ORIENTAL CARBON & CHEMICALS LIMITED

[Corporate Identity Number (CIN) - L24297WB1978PLC031539] Regd. Office : "Duncan House", 31, Netaji Subhas Road, Kolkata - 700 001

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July 01, 2019

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

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

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

Dear Sirs,

Sub: Annual Report of the Company for the Year ended March 31, 2019

Pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of Annual Report of the Company for the year ended March 31, 2019, which will be approved and adopted in the Annual General Meeting of the Members of the Company to be held on July 26, 2019.

This is for your reference and records.

Yours faithfully,
For ORIENTAL CARBON & CHEMICALS LIMITED

Pranab Kumar Maity
COMPANY SECRETARY

Encl: As above.

Oriental Carbon & Chemicals Limited

Providing Solutions. Creating Trust.



39th Integrated Annual Report 2018-19

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12 things you need to know about Oriental Carbon & Chemicals

01 Our values

Our Vision tyre of the world.

What we will achieve While striving to be present in every tyre of the world, we will for:

Our People

Build Trust and Engagement by

- Enabling a happy environment

Our Customers

Build trust and reliability by

- Delivering quality

Our Shareholders

Build trust and value by

- Delivering sustainable growth
- Being socially responsible

How we will achieve

- One team
- Passion for excellence
- Continuous Learning
- Customer centricity

02 Our pedigree

Oriental Carbon & Chemicals Limited belongs to the JP Goenka Group of companies. The Company was incorporated as Dharuhera Chemicals Limited (DCL) in 1978. The Company commissioned a unit in 1994 to manufacture Insoluble Sulphur which is now the Company's flagship product. The Company is driven by knowledge, passion and a deep customer commitment. The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

03 Our products

The Company is one of a handful of Sulphur, a specialised and key rubber sophisticated process. The Company also manufactures Sulphuric Acid and Oleum in its Dharuhera Plant.

04 Our businesses

In addition to the manufacture of Insoluble Sulphur and Sulphuric

05 Our customers

The Company addresses the demanding requirements of the tyre industries worldwide - in terms of quality product on the one hand and superior service on the other. The result is that the Company is widely accepted as a preferred global vendor for Insoluble Sulphur.



We are a focused knowledge-driven global manufacturer of Insoluble Sulphur for a demanding downstream sector.

06 Our facilities

the-art manufacturing facilities in Dharuhera (Haryana) and Mundra (Gujarat). Manufacturing operations commenced with a modest capacity of 3,000 MT per annum in 1994, which has since grown to an aggregated 34,000 MT per annum. The Company also possesses an aggregate capacity of 46,000 TPA for the manufacture of Sulphuric Acid and Oleums.

08 Our product range

The Company takes the business of its customers ahead through the development of various customised grades – possibly the widest global range - addressing the diverse compounding requirements of tyre manufacturers with the right grade of Insoluble Sulphur.

09 Our supporting presence

11 Our research focus

The Company is a research-driven Organisation, having made proactive investments to evolve, innovate and experiment with the objective to enhance product stability and performance. The Company has inhouse DSIR-recognised R&D facility.

07 Our brand

The Company's principal brand - Diamond Sulf – for Insoluble Sulphur is synonymous with worldclass quality, helping downstream customers succeed in their journey for excellence. The latest brand that the Company launched was Dyamix-predispersed Sulphur, a different form of vulcanising agent intended mainly for international customers.

10 Our solutions focus

The Company has invested in people, plants, processes and presence with a long-term perspective resulting in dependable and timely deliveries coupled with complementary technical services – a holistic solution. This has helped OCCL forge enduring partnerships with customers.

12 Our certifications

Our products are REACHcompliant. Besides, the Company's facilities and processes have been certified for IATF 16949, ISO9001, ISO14001 and OHSAS 18001.

Milestones

1978

► Incorporated as Dharuhera Chemicals Ltd to manufacture Sulphuric Acid 1978

► Commenced Sulphuric Acid production 1984

► Oriental Carbon Ltd merged with the Company to form Oriental Carbon & Chemicals Limited 2000

▶ Divested the carbon black business

1994

► Commenced Insoluble Sulphur production

2005

► Established a second line (100% EOU) at Dharuhera

2009

► Embarked on a greenfield expansion for 11,000 MTPA of Insoluble Sulphur at the Mundra plant

2011

► Commissioned the first phase of the Mundra plant with the capacity of 5,500 MTPA

2012

Acquired 50% equity shares of Schrader Duncan Ltd and commissioned second phase of the Mundra plant for 5,500 MTPA

2016

▶ Kickstarted brownfield expansion of an additional 11,000 MTPA of Insoluble Sulphur capacity at Mundra in two phases.

