864</b>	<b>4740381</b>
<b>Cash and Cash equivalents at the end of the period (Refer note 8)</b>	<b>6907237</b>	<b>31957864</b>

Cash &amp; Cash Equivalents as per above comprises of:

Particulars	As at March 2018	As at March 2017
Cash on Hand	577397	8,20,125
Balances with Banks	6329840	3,11,37,739
<b>Total</b>	<b>6907237</b>	<b>3,19,57,864</b>
The accompanying notes are an integral part of these financial statement.		
Significant accounting policies and Notes to Financial Statement		1 to 46

## As Per Our Attached Report of Even Date

**For A.N.Damania & Co.**  
Chartered Accountants  
Firm Reg No : 102077W

Ashvin Damania  
Proprietor  
Membership No : 040166

Place : Mumbai  
Date : 30/05/2018

## For and on behalf of the Board of Directors

A.H.Dawoodani  
Managing Director  
DIN 00934276

S.A.Dawoodani  
Director  
DIN 02324234

Suresh John  
Chairman  
DIN 00079852

Firoj Ladhani  
Chief Financial Officer

Place : Mumbai  
Date : 30/05/2018

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

## A Equity Share Capital (also refer note 11)

₹ in Amount

Particulars	Total Equity share capital
As at April 1, 2016	32566380
Changes in equity share capital	0
As at March 31, 2017	32566380
Changes in equity share capital	16266375
As at March 31, 2018	<b>48832755</b>

## B Other Equity (also refer note 12)

Amount in INR

Particulars	Reserves and Surplus							Total
	Capital Reserve	Securities Premium Account	General Reserve	State Subsidy Reserve	share issue expenses	Money received against Share Warrants	Surplus/ (Deficit) in Statement of Profit and Loss	
Balance as at April 1, 2016	22225	30581351	142161766	4486000	0	0	-546073244	-368821902
Profit for the year	0	0	0	0	0	0	50390790	50390790
Other comprehensive income for the year	0	0	0	0	0	0	-1719718	-1719718
Transfer to retained earnings	0	0	0	0	0	0		0
Balance as at March 31, 2017	22225	30581351	142161766	4486000	0	0	-497402178	-320150836
Changes during the year	0		0	0	-243859	10156250	0	10156250
Premium on shares issued during the year		24000000	0	0	0	0	0	0
Profit for the year	0	0	0	0	0	0	76564186	76564186
Other Comprehensive income /(loss) for the year, net of tax	0	0	0	0	0	0	-1297985	-1297985
<b>Balance as at March 31, 2018</b>	<b>22225</b>	<b>54581351</b>	<b>142161766</b>	<b>4486000</b>	<b>-243859</b>	<b>10156250</b>	<b>-422135977</b>	<b>-210972244</b>
The accompanying notes are an integral part of these financial statement.								
Significant accounting policies and Notes to Financial Statement					1 to 46			

## As Per Our Attached Report of Even Date

## For A.N.Damania &amp; Co.

Chartered Accountants

Firm Reg No : 102077W

Ashvin Damania

Proprietor

Membership No : 040166

Place : Mumbai

Date : 30/05/2018

## For and on behalf of the Board of Directors

A.H.Dawoodani

Managing Director

DIN 00934276

Suresh John

Chairman

DIN 00079852

S.A.Dawoodani

Director

DIN 02324234

Firoj Ladhani

Chief Financial Officer

Place : Mumbai

Date : 30/05/2018

**Corporate Information**

The Company is engaged in the manufacturing Calcium Carbonate. It is used as input material in various industrial sectors including Tooth Paste, Pharmaceuticals, PVC products, Rubber, Plastic, Polymer, Cable, Leather, Paper and Paints.

Significant Accounting Policies Forming Part of Financial Statements for the year ended 31st March 2018

**Basis of Preparation of Financial Statements**

The financial statements of the Company are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements are the Company's first Ind AS financial statements. The Company has adopted all the Ind AS and the adoption is carried out in accordance with Ind AS 101 (First time adoption of Indian Accounting Standards). The transition from the generally accepted Accounting Principles in India was carried out as prescribed under Sec 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Ind AS are applicable from 1st April, 2017, being a listed company falling under the mandatory Phase 2.

**Method of Accounting and preparation of the Financial Statements**

For all the period up to and including the year ended 31st March, 2016, the Company prepared its financial statement in accordance with the Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with the Companies (Accounts) Rules, 2014 (Indian GAAP).

**Current versus Non Current Classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of transaction, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

**Use of Estimates**

The preparation of the financial statements in conformity with Indian AS requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the year. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from those estimates and the difference between the actual results and the estimates are recognized in the periods in which the results are known/materialize.

**Property, plant and equipment****1) Tangible**

Fixed Assets are carried on at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost comprise purchase price, all direct expenses relating to the acquisition and installation and any attributable cost of bringing the asset to its working condition for the intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation has been provided on straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Assets costing less than \* 5,000/- each are fully depreciated in the year of capitalization.

**2) Intangible**

Intangible Assets are stated at cost of acquisition less accumulated amortization. Intangible Assets are amortized over a period of 5 years on straight line basis.

**Impairment of Assets**

The Company reviews the carrying value of the tangible and intangible assets for any possible impairment at each balance sheet date. An impairment loss is recognized when carrying amount of an asset exceeds its recoverable amount. In assessing the recoverable amount, the estimated future cash flows are discounted to their present value based on appropriate discount rate.

**Foreign Currency Transactions****Functional and presentation currency**

The functional currency of the company is the Indian rupee. These financial statements are presented in Indian rupees.

- a. Transactions in foreign currency are recorded at the exchange rates prevailing on the date of transaction
- b. Monetary assets and liabilities denominated in foreign currencies at the year-end are translated in the functional currency at the year-end exchange rates.
- c. The exchange difference on conversion are credited or charged to the Statement of Profit and Loss.

- d. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the year in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

**Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long- term investments.

Current investments are carried in financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

**Inventories**

Inventories are valued at cost (FIFO) or net realizable value whichever is less. Cost comprises all cost of purchase, cost of conversion, and cost incurred to bring inventories to present location and condition. Finished goods valuation include appropriate proportion of overheads and, where applicable, excise duty.

**Revenue Recognition**

Revenue is recognised to the extent that it can be reliable, measured and is appropriate to the economic benefits that will flow to the company. Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Export benefits are accounted when realized / received. Dividend income is recognized when right to receive is established.

**Employee Benefits**

The Company's contribution to Provident fund is charged to the Statement of Profit and Loss. The Gratuity and Leave Encashment liability, which are defined benefit plans, are provided on the basis of actuarial valuation as on balance sheet date and same are unfunded.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in Other Comprehensive Income. The effects of any plan amendments are recognized in the Statement of Profit and Loss.

**Borrowing Cost**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. The fair valuation of Borrowings is determine using the effective interest rate (net Cash inflow and outflow). Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred.

**Leases**

"Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment, Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases.

Leasehold Land has been reclassified from Property, Plant & Equipment to Other Non Current Assets (Prepayments) and amortisation on the same has been shown under Other Expenses in Statement of Profit and Loss.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

'Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**Earnings Per Share**

The Company reports basic earnings per share in accordance with the Ind AS 33 'Earnings per share'. Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**Provision for Taxation**

Provision for Income Tax is made for both current and deferred taxes.

Current tax is provided on the basis of the taxable income in accordance with and at the applicable tax rates and tax laws.

Deferred tax assets and liabilities arising on account of timing differences and which are capable of reversal in subsequent periods are recognized using the tax rates, and tax laws that have been enacted or substantively enacted, subject to prudence. Deferred tax assets on unabsorbed depreciation and carry forward of losses are not recognized unless there is a reasonable certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit and loss (either in OCI or in equity).

**Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized for liabilities that can be measured only by using substantial degree of estimation, if:

- a. The Company has a present obligation as a result of past events.
- b. A probable outflow of resources is expected to settle the obligation.
- c. The amount of the obligation is best estimate required to settle the obligation at the Balance Sheet date.
- d. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

Reimbursement expected in respect of the expenditure required to settle a provision is recognized only when it is virtually certain that reimbursement will be received

Contingent Liability is disclosed in the case of:

- a) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- b) A present obligation when no reliable estimate is possible, and
- c) A possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent Assets are neither recognized, nor disclosed. Provision, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

**Financial Instruments****1) Initial recognition & Measurement**

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

**2) Subsequent measurement****i. Financial instruments carried at amortized cost**

A financial instrument is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

**ii. Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**iii. Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

All investments equity instruments (mutual funds in scope of Ind AS 109 are measured at fair value through Profit and Loss (FVTPL).

**iv. Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**2 Property, Plant and Equipment (net)**

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2018:

Particulars	Freehold Land	Building	Plant & Machinery	Furniture & Fixture	Vehicle	Office Equipment	Electrical Equipments	Total
<b>GROSS BLOCK</b>								
As at April 1, 2016 (refer note(a))	7680	19766589	80308812	2510414	1973046	613848	1221704	106402093
Additions	0	377932	323113	28050	3394536	65179	596502	4785312
Deletions	0	0	0	0	0	0	0	0
As at March 31, 2017	7680	20144521	80631925	2538464	5367582	679027	1818206	111187405
Additions	0	0	10548227		2055695	338376	221729	13164027
Deletions	0	0		0	0	0	0	
<b>As at March 31, 2018</b>	<b>7680</b>	<b>20144521</b>	<b>91180152</b>	<b>2538464</b>	<b>7423277</b>	<b>1017403</b>	<b>2039935</b>	<b>124351432</b>
<b>ACCUMULATED DEPRECIATION</b>								
As at April 1, 2016 (refer note(a))	0	0	0	0	0	0	0	0
Charge for the year	0	1017465	18967539	474239	431758	153168	630965	21675134
Deductions	0	0	0	0	0	0	0	0
As at March 31, 2017	0	1017465	18967539	474239	431758	153168	630965	21675134
Charge for the year	0	1021021	7618109	467143	782650	121651	150639	10161213
Deductions	0	0	0	0	0	0	0	
<b>As at March 31, 2018</b>		<b>2038486</b>	<b>26585648</b>	<b>941382</b>	<b>1214408</b>	<b>274819</b>	<b>781604</b>	<b>31836347</b>
<b>NET BLOCK</b>								
As at April 1, 2016	7680	19766589	80308812	2510414	1973046	613848	1221704	106402093
As at March 31, 2017	7680	19127056	61664386	2064225	4935824	525859	1187241	89512271
<b>As at March 31, 2018</b>	<b>7680</b>	<b>18106035</b>	<b>64594504</b>	<b>1597082</b>	<b>6208869</b>	<b>742584</b>	<b>1258331</b>	<b>92515085</b>

(a) The Company has adopted the exemption under Ind AS 101 and has considered previous GAAP carrying amount as the deemed cost for the Opening Balance sheet as at April 1, 2016. Accordingly the Gross block of each class of Property, plant and equipment has been netted off with their respective accumulated depreciation balances as at April 1, 2016 under Previous GAAP to arrive at the deemed cost for the purpose of opening Ind AS balance sheet.

As per Previous GAAP	Freehold Land	Building	Plant & Machinery	Furniture & Fixture	Vehicle	Office Equipment	Electrical Equipments	Total
Gross block as at April 1, 2016.	7680	41385427	325996156	10872016	9035107	11601785	8078704	406976875
Accumulated depreciation as at April 1, 2016.	0	21618838	245687344	8361602	7062061	10987937	6857000	300574782
Deemed cost as at April 1, 2016	7680	19766589	80308812	2510414	1973046	613848	1221704	106402093

## 3. Intangible assets

Following are the changes in the carrying value of acquired intangible assets for the year ended March 31, 2018:

Particulars	Website Domain	Total
<b>GROSS BLOCK</b>		
As at April 1, 2016	27359	27359
Additions	0	0
Deletions	0	0
<b>As at March 31, 2017</b>	<b>27359</b>	<b>27359</b>
Additions	0	0
Deletions	0	0
<b>As at March 31, 2018</b>	<b>27359</b>	<b>27359</b>
<b>ACCUMULATED DEPRECIATION</b>		
Accumulated depreciation as at April 1, 2016	0	0
Charge for the year	21496	21496
As at March 31, 2017	21496	21496
Charge for the year		
<b>As at March 31, 2018</b>		
<b>NET BLOCK</b>		
As at April 1, 2016	27359	27359
As at March 31, 2017	5863	5863
<b>As at March 31, 2018</b>	<b>5863</b>	<b>0</b>

The Gross block of Intangibles has been netted off with their respective accumulated depreciation balances as at April 1, 2016 under Previous GAAP to arrive at the deemed cost for the purpose of opening Ind AS balance sheet.

As per Previous GAAP	Computer Software	Website Domain	Total
Gross block as at April 1, 2016.	175346	117251	292597
Accumulated depreciation as at April 1, 2016.	175346	89892	265238
Deemed cost as at April 1, 2016	0	27359	27359

## FINANCIAL ASSETS

## 4 INVESTMENTS

## Non-Current

(Amt in ₹)

Particulars	As at March, 2018	As at March, 2017
Other Investments		
Investment in equity instruments	3309889	3309889
<b>Quoted</b>		
In Other Entities		
Fully Paidup		
60 (P.Y. 60) Equity Shares of ₹10/- each of Reliance Industries Ltd.	52962	79152
6,300 (P.Y. 6,300) Equity Shares of ₹10/- each of Lloyd Finance Ltd.	6300	6300
1,200 (P.Y. 1,200) Equity Shares of ₹10/- each of Development Credit Bank Ltd.	193860	204780
8,39,700 (P.Y. 8,39,700) Equity shares of ₹10/- each of Regent Chemicals Ltd.	1	1
5,000 (P.Y. 5,000) Equity Shares of ₹10/- each of Goldcrest Corporation Ltd.	1	1
<b>Unquoted</b>		
Fully Paidup		
In Associates		
3,14,750 (P.Y. 3,14,750) Equity Shares of ₹10/- each Silvo Liacal Chemicals Ltd.	0	0
In Other Entities		
250 (P.Y. 250) Equity Shares of ₹30/- each Bombay Mercantile Co-op Bank Ltd.	7500	7500
25,000 Equity Shares of ₹25/- each of Kokan Mercantile Co-op Bank Ltd.	635300	0
<b>TOTAL</b>	<b>4205813</b>	<b>3607623</b>
Less: Provision for diminution in value of investments	3309889	3309889
<b>Net</b>	<b>895924</b>	<b>297734</b>