2017

► Commissioned the first phase of Insoluble Sulphur expansion of 5,500 MTPA at Mundra

2018

► Commissioned the second phase of Insoluble Sulphur expansion of 5,500 TPA at Mundra

2019

► Kick started brownfield expansion of an additional 11000 MTPA of Insoluble Sulphur capacity at Dharuhera in two phases.

What we manufacture and market

Insoluble Sulphur under the brand name of Diamond Sulf

Insoluble Sulphur

Insoluble Sulphur is an amorphous form of sulphur in polymeric form in contrast to natural sulphur, which is crystalline and monomeric in nature. The polymeric chains of Diamond Sulf comprise several thousand micro-fine sulphur particles. The product is rendered insoluble in all known solvents and rubber compounds; it does not take part in a cross-linking reaction like natural sulphur as long as it is in a polymeric form.

Regular grades

Insoluble Sulphur oil treated grades are insoluble in elastomers, are completely non-blooming and are anideal vulcanising agent for unsaturated elastomers. They are particularly suitable for use in compounds where sulphur loading levels are required above the sulphur solubility rating of particular elastomers.

High stability grades

Special grades

Insoluble Sulphur special grades are customised around specific requirements. These grades have been progressively enhanced, customised in line with demanding downstream requirements.



Sulphuric acid

The Company manufactures commercial grade and battery grade SulphuricAcid and Oleums. The product finds application as a dehydrating agent, catalyst and active reactant in chemical processes, solvents and absorbents.

It is also used in grades of high purity in storage batteries, rayon, dye, acid slurry and pharmaceutical applications as well as in grades of relatively low purity in the steel, heavy chemical and superphosphate industries.

OCCL. Indian presence. Global footprint.

The Company's Insoluble Sulphur is available the world over through a global network of agents and distributors.



South America

Our state of-the-art manufacturing facilities

Product name	Annual capacity (MT)	Location
Insoluble Sulphur	12,000	Dharuhera (Haryana)
Insoluble Sulphur	22,000	SEZ Mundra (Gujarat)
Sulphuric Acid / Oleum	46,000	Dharuhera (Haryana)



This is how we have grown in the last few years

Net sales (₹ in lakhs)



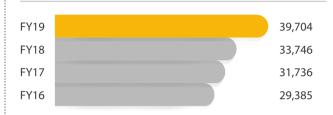
Performance

The Company's net sales increased by 17% in 2018-19 as compared to 2017-18.



Total revenue

(₹ in lakhs)



Performance

Our aggregate revenue increased by 18% to ₹39,704 lakhs in 2018-19 as compared to 2017-18.

This indicates a organisational

Operating profit (EBIDTA)

(₹ in lakhs)



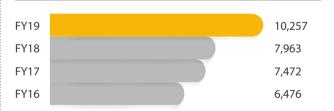
Performance

The Company's operating profit grew every single year through the last 10 years. The Company reported a 25% increase in its operating profit in 2018-19. This was the result of timely capacity investments, cost reduction and growing customer wallet share.



Profit before tax

(₹ in lakhs)



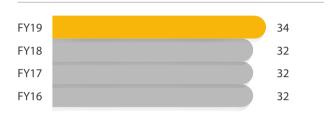
Performance

The Company's PBT increased by 29% in 2018-19 as compared 2017-18

The Company's increased offtake and cost management strengthened profits

Operating margin movement

Operating margin %



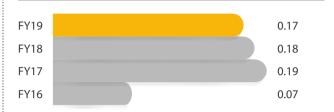
Performance

The Company's operating margin is consistent.



Gearing

Debt-equity ratio



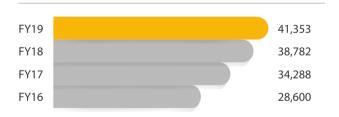
Performance

The Company's gearing moderated from 0.19 in 2016-17 to 0.17 in 2018-19. We recommend that this ratio be read in conjunction with net debt: operating profit (declining, indicating a growing ability to service debt).

An extensively under borrowed company indiactes business sustainability

Net worth

(₹ in lakhs)



Performance

The Company's Net worth is increasing and generated mainly from a growth in operating profits.





Managing Director's Strategic review

How we built a company around pride, passion and perseverance

Over the years, I have been asked at various meetings, and forums to explain the nature of our business.

The most fitting description of our Insoluble Sulphur business is that it is long-term in nature. Whatever decisions we take are influenced by how well they endure, how they can be extended to all departments, how they take the business of our customers ahead and how our business can enhance value not just for our immediate and visible stakeholders but for the communities within our manufacturing proximity and the world at large.

There are number of ways in which the business Insoluble Sulphur warrants a typically multi-year perspective. For one, there is a premium on the need to be prepared for the future. The preparedness for this business covers a range of competencies. Investment in quality and capacities is made at the right time to serve the needs of our customers. The primary requirement of success in our business is a steadfast refusal to seek the convenient short cut. Each competence is painstakingly created and each building block invested with capabilities and competences. Conversely, there is a premium on the resistance to diversify or to carve out short-term market share on the strength of temporary pricing.

The long-term strategy and outlook fits our sector neatly for a number of reasons. For one, we believe that the nature of this business warrants a single-minded resolve. We have been in this business for a quarter of a century now. Over time, this focus has translated into consistent reinvestment, deep knowledge, rich experience of market cycles, the upsides of innovation and product development and the ability to add capacity at competitive capital costs per tonne. The result of this focus is that we believe we are among the most competitive Insoluble Sulphur manufacturing companies in the world even though we are not the largest.

There is another reason why this business is more challenging than most. Only a handful of companies in the world possess proprietary manufacturing technology. The time and effort an intending competitor could consume to develop such a proprietary technology could be so long that after having

stabilised production, it could take perhaps twice the number of years to get the product approved by demanding customers and recoup investments.

The quality standards among downstream tyre companies are rising all the time; the acceptable benchmark of yesterday has yielded to a new and higher standard; customers take years not months - to approve vendors before they can commence initial engagement: purchases are only progressively scaled. The business benchmarks simply never end.

This perspective will provide our stakeholders with a deeper appreciation of our competitive position and performance. A majority of our revenues of 2018-19 were derived from customers we have been working for last several

I must assure our stakeholders that we have taken a number of initiatives to reinforce – not merely sustain – this our competitive advantage. We are investing deeper in our research, we are collaborating closely with customers in product customisation and we have built adequate manufacturing capacities in sync with their respective expansion programmes.

Through these various initiatives, we believe that we possess the credentials to stay ahead in this challenging business and enhance stakeholder respect.

Arvind Goenka Managing Director

- I must assure our stakeholders that we have taken a number of initiatives to reinforce
- not merely sustain
- this our competitive advantage.



Our performance, 2018-19

The Company reported profitable growth in 2018-19. Revenues increased 17% while profit after tax strengthened 30%. This performance was creditable as it sustained the Company's multi-year sequence of profitable growth. Besides, the performance was also creditable on the grounds that it was achieved in a knowledge-driven quality-intensive business addressing demanding customers with a low tolerance for quality under-delivery.

Achieved profit targets

The Company achieved its profit targets in 2018-19 for a number of reasons. The Company strengthened its cost management by widening and deepening its focus. The Company shifted to cleaner fuels and optimised the energy footprint. The Company's significant exports capitalised on favorable exchange rate.

Turnaround of subsidiary

One of the highlights of the Company's performance during the year under review was the turnaround reported by Duncan Engineering, the Company's engineering subsidiary. The Company had invested in this business at the turn of this decade. Following patient capabilitybuilding, the subsidiary posted its first profit in six years. We are pleased that this turnaround was achieved in a relatively sluggish economy. The subsidiary repaid loans during the course of the year, enhancing its liability lightness and auguring better prospects across the foreseeable future.

Optimism

The Company is optimistic of its prospects for good reasons. The Company is a stable and long-term supplier to most of the prominent global and Indian tyre companies. Over the years, the Company has been steadily increasing its wallet share of these customers, by securing supplies to some of their other manufacturing facilities, marked by quicker quality approvals. This growing share provides the Company with the optimism that its unutilised capacities should be fully consumed across the foreseeable future.