## 5 Advance &amp; Deposits

## a) Non-Current

Particulars	As at March, 2018	As at March, 2017
Unsecured, Considered Goods		
Capital Advances	4594962	4932195
Security Deposits - Unsecured, Considered Good	-	41695
Others	-	-
<b>Sub Total (a)</b>	<b>4594962</b>	<b>4973890</b>
b) Current		
Security Deposits - Unsecured, Considered Good	5428275	5707922
<b>Sub Total (b)</b>	<b>5428275</b>	<b>5707922</b>
<b>TOTAL</b>	<b>10023237</b>	<b>10681812</b>

## 6 Inventories

(Value at lower of cost and net Realisable Value)

Particulars	As at March, 2018	As at March, 2017
Raw Materials	18796470	6929442
Finished Goods	8536043	2964519
Stock in trade	-	-
Stores and Spares	11779733	13588115
Packing Materials	3186281	2302435
<b>TOTAL</b>	<b>42298527</b>	<b>25784511</b>

## 7 Trade receivables

Particulars	As at March, 2018	As at March, 2017
Unsecured, Considered Goods	179428349	115870088
Unsecured, Considered Doubtful	9413666	9413666
Less :Prov for Doubtful Debts	9413666	9413666
<b>TOTAL</b>	<b>179428349</b>	<b>115870088</b>

Trade receivables are non-interest bearing and on credit terms of 7-90 days.

## 8 Cash and cash equivalents

Particulars	As at March, 2018	As at March, 2017
Balances with banks - In current accounts	2734516	3940262
Balances with banks - In deposit accounts (Margin Money against LG/BG)	3595324	27197477
Cash in hand	577397	820125
<b>TOTAL</b>	<b>6907237</b>	<b>31957864</b>

## 9 Other financial assets

## Current

Particulars	As at March, 2018	As at March, 2017
Unsecured Consider Good		
Loans and Advances to Employees	123831	177046
Loans and Advances to Employees/Others	1926774	2433692
Interest Accrued Sanrag	11622	11622
<b>TOTAL</b>	<b>2062227</b>	<b>2622360</b>

## 10 Other Assets

Particulars	As at March, 2018	As at March, 2017
a) Non-Current		
Prepayments - Leasehold Land	1140411	1161531
Prepayments	477375	0
TOTAL	1617786	1161531
b) Current		
Prepayments - Leasehold Land	21120	21120
Prepayments	149108	334492
Others	5299598	0
TOTAL	5469826	355612

## 11 Equity Share Capital

Particulars	As at March, 2018	As at March, 2017
a) <b>Authorised :</b>		
75,00,000 (March 31,2017: 75,00,000 and April 1, 2016: 75,00,000) Equity Shares of ₹ 10/- each	75000000	75000000
	75000000	75000000
b) <b>Issued, Subscribed &amp; Fully Paid-up :</b>		
4,879,728 (March 31,2017: 3,227,528 and April 1, 2016: 3,227,528) Equity Shares of ₹ 10/- each	48797280	32275280
Add: 10,548 shares forfeited during the year	35475	
	48832755	32275280
c) <b>Subscribed but not Fully Paid-up :</b>		
Nil (March 31,2017: 62,748 and April 1, 2016 : 62,748) Equity Shares of ₹ 10/- each	0	627480
Less: Calls in Arrears		0
62,748 (April 1, 2016 : 62,748) Equity Shares of ₹ 10/- each	0	-336380
	0	291100
TOTAL	48832755	32566380

## (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of shares	Amt in (₹)	No. of shares	Amt in (₹)
Subscribed & Fully Paid up				
Equity Shares at the beginning of the year	3227528	32275280	3227528	32275280
Add : Shares issued	1652200	16522000		
Add : Forfeited equity shares	10548	35475	-	-
Less : Shares cancelled	-	-	-	-
Equity Shares at the end of the year	4890276	48832755	3227528	32275280
Subscribed but not Fully Paid up				
Equity Shares at the beginning of the year	0	0	62748	292225
Add : Shares issued	-	-	-	-
Less : Shares transferred to fully paid up	-	-	-	-
Equity Shares at the end of the year	0	0	62748	292225
(b) Terms/rights attached to equity shares			10548	52200

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## (c) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Equity Shares with voting rights				
A.H. Dawoodani	663912	13.61	663912	20.57
S.A. Dawoodani	365467	7.50	365467	11.14
Rahim A. Dawoodani	370651	7.61	0	5.2
Devanshi P. Merchant	800000	16.39	0	0
Parimal R. Merchant	400000	8.20	0	0
(d) Details of calls unpaid				

## 12 Other Equity

Particulars	As at March, 2018	As at March, 2017
a) Capital Reserve	22225	22225
b) Securities Premium Account	54581351	30581351
Premium received on equity shares issued are recognised in the Securities premium account		
c) General reserve	142161766	142161766
The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.		
d) State Subsidy Reserve	4486000	4486000
State Subsidy Reserve is created out of subsidy received from government for state level capital and capital subsidy on project cost.		
e) Share issue expenses	-243859	0
e) Money received against Share Warrants	10156250	0
f) Surplus/Deficit	-422135978	-497402178
It represents the profit or loss in the statement of profit and loss		
<b>TOTAL</b>	<b>-210972244</b>	<b>-320150836</b>

## 13 Financial Liabilities

## Borrowings

Particulars	As at March, 2018	As at March, 2017
a) Non Current		
Term Loans - From Other Parties - Secured*	3025458	2099123
Term Loans - From Other Parties - Unsecured	0	1009128
Sub Total (a)	3025458	3108251
b) Current		
Overdrawn Bank Balances	0	70469
Cash Credit Repayable on Demand taken from Kokan Mercantile co-op Bank	24087562	0
Current maturities of long-term debt	2167925	1297611.32
Loans and Advances from Related Parties - Unsecured	223441256	295111668
Sub Total (b)	249696743	296479748
<b>TOTAL</b>	<b>252722201</b>	<b>299587999</b>

## 14 Provisions

## a) Non Current

Particulars	As at March, 2018	As at March, 2017
Provision for employee benefits:		
Provision for compensated absences	2442291	1794682
Provision for Gratuity	5137762	3395991
Provision for VRS	2270024	4337427
<b>Sub Total (a)</b>	<b>9850077</b>	<b>9528100</b>

## b) Current

Particulars	As at March, 2018	As at March, 2017
Provision for Employee Benefits:		
Provision for Bonus (refer note (a) below)	542985	511462.5
Provision for compensated absences	194200	99138
Provision for Gratuity	354239	164743
Provision for VRS (refer note (b) below)	-	124310
Provision for Exgratia/Incentive (refer note (c) below)	178415	160723.5
Provision for Income tax		
<b>Sub Total (b)</b>	<b>1269839</b>	<b>1060377</b>
<b>TOTAL</b>	<b>11119916</b>	<b>10588477</b>

## (a) Provision for Bonus

Particulars	2017-18	2016-2017
Opening Balance	511463	545670
Additions during the year	343815	768377
Utilisation during the year	312293	802584
Closing Balance	542985	511463

## (b) Provision for VRS

Particulars	2017-18	2016-2017
Opening Balance	124310	174310
Additions during the year	70976	
Utilisation during the year	165210	50000
Closing Balance	30076	124310

## (c) Provision for Exgratia

Particulars	2017-18	2016-2017
Opening Balance	160724	128600
Additions during the year	49815	152124
Utilisation during the year	32124	120000
Closing Balance	178415	160724

## 15 Deferred tax liabilities (net)

Particulars	As at March, 2018	As at March, 2017
Timing difference due to depreciation as per Income Tax and Companies Act	11638725	11638725
Provision for doubtful debts/advances		0
Provision for compensated Absences/Leave Encashment		0
Provision for Gratuity		0
<b>TOTAL</b>	<b>11638725</b>	<b>11638725</b>

Company has the accumulated losses and unabsorbed depreciation as on 31-3-2018. In the absence of reasonable certainty about future profit earning, no provision for deferred tax asset is made in the books as per Ind AS 12- 'Taxes on Income'.

## 16 Trade payables

Particulars	As at March, 2018	As at March, 2017
Trade Payables (Other than SSI)	148206788	152095657
Trade Payables - Under MSMED	1434199	1634658
<b>TOTAL</b>	<b>149640987</b>	<b>153730315</b>

## 17 Advance &amp; Deposits

## Current

Particulars	As at March, 2018	As at March, 2017
Deposits (ICD) - Unsecured	2750000	2750000
Trade/Security deposits received	2057785	2084067
<b>TOTAL</b>	<b>4807785</b>	<b>4834067</b>

**18 Other Financial Liabilities**

**Current**

Particulars	As at March, 2018	As at March, 2017
Deferred Payment Liabilities - Unsecured	25588820	25588820
Interest Accrued and due on Borrowings	447000	339000
Interest accrued and due on Others	36343	36343
Unclaimed Deposits	5000	5000
Advances from Customers	0	135305
Other Expenses Payable	76023	341828
<b>TOTAL</b>	<b>26153186</b>	<b>26446296</b>

Default Statement: Particulars	As at March 2018	As at March 2017
	Period of default (years)	
Deferred Payment Liabilities - Unsecured	From 2016-07 to 2017-18	
Principal	25588820	25588820
Interest		

**19 Other Current Liabilities**

Particulars	As at March, 2018	As at March, 2017
Statutory Dues	46155448	65223121.81
<b>TOTAL</b>	<b>46155448</b>	<b>65223121.81</b>

**20 Revenue from operations (Net)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of Products (including excise duty)		
Manufactured Goods (Calcium Carbonate)		
- Domestic Sales	523600825	471244974
- Traded Goods	1633500	
Less: Sales Discount	479484	825325
<b>TOTAL</b>	<b>524754841</b>	<b>470419649</b>

**21 Other income**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income from financial assets mandatorily measured at fair value through amotised cost - Margin Money Deposit	751476	524204
Interest income from financial assets mandatorily measured at fair value through amotised cost - Government Deposits	115210	30193
Proceeds from Scrape and Stores	3003100	258700
Duty Drawback received		9967
Discount received	272375	251599
Exchange Rate Difference (net)	342873	87591
Balances written off	232148	245070
Change in Fair Value of Investments through Profit and loss		132776
Change in Fair Value of deposit through Profit and loss	5335	
Miscellaneous Income	768571	3211
<b>TOTAL</b>	<b>5491087</b>	<b>1543311</b>

**22 Cost of Materials Consumed**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening Stock	3762220	5725563
Add: Purchases	282598019	236433983
	286360239	242159546
Less: Closing Stock	18796470	6929442
<b>Cost of Materials Consumed</b>	<b>267563769</b>	<b>235230104</b>

**23 Changes in Inventories**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Inventories at the beginning of the year:		
Finished Goods	6593978	2049279
Work-in-progress	0	0
Stock-in-trade	0	0
	6593978	2049279
Inventories at the end of the year:		
Finished Goods	8536043	2964519
Work-in-progress	0	0
Stock-in-trade	0	0
	8536043	2964519
<b>TOTAL</b>	<b>-1942065</b>	<b>-915240</b>

**24 Employee Benefits Expense**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, allowances and bonus	19531750	20048078
Contribution to provident and other funds	612987	366893
Contribution to Gratuity fund	902396	184337
Staff welfare expenses	950502	870864
<b>TOTAL</b>	<b>21997635</b>	<b>21470172</b>

**25 Finance costs**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest expenses	1933074	450966
Interest on delayed/deferred payment of statutory dues	478701	3801674
<b>TOTAL</b>	<b>2411775</b>	<b>4252640</b>

**26 Depreciation and Amortisation Expenses**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation on Property, Plant & Equipment	10161213	21675134
Amortisation of Intangible Assets	0	21496
<b>TOTAL</b>	<b>10161213</b>	<b>21696630</b>

## 27 Other expenses

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Advertisement	50991	85397
Consumption of Stores and Spare Parts	11822049	2646146
Consumption of Packing Materials	25798743	18947017
Power and Fuel	35930272	29931747
Water	646153	512173
Labour Charges	10277191	5419033
Loading & Unloading Exp.	2202064	1049561
Rent including Lease Rentals	987052	1176288
Repairs and Maintenance - Buildings	63177	95072
Repairs and Maintenance - Machinery	444575	463891
Repairs and Maintenance - Others	2108928	1909922
Insurance	278751	173149
Rates and Taxes	2396320	2543415
Export/Import Expenses	9940167	7617454
Telephone and Postage	1315182	1225516
Travelling and Conveyance	3501565	3686667
Printing and Stationery	499694	408045
Freight and Forwarding	11884982	15241486
Factory Expenses & Office Expenses	8782025	7734174
Fees & Subscription A/c	846066	491449
Sales Commission	2608568	2034728
Business Promotion	437401	162986
Bank Charges & Commission	945817	934688
Donations and Contributions	132201	87850
Legal and Professional	3697094	1180970
Payments to Auditors	385000	385000
Amortisation of Leasehold Land	21120	21120
Change in Fair Value of Investments through Profit and loss	37110	
Change in Fair Value of Deposits through Amortised cost		56182
Bad Trade and Other Receivables, Loans and Advances Written Off	2165766	1307155
Prior Period Items (net)	421052	1395744
Penalty	205618	250692
Security Expenses	1913836	1627075
Miscellaneous Expenses	875789	8273
<b>TOTAL</b>	<b>143622318</b>	<b>110810065</b>

## 28 Income Taxes

Tax expense in the statement of profit and loss comprises:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current Taxes (including tax on OCI)	0	-
Current tax adjtument for earlier years	0	-
Deferred Taxes	0	-3708894
Income Tax expense	0	-3708894

Since the Company was registered under Sick Industrial Companies (Special Provision) Act, 1985 and the net worth of the Company as on 31st March, 2018 is less than accumulated losses, the provisions of section 115JB of the Income Tax Act, 1961 is not applicable and accordingly no provision for income tax is made during the year.