Attractive headroom

The Company is optimistic of its medium-term prospects. Following the imposition of the anti-dumping duty on tyres imported from China, the Indian tyres market is poised to report attractive year-on-year growth with a number of Indian tyre manufacturers announcing significant capacity expansions. Besides, the progressive radialisation of the Indian tyre market is expected to increase the consumption of Insoluble Sulphur. The Company's low exposure in the large US and China markets is an evident opportunity. The Company is recognised among three prominent quality-driven manufacturers and among the most competitive. The global market for our principal product is growing at around 3-4% and our objective is to leverage our competitive strengths to carve out an incremental share of the market growth.

Outlook

The Company is embarking on plans the next round of increase in Insoluble Sulphur capacity by way of a brownfield expansion at Dharuhera to widen its global footprint. In the process, it will also double its Sulphuric Acid capacity. We believe that these initiatives will prepare the Company for its next round of growth, strengthen its visibility among customers, enhance overall competitiveness and reinforce business sustainability.

How we have selected to grow our business

At our company, we believe that framework of enduring value for all stakeholders lies at the foundation of our business sustainability.



Our strategic framework is defined by a number of business imperatives. Over time, these priorities have virtually become our DNA, shaping our response to external developments. We believe that these responses have emphasised our business stability, respect and recall. They have also influenced what our stakeholders expect of us, resulting in expectations predictability, which we believe represents the foundation of all enduring relationships.

At OCCL, this framework comprises a number of priorities, a few of which have been explained in this section.

Culture of excellence

At OCCL, we believe that an overarching culture of excellence is derived from components of excellence across the organisation. The result of this commitment is that no improvement initiative is considered too small as we believe that every good thing is connected to another, which, in turn, strengthens mindsets and competitiveness.

Governance commitment

At OCCL, we believe that an organisation managed around a defined set of timeless values becomes enduring. We believe that mere enunciation is not enough; these values need to lived perpetually so that the commitment to governance represents a discipline that becomes visible to all, inspiring, in turn, an even greater commitment to uphold these values. The result is that in a number of areas, we have extended beyond the regulation-mandated governance requirements of the day to a more demanding standard.

Never over-leverage

At OCCL, we believe that to finish first, we need to first finish. This clarity is largely influenced by the quantum of debt on our books. In a business where only a handful of global companies possess specialised manufacturing technology, there can always be the temptation to mobilise large debt, invest in substantial capacity and engage in an aggressive pricing strategy to carve out a larger market share. This is a temptation that we have avoided. We believe that large debt on our books could influence our strategic thinking away from the values we have cherished – of remaining a focused quality- and knowledge-driven player in addition to protecting Balance Sheet integrity.

Expand incrementally

At OCCL, we address a global market that is annually growing in the modest single-digits. To expand aggressively in this market could disturb market stability or leave us with large unutilised capacity until market growth caught up



with our installed base. We believe that steady growth has been the safest tested response until now with expenditure that can be largely addressed through our accruals. This does not compel us to disturb our commitment to deliver quality products and services that could, in turn, affect our brand potential does not stretch our managerial bandwidth in a business with a premium on the availability of specialised professionals. This marathon-like approach (as opposed to a sprint) has helped to sustain the business in this past and we expect to sustain this approach across the future.

Continuous cost management

At OCCL, we believe that it is not enough to be profitable for the moment but to be sustainable across all market-cycles. This sustainability is largely influenced by a culture of austerity coupled with an obsessive commitment to moderate costs or eliminate waste at all levels. Over the years, we have made prudent investments in this direction, making it possible to enhance manufacturing efficiency and

seek superior processes that conserve time and material use.

Maximise productivity

At OCCL, we believe that long-term competitiveness is influenced not as much by the physical backbone we may have invested in as much by the people infrastructure we would have nurtured. As an extension of this conviction, we recruit with care, we orient employees around our DNA, we train extensively, we empower extensively, we appraise periodically and we chart out career growth for employees, resulting in superior retention and the ability to do more with less.

Customer adjacency

At OCCL, we believe that in a business where we are located in one country but need to service customers across more than 21 countries, success is derived from emotional proximity. We seek to work with like-minded knowledge-driven customers who value quality. We engage with these customers continuously

through modern communication tools, physical visits and that helps us minimise the engagement turnaround time. This adjacency – almost as if we represent an extension of the customer's premises -lies at the core of our engagement resulting in enduring relationships and growing wallet share.

Environment friendly

- Shifting to cleaner fuels such as gas.
- Reducing consumption of fuels by using captive steam.



The Integrated Value-Creation Report is being increasingly recognised as an effective communication format. It overcomes the shortcomings of the conventional communication approach with a comprehensive integrated framework.