The following table provides the details of income tax assets and income tax liabilities as of March 31, 2017 and April 1, 2016

Particulars	As at March 2018	As at March 2017
Income tax assets		596346
Current income tax liabilities		1836805
Net current income tax assets/ (liability) at the end		1240459

The gross movement in the current income tax asset/ (liability) for the Year ended March 31, 2017 and March 31, 2016 is as follows:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Net Income Tax asset/ (liability) at the beginning	-1240459	-1322880
Add:- Income tax paid		82421
Less:- Provision for income tax (including tax on OCI)	0	0
Net current income tax asset/ (liability) at the end	-1240459	-1240459

Reconciliation of deferred tax liabilities (net)

Particulars	As at March 2018	As at March 31, 2017
Deferred tax liabilities		
Opening Balance	11638725	15347619
Changes on account of timing difference in depreciation		-3708894
Deferred tax Assets (refer foot note)		0
<b>Closing Balance(Net)</b>	<b>11638725</b>	<b>11638725</b>

Foot Note :

Company has the accumulated losses and unabsorbed depreciation as on 31-3-2015. In the absence of reasonable certainty about future profit earning, no provision for deferred tax asset is made in the books as per Ind AS 12- 'Taxes on Income'.

## 29 Earnings Per Share (EPS)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>a Basic Earning per share</b>		
Basic Earning per share attributable to equity share holders	19.01	14.42
Diluted Earning per share	19.01	14.27
<b>b Reconciliation of earning used in calculating earning per share</b>		
Profit attributable to equity share holder used in calculating basic earning per share	76564186	50390790
Profit attributable to equity share holder used in calculating Diluted earning per share	76564186	50390790
<b>c Weighted average number of shares used as the demoniator</b>		
Weighted average number of shares used as the demoniator in calculating basic earning per share @ ₹ 10/- each	4027125	3290276
Add : Call in arrears	0	33638
Weighted average number of shares used as the demoniator in calculating diluted earning per share @ ₹ 10/- each	4027125	3323914

## 30 Contingent liabilities

a Claims against the Company not acknowledged as debts:

Particulars	March 31, 2018	March 31, 2017
Corporate Guarantees issued to Bank U.S. \$2.20 Million	0	142644920
Disputed Income Tax Demand	45359650	45359650
Disputed Sales Tax Demand	79484358	32713243
Disputed Employees P.F.	10023687	7267093
Interest under MSMED Act (Refer Note C)	1283646	1208877
Disputed Profession Tax Demand	0	872555
<b>TOTAL</b>	<b>136151341</b>	<b>230066338</b>

No provision is presently considered necessary for above mentioned various tax demands which are under various stages of appeal as the Company is of the view that the said demands are not sustainable in law.

- b The Company had received the demand notices for A.Y. 2006-07 from the Income Tax authorities for Income tax and fringe benefit tax inclusive of interest for ₹52,73,000/- and ₹4,54,000/- respectively. Company had ₹4,57,000/- net provisions standing in the books against the Mat Liability for AY 2006-07. Company has filed rectification application to Income Tax Department for non allowance of carry forward losses as it was allowed to the Company vide ITAT order dated 21.11.08 i.r.o. AY 2002-03. Considering the above, the Management is of the opinion that no further provision need to be made in these respect.

### 31 The overdue statutory dues are as follows

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Staff Profession Tax	143955	147239
Provident Fund	2635733	4563461
Employees State Insurance Scheme	1470768	1450891
Sales Tax Payable	41595128	55785955
Income Tax/TDS	314191	581807
Excise/Service Tax	959346	2769418
GST	3015240	-
Gram Panchayat Tax	249847	249847
Property Tax	112941	220093
<b>TOTAL</b>	<b>50497149</b>	<b>65768711</b>

### 32 Related Party Disclosures

#### (a) Associates

SilvoLiacal Chemicals Ltd.  
Diamond Jubilee Stores  
Pearl Enterprises  
Himachal Polylefins Ltd.  
Sahid Investment & Trading Company Pvt. Ltd.

#### (b) Key Managerial Personnel

Shri A. H. Dawoodani - Managing Director  
Smt. S. A. Dawoodani - Director  
Shri Akbar Ali Virani - Director  
Shri Sadruddin Jiwani - Director  
Shri K. S. Varadhan - Independent Director upto 30th Sept 2017.

#### (c) Relative of Key Managerial Personnel (KMP)

Shri Rahim A. Dawoodani (Son of Shri A. H. Dawoodani)

Note : Related parties have been identified by the Mangement

### Particulars of Transaction with Related Parties

Nature of Transaction	March 31, 2018		March 31, 2017	
	Associates	KMP	Associates	KMP
Purchases of Goods	1203165		38707324	0
Sale of Goods	316904234		143650273	0
Rent Paid	360000		360000	0
Investments				
Opening Balance	3005700		3005700	0
Purchases During the Year (Dialution as per Ind AS)	-3005700		0	0
Closing Balance	0		3005700	0
Loans Taken				
Opening Balance	59725275	235386393	43335733	246077215
Add: Taken During the Year	23827732	10019000	19491980	10236102
Less: Repaid During the Year	25854293	79662851	3102438	20926924
Closing Balance	57698714	165742542	59725275	235386393

All outstanding balances are unsecured and are repayable in cash.

**33 Value of Imports calculated on C.I.F basis in respect of**

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Lime Stone	66173742	40511367

**34**

- In the opinion of Board of Directors all assets other than non-current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated and the provisions for all known liabilities are adequate and not in excess of the amounts reasonably necessary.
- The balance due to / from parties are subject to confirmation.
- No personal expenses have been debited to Profit and Loss Account except those payable under contractual obligation or normal business practices.

**35 Disclosure in Accordance with Section 22 of Micro, Small And Medium Enterprises Development Act, 2006**

According to information available with the Management and relied upon by the auditors, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the Company has amounts due to micro and small enterprises under the said Act as follows

The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year:

Sr no	Particulars	March 31, 2018 ₹	March 31, 2017 ₹
1	Principal amount remaining Unpaid	1434199	1634658
2	Interest accrues, due and remained unpaid thereon		-
3	Payment made to suppliers (Other than interest) beyond the appointed day during the year	200459	175000
4	Interest paid to suppliers under MSMED Act (other than Section 16)		-
5	Interest paid to suppliers under MSMED Act (Section 16)		-
6	Interest due and payable towards suppliers under MSMED Act for payments already made		-
7	Interest accrued and remaining unpaid at the end of the year to suppliers under the MSMED Act not provided in the books of accounts	1283645	1208877

- The company continues to disclose its results on the concept of going concern in spite of the fact of erosion of 100% of its net worth as the management expects to wipe off the accumulated losses by taking steps of rationalisation of expenses and considering measures to increase revenue.