The Integrated reporting approach explains the sectoral context, analyses corporate strategy and competitiveness leading to different reporting strands (financial, management commentary, governance and remuneration, and sustainability reporting) integrated to express an organisation's holistic ability to enhance value.

Integrated reporting explains to providers of financial capital how an organisation enhances value. Its impact extends beyond financial stakeholders; it enhances an understanding across all stakeholders - , including employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers - focused on an organisation's ability to enhance value across time. This shift from the 'hard' to 'soft' (non-financial data) helps screen a company more comprehensively, addressing the growing needs of external stakeholders.

What went into our business: The causes

Our sectoral landscape

▶ Big picture

India's Automotive Mission Plan is expected to transform the country into a major global automobile manufacturing centre and R&D hub

▶ Index per thousand individuals

In India, 22 people out of 1000 own a car while in the US and UK, 980 and 850 per 1,000 individuals, an extensive gap that stands to be plugged

▶ Per capita income

India reported a year-on-year growth in incomes - from ₹80,388 in 2013-14 to ₹1,26,406 in 2018-19 (provisional)

▶ Global growth

The global vehicles sales totalled 44 million units in first half of 2018, up by 3.6% as compared to the same period last year; the global tyre industry is expected to sustain 3-4% annual growth

▶ Radialisation

In India, the passenger car tyre segment has a radialisation of over 98%, while it is only 35% in the truck and bus segment and 40% in light commercial vehicles tyres, thus showing a good potential of growth in coming years

▶ Aggressive forecast

The Indian automotive industry aspires to nearly triple vehicle sales by 2026, from 26 mn to 65 mn to 76 mn vehicles, across segments.

▶ Vast headroom

The Indian automotive sector's contribution to the global turnover is approximately 3% with a substantial scope for growth

▶ Exciting target

In the Automotive Mission Plan 2026, the government and industry set a target to triple automotive industry revenues to \$300 billion and expand exports seven-fold to \$80 billion

▶ Anti-dumping duty

India imposed anti-dumping duty on the import of certain Chinese radial tyres used in buses and trucks for five years

Approval process

Most large tyre manufacturers have painstaking quality appraisal processes before taking on new vendors

▶ Technology

The technology to manufacture Insoluble Sulphur is available with only a handful of companies in the world, preventing the emergence of new competition

▶ Capital-intensive

The business is capital-intensive, marked by a capital turnover ratio of below 1, deterring fresh industry entry that insulates existing players

(Source: Auto. Economic Times. Indiatimes, CSO provisional estimate as on May 19, Ibisworld, Pressreader, Jato)

Our intangible strengths

▶ Brand

OCCL stands for a comprehensive dependability across customers (adequate availability of the required product quality), resulting in sales traction and growing wallet share.

▶ Commitment

OCCL proactively expanded its manufacturing capacity on the basis of plans drawn up by downstream marquee customers, graduating it from 'make-to-stock' to 'sell-and-make'.

▶ Systems-driven

OCCL represents a combination of

promoter-directed and professionalmanaged capabilities in a systemsdriven environment, an effective combination.

▶ Outperformance

OCCL is driven by a commitment to outperform across market cycles.

▶ Experience

OCCL has been engaged in the manufacture of Insoluble Sulphur for more than two decades, weathering a number of market cycles.

▶ Promoter's holding

OCCL's promoters demonstrated their

commitment to the business through a high ~50% equity ownership in the Company.

▶ Flexible

OCCL has demonstrated a high degree of adaptability and flexibility in the face of demanding customer needs.

Responsible

OCCL practices the highest standards of environment compliances that extend beyond the statutory requirements of the day

OCCL's business moat

▶ Revenue visibility

Nearly 80% of our revenues are derived from customers of five years or more

▶ Customer credibility

The credibility of our customer is not only reflected in their size and offtake quantum but also in that we do not have payment defaults on our books

▶ Spread

OCCL's manufacturing operations are located across two Indian locations (Mundra and Dharuhera): India is the fastest growing major global economy

▶ Scale

OCCL is among the largest Insoluble Sulphur manufacturers in the world and the only manufacturer in India.