**37 Employee benefits****(i) Defined contribution plans:**

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
The company has recognised the following amounts in the Statement of Profit and Loss for the period		
Contribution to Employees' Provident and other Funds	612987	366893
<b>TOTAL</b>	<b>612987</b>	<b>366893</b>

**(ii) Defined benefits plans:****(A) Gratuity****(i) Non-Funded status of the plan**

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Present value of unfunded obligations	5492001	3560734
Present value of funded obligations		0
Fair value of plan assets		0
Net Liability (Asset)	5492001	3560734

## (ii) Profit and loss account for current period

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Service cost:		
Current service cost	190443	60749
Past service cost and loss/(gain) on curtailments and settlement	473740	0
Net interest cost	238213	123588
Total included in 'Employee Benefit Expense'	902396	184337

**Other Comprehensive Income for the current period**

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Components of actuarial gains/losses on obligations		
Due to Change in financial assumptions	-310750	216733
Due to change in demographic assumption		0
Due to experience adjustments	1339621	1502985
Return on plan assets excluding amounts included in interest income		0
Amounts recognized in Other Comprehensive Income	1028871	1719718

## (iii) Reconciliation of defined benefit obligation

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Opening Defined Benefit Obligation	3560734	1656679
Transfer in/(out) obligation		0
Current service cost	190443	60749
Interest cost	238213	123588
Actuarial loss/(gain) due to change in financial assumptions	-310750	216733
Actuarial loss/(gain) due to change in demographic assumption		0
Actuarial loss/ (gain) due to experience	1339621	1502985
Past service cost	473740	0
Loss (gain) on curtailments		0
Liabilities extinguished on settlements		0
Liabilities assumed in an amalgamation in the nature of purchase		0
Exchange differences on foreign plans		0
Benefits paid		0
Closing Defined Benefit Obligation	5492001	3560734

## (iv) Reconciliation of plan assets

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Opening value of plan assets	0	0
Transfer in/(out) plan assets	0	0
Expenses deducted from the fund	0	0
Interest Income	0	0
Return on plan assets excluding amounts included in interest income	0	0
Assets distributed on settlements	0	0
Contributions by employer	0	0
Assets acquired in an amalgamation in the nature of purchase	0	0
Exchange differences on foreign plans	0	0
Benefits paid	0	0
Closing value of plan assets	0	0

**(v) Reconciliation of net defined benefit liability**

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Net opening provision in books of accounts	3560734	1656679
Transfer in/(out) obligation		0
Transfer (in)/out plan assets		0
Employee Benefit Expense as per Annexure 2	902396	184337
Amounts recognized in Other Comprehensive Income	1028871	1719718
Benefits paid by the Company		0
Contributions to plan assets		0
Closing provision in books of accounts	5492001	3560734

**(vii) Bifurcation of liability as per schedule III**

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Current Liability*	354239	164743
Non-Current Liability	5137762	3395991
Net Liability	5492001	3560734

\* The current liability is calculated as expected contributions for the next 12 months or the net liability whichever is lower.

**(viii) Principle actuarial assumptions**

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Discount Rate	0.0741	0.0669
Salary Growth Rate	0.1	0.1

**(ix) Sensitivity to key assumptions**

Particulars	March 31, 2018 (12 months) ₹		March 31, 2017 (12 months) ₹	
	DBO	Change in DBO (%)	DBO	Change in DBO (%)
Discount rate varied by 1%				
+ 1%	5103952	-0.071	3283109	-0.078
- 1%	5931487	0.080	3874982	0.088
Salary growth rate varied by 1%				
+ 1%	5900521	0.074	3790541	0.065
- 1%	5115195	-0.069	3353224	-0.058

**(x) Profit and loss account for subsequent period**

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Service cost	190443	60749
Net interest cost	238213	123588
<b>Total included in 'Employee Benefit Expense'</b>	<b>428656</b>	<b>184337</b>

## (xi) Expected benefit payments

Particulars	March 31, 2018 (12 months) ₹	March 31, 2017 (12 months) ₹
	Cash flows(Rs)	Cash flows(Rs)
2018	354239	164743
2019	377295	225848
2020	1214648	224095
2021	238420	958295
2022	418209	93985
2023 - 2027	1953613	1077643

The future accrual is not considered in arriving at the above cash-flows.

38 The Company operates only in one segment i.e. manufacturing of Calcium Carbonate and hence there are no reportable segments as defined in Indian Accounting Standard (IND AS -108) on "Segment Reporting".

## 39 Financial assets and liabilities

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
<b>Categories of financial assets</b>		
Carrying values of financial assets measured at amortised cost		
Advances and Deposits - Non Current (Note 5)	4594962	4973890
Other financial assets - Current (Note 9)	2062227	2622360
Advances and Deposits - Current (Note 5)	5428275	5707922
Trade receivables - Current (Note 7)	179428349	115870088
Cash and Cash Equivalents (Note 8)	6907237	31957864
	198421050	161132124
<b>Measured at FVTPL</b>		
Investments - Non Current (Note 4)	895924	297734
	895924	297734
Total carrying values of financial assets	199316974	161429858
<b>Total fair values of financial assets</b>	199316974	161429858
<b>Categories of financial liabilities</b>		
Carrying value of financial liabilities measured at amortised cost		
Borrowings - Non Current (Note 13)	3025458	3108251
Other financial liabilities - Current (Note 18)	26153186	26446296
Trade payables - Current (Note 16)	149640987	153730315
Total carrying values of financial liabilities	178819631	183284862
<b>Total fair values of financial liabilities</b>	178819631	183284862

## 40 Financial Risk Management

Financial risk factors The Company's principal financial liabilities, comprises of borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations The Company's principal financial assets include trade and other receivables, cash and cash equivalent, investments and short-term deposits that derive directly from its operations. The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredict. ability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company's senior management oversees the management of these risks. Company's financial risk activities are governed by appropriate policies and procedures laid out by the senior management and financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives . The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

## Market risk

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. The Company is exposed to foreign exchange risk through its transactions in various foreign currencies. For the Company, the market risk is the possibility of changes in foreign currency exchange rates and commodity prices which may affect the value of the Company's financial assets, liabilities or expected future cash flows as the rupee appreciates / depreciates against these foreign currencies.

## a. Commodity Risk

The principal raw materials for the Company products are lime stone, calcite powder, stearic acid, etc which are purchased by the Company from the approved list of suppliers. Most of the input materials are procured from domestic vendors. Raw material procurement is subject to price negotiation.

In order to mitigate the risk associated with raw material, the Company manages its procurement through grading, sourcing of raw material and constant pricing negotiation with vendors. It renegotiates the prices with its customers in case there is more than normal deviation in the prices of its major raw materials.

## b. Foreign currency risk

Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not a company's functional currency. Generally, Company makes advance payment to foreign vendors and in some cases payment is made as per credit terms with vendor. Hence, impact of the rate fluctuation is accounted in profit and loss.

## Credit risk analysis

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk arising from cash and cash equivalents, deposits with banks, trade receivables, investments and other financial assets. Credit risk has been managed by the company by establishing credit limits and creditworthiness of customers to which the company grants credit terms in the normal course of business. For banks and financial institutions, only high rated banks/ institutions are accepted.

Customer credit risk is managed by each customer group subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade Receivable has been managed by the Company by establishing credit limits and creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Provision on Trade receivable is calculated as per expected credit loss method (ECL) as per IND AS. ECL is calculated on the basis of average bad debts on turnover of 3 years i.e from 2014-15 to 2016-17. Such average % is moderated to align with current and future business, customers and risk profile. The provision determined as per policy for the year 2016-17 amounts to ₹1,056,030 where as the provision during the year made under IGAAP is ₹9,413,666. As there is adequate provision pre-existing in the books, it is not required to make any additional provision for the year. Further, it is also proposed to continue the same till the provision under IND AS exceeds the pre-existing provision in the books.

## Classes of financial assets – carrying amounts:

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Investments - Non Current (Note 4)	895924	297734
Advances and Deposits - Non Current (Note 5)	4594962	4973890
Other financial assets - Current (Note 9)	2062227	2622360
Advances and Deposits - Current (Note 5)	5428275	5707922
Trade receivables - Current (Note 7)	179428349	115870088
Cash and Cash Equivalents (Note 8)	6907237	31957864
<b>Total</b>	<b>199316974</b>	<b>161429858</b>

The trade receivables at reporting date analysed by the length of time past due, are:

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Upto 6 months (Note 7)	113944052	88970278
More than 6 months (Note 7)	51463289	26899810
<b>Total</b>	<b>165407342</b>	<b>115870088</b>

## Liquidity risk analysis

## Risk assessment

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The Company has assets which are expected to be realised within 12 months ₹241,594,441 as on March 2018 (as on March 2017 is ₹182,298,357). The Company has liabilities which are expected to mature within 12 months ₹477,723,988 as on March 2018 (as on March 2017 is ₹547,773,925). Hence Company had a working capital of ₹(236,129,547) as on March 2018 (as on March 2017 is ₹(365,475,568)).

## Risk Management

Whenever working capital is required Company's Executive Directors provides funding to the Company.

## 41 Fair value hierarchy

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 – The fair value of financial instruments that are not traded in active market (for example, counter derivatives) is determined using

valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant Inputs is not based on observable market data (unobservable inputs), the instrument is included

in level 3. This is case of the unlisted equity instruments included in level 3

Financial assets and liabilities measured at fair value-recurring fair value measurements

Particulars	Fair value measurement using		
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
	(Level 1)	(Level 2)	(Level 3)
Financial assets			
Financial instrument at FVTPL as at March 31, 2018			
Quoted equity investment	253124		642800
Financial instrument at FVTPL as at March 31, 2017			
Quoted equity investment	290234		7500

Financial assets and liabilities measured at amortised cost for which fair values are disclosed

Particulars	Fair value measurement using		
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
	(Level 1)	(Level 2)	(Level 3)
Financial liabilities			
Borrowings - As at March 31, 2018			252722201
Financial Assets			
Deposit- As at March 31, 2018			5428275
Financial liabilities			
Borrowings - As at March 31, 2017			299587999
Financial Assets			
Deposit- As at March 31, 2017			5749617

There have been no transfers between Level 1 and Level 2 during the period.

Valuation technique used to determine fair value

The fair valuation of Borrowings is determined using the effective interest rate (net Cash inflow and outflow)

- 42 Capital management policies For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value and maintain an optimal capital structure to reduce the cost of capital. The Company monitors capital on the basis of the gearing ratio; Net debt (total borrowing net of cash and cash equivalents)/Total equity

The gearing ratio at the end of the periods was as follows:-

Particulars	March 31, 2018 ₹	March 31, 2017 ₹
Debt	252722201	299587999
Less: Cash and cash equivalents (-)	6907237	31957864
Net Debt	245814964	267630135
Total equity	-162139489	-287584456
Capital gearing ratio	- 1.52	- 0.93

The Company has negative networth, management is trying to overcome from the same based on the future business plan.

- 43 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions as described below that affect the reported amounts and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Assumptions

The cost of the defined benefit plans and the present value of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. For further details refer to note 37.

#### Estimates

The estimates used by the company to present the amount in accordance with Ind AS reflect conditions as at the transition date and as of March 31, 2018.

- 44 First Time of Adoption of Indian Accounting Standard

These financial statements as at March 31, 2018 have been prepared in accordance with Ind AS. This is the Company's first set of financial statements in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 (First Time adoption of Ind AS), with April 1, 2016 as the transition date on IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies have been applied in preparing the financial statements as at March 31, 2018. Reconciliation and explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet, Statement of Profit and Loss, accordance with Ind AS 101 have been set out in note 46.

Exemption and exceptions availed :

#### Optional Exemptions :

Ind AS 101 allows first time adopter certain exemptions from the retrospective application of certain requirement under Ind AS.

The Company has applied the following optional exemptions:-

The Company has opted to recognized its property, plant and equipment, Land and Intangible Assets based on the previous GAAP carrying amount as at the date of transition.

Exception:

The following mandatory exception have been applied in accordance with Ind AS 101 in preparing the Financial Statements:-

- (i) Estimates :

The estimates used by the company to present the amount in accordance with Ind AS reflect conditions as at the transition date and as of March 31, 2018.

## (ii) Classification and measurement of Financial instruments :

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of fact and circumstances that exist at the date transition to Ind AS.

## (iii) De-recognition of the Financial Assets and Financial Liabilities :

The Company has elected to apply the de-recognition requirement for Financial Assets and Financial Liabilities in Ind AS prospectively for transition occurring on or after the date of transition to date of Ind AS.

## Reconciliations

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

- Total Equity as at April 1, 2016 , March 31, 2017
- Net profit for the Year ended April 1, 2016 and March 31, 2017
- Cash flow

**Reconciliation of equity as previously reported under IGAAP to Ind AS**

Particulars	Foot Note	As at March 31, 2017	As at April 1, 2016
Total equity (shareholders funds ) under Previous GAAP		-287715387	-336328476
Fair Value measurement of Investments	(i)	208532	75756
Fair Value measurement of Borrowings	(ii)	2506	0
Amortisation of Leasehold Land	(iv)	-21120	0
Fair Value measurement of Security Deposits	(iii)	-58982	-2800
Total equity under Ind AS		-287584451	-336255520

**Reconciliation of Net profit as previously reported under IGAAP to Ind AS**

Particulars	Foot Note	As at March 31, 2017
Net Profit as per previous GAAP		48613092
Fair Value of investments through Profit and Loss	(i)	132776
Fair Value measurement of Borrowings through Amortised Cost	(ii)	2506
Amortisation of Leasehold Land	(iv)	-21120
Fair Value of Deposits through Amortised Cost	(iii)	-56182
Total comprehensive income under Ind AS		48671072

**Reconciliation of Statement of Cash Flow**

There are no material adjustments to the statement of Cash Flows as reported under the previous GAAP.

## Footnotes to the reconciliation :

Under the previous GAAP, non current investments in equity instruments were classified as long-term investments which were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of the investments in equity instruments designated as at FVTPL have been recognised in general reserve as at the date of transition and subsequently in the statement of profit and loss for the year ended March 31, 2017. This increased the retained earnings by ₹ 208,532 as at March 31, 2017 (1 April 2016 - ₹ 75,756).The profit for the year ended March 31, 2017 increased by ₹ 132,776 as a result of the fair valuation.

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred. Accordingly, borrowings as at March 31, 2017 have been reduced by ₹ 2,506 (April 1, 2016 - ₹ NIL) with a corresponding adjustment to retained earnings. The total equity increased by an equivalent amount. The profit for the year ended March 31, 2017 reduced by ₹ 2,506 as a result of the additional interest expense.

Under the previous GAAP, interest free security deposits are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS at amortised cost. Consequent to this change, the amount of security deposits decreased by ₹ 58,982 as at 31 March 2017 (1 April 2016 - ₹ 2,800). The profit for the year as at March 31, 2017 decreased by ₹ 56,182.

Leasehold Land has been reclassified from Property, Plant & Equipment to Other Non Current Assets (Prepayments) and amortisation on the same has been shown under Other Expenses in Statement of Profit and Loss. This has resulted in decrease in profit to the extent of ₹ 21,120/-.

**Reclassifications**

Advances to Staff, Security Deposits, Trade Receivables & Interest accrued have been reclassified from non current assets to current assets as the Company does not have an unconditional right to defer settlement.

Deferred Payment Liabilities, Deposits (ICD), Loans and Advances from related parties, trade/security deposits received, trade payables (other than SSI), trade payables under MSMED (other than SSI) and advances from customers have been reclassified from non current liabilities to current liabilities as the Company does not have an unconditional right to defer settlement.

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss. As a result of this change, the profit for the year ended March 31, 2017 decreased by ₹ 1,719,718/-. There is no impact on total equity.

Assets / liabilities which do not meet the definition of a financial asset/ liability have been reclassified to other asset / liability.

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2017 by ₹ 32,736,693/-. There is no impact on the total equity and profit.

Cash Discount earlier grouped under other expenses is netted off with sales.

Previous year's figures have been regrouped and restated wherever necessary to make their classification comparable with that of the current year.

<b>As Per Our Attached Report of Even Date</b>	<b>For and on behalf of the Board of Directors</b>	
<b>For A.N.Damania &amp; Co.</b>	A.H.Dawoodani	S.A.Dawoodani
Chartered Accountants	Managing Director	Director
Firm Reg No : 102077W	DIN 00934276	DIN 02324234
Ashvin Damania	Suresh John	Firoj Ladhani
Proprietor	Chairman	Chief Financial Officer
Membership No : 040166	DIN 00079852	
Place : Mumbai	Place : Mumbai	
Date : 30/05/2018	Date : 30/05/2018	

## LIME CHEMICALS LIMITED

Registered Office: 404 & 405 Neco Chambers, Rajiv Gandhi Road, Sector-11, CBD Belapur, Navi Mumbai 400 614.

(CIN L24100MH1970PLC014842)

Email: [info@limechem.com](mailto:info@limechem.com); Website: [www.limechem.com](http://www.limechem.com); Phone: 022-27561976

### 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 of the member(s)..... E-mail Id:.....

Registered address:..... Folio/Client Id:.....

..... DP ID:.....

.....

I/We, being the member(s) of .....Shares of the above named company, hereby appoint:

- 1) .....of .....having e-mail id.....or failing him
- 2) .....of .....having e-mail id.....or failing him
- 3).....of .....having e-mail id.....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 48<sup>th</sup> Annual General Meeting of the Company, to be held on 29<sup>th</sup> September 2018 at 10.00 am at K Star Hotel, Rajiv Gandhi Road, Sector-11, CBD Belapur, Navi Mumbai 400 614 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No.	Resolutions
	<b>Ordinary Resolutions</b>
1	Adoption of Audited Financial Statements for the year ended 31 <sup>st</sup> March 2018.
2	Re-appointment of Mr. Sadruddin Jiwani, who retires by rotation.
3	Re-appointment of Mrs. Shahnaz A. Dawoodani, who retires by rotation.
4	Appointment of M/s. A.N. Damania & Co., Chartered Accountants, as Auditors of the Company.
	<b>Special Business- Ordinary Resolution</b>
5	Appointment of Mr. Husen Somji as Independent Director

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature of Shareholder \_\_\_\_\_ Signature of Proxy holder \_\_\_\_\_

Re. 1/-  
Revenue  
Stamp

#### Notes:

1. A Proxy need not be a member of the Company.
2. 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.
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 singly person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.



## LIME CHEMICALS LIMITED

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### ATTENDANCE SLIP

#### 48<sup>th</sup> Annual General Meeting on Saturday, 29<sup>th</sup> September 2018

Registered Folio/ DP ID & Client ID	
Name and address of the Shareholder(s)	
Joint Holder 1 Joint Holder 2	
No. of shares held	

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company, I hereby record my presence at the 48<sup>th</sup> Annual General Meeting of the Company held at K Star Hotel, Rajiv Gandhi Road, Sector-11, CBD Belapur, Navi Mumbai 400 614 at 10.00 am. on Saturday, 29<sup>th</sup> September 2018.

\_\_\_\_\_  
Proxy's Name in Block letters

\_\_\_\_\_  
Member's/ Proxy's Signature

#### NOTES:

1. This Meeting is of Members only and you are requested not to bring with you any person who is not a Member
2. Shareholders/ Proxy holders are requested to bring the attendance slips with them when they come to the Meeting and hand over at the entrance after affixing their signature on them.
3. Shareholders are requested to bring their copy of the Annual Report along with them to the Annual General Meeting, as copies of the Report will not be distributed again at the Meeting.
4. If it is intended to appoint a proxy, the Form of Proxy should be completed and deposited at the Corporate / Registered Office of the Company at least 48 hours before the Meeting.



## Route Map to the AGM Venue



K Star Hotel, Rajiv Gandhi Road, Sector-11, Rajiv Gandhi Road,  
C.B.D. Belapur (East), Navi Mumbai - 400 614

**THROUGH SPEED POST / COURIER**

***If undelivered please return to :***

**LIME CHEMICALS LIMITED**

404/405, Neco Chambers, 4<sup>th</sup> Floor

Plot No.48, Sector-11

Rajiv Gandhi Road,

C.B.D. Belapur (East),Navi Mumbai – 400 614