▶ Positioning

OCCL's Mundra manufacturing facility is port-based, making it possible to export to customers the world over

▶ Technology

OCCL has brought to the table a deep technology competence in delivering one of the highest performance standards in the customer's end product

▶ Competitive

OCCL re-invested accruals in capacity expansion and utilised the prevailing infrastructure to expand at a comparative capital cost per tonne, making it one of the most competitive global manufacturers

▶ Approvals

OCCL's revenue visibility is derived from plants approved and audited by most large tyre manufacturers (Indian and multi-national), a competitive advantage

▶ Portfolio

OCCL is engaged in the manufacturing of various grades to satisfy diverse

compounding requirements of leading tyre manufacturers as well as the ongoing development of new grades to meet evolving customer requirements

▶ Key raw material

Sulphur is easily available form various petroleum refineries and Coating oil is procured from domestic and international suppliers

▶ Power cost optimisation

The Company is self-sufficient for steam at both plants; it benefits from a lower power cost in Mundra (located inside SEZ)

▶ Port location

The Mundra port provides a locational advantage of low logistic and freight costs in a business where ~67% of revenues are derived from exports



OCCL's strategy

▶ Expansion

To engage in successive capacity expansions in Mundra, capitalising on knowledge, process stability, infrastructure and port-access

▶ Investments

Sustained investments with the

objective to grow our proprietary technology knowledge and infrastructure

▶ Approvals

Seek approvals from all large global tyre companies.

▶ Pricing

The Company intends to pursue its established strategy of stable pricing while endeavoring to carve out a larger market presence

OCCL: Building value

▶ Market capitalisation

The Company grew its market capitalisation from ₹21.31 crores as on April 1, 2009 to ₹1,139.50 crores as on March 31, 2019.

▶ Wealth creation

The Company has been an attractive wealth creator. ₹1,000 invested in the Company in April 2009 had grown in value to ₹55,000 as on March 31, 2019.

▶ Buyback

In 2018-19, the Company announced a buyback of fully paid-up equity shares from existing shareholders from the open market at a price not exceeding ₹1,150 for an aggregate amount not exceeding ₹3,500 lakhs. The buyback commenced on November 14, 2018 and closed on February 27, 2019. The buyback comprised 3,05,970 equity shares, which were extinguished.

▶ Payout ratio

The management enunciated a payout ratio (percentage of profit after tax that would be paid out as dividend) of 20%, which reconciles the Company's need for growth capital and shareholder reward.



The Capitals we enhanced: Outcomes

Our resources

▶ Financial capital

The financial resources that we seek are based on funds we mobilise from investors, promoters, banks and financial institutions in the form of debt, net worth or accruals.

▶ Manufactured capital

Our manufacturing assets, technologies and equipment for production constitute our manufactured capital. The logistics for the transfer of raw materials and finished products are integral to our manufacturing competence.

▶ Human capital

Our management, employees and service providers form a part of Human Capital, the experience and competence enhancing our value.

▶ Intellectual capital

Our focus on cost optimisation and operational excellence, as well as our repository of proprietary knowledge account for our intellectual resources.

▶ Natural capital

We depend on raw materials sourced from nature, indicating a moderate impact on the natural environment.

▶ Social and relationship capital

Our relationships with communities and partners (vendors, suppliers and customers) influence our role as a responsible corporate citizen.

Value shared with



Investors

The Company enriched investors through dividends and capital appreciation



Suppliers

The cost of materials consumed was ₹10,738 lakhs in 2018-19



Employees

The Company provided remuneration worth ₹4,542 lakhs and stable employment in 2018-19



Customers

The Company provided Insoluble Sulphur across grades, generating ₹38,764 lakhs in revenues from customers in 2018-19



Government and regulations

The Company paid ₹2,076 lakhs to the exchequer as direct tax and foreign exchanges earned ₹20,730 lakhs in 2018-19; the employment catalyzed the local community through downstream economic benefits



Distributors and suppliers

The Company enhanced value for distributors and retailers through sustained resource offtake

EXCELLENCE DRIVER

Marketing



Overview

OCCL is the one of the largest global manufacturers of Insoluble Sulphur, enjoying about 10 to 12% global market share and about 60% domestic market share.

The Company is a preferred supplier to about 40 leading global tyre brands including Continental, Bridgestone, Apollo Tyres, Goodyear, Ceat and Sumitomo, among others.

Over the years, the Company expanded its scale to emerge as one of the most competitive Insoluble Sulphur providers through a combination of timely delivery, consistent quality and customer proximity.

During the year under review, Europe and

India were the two major markets of the Company.

In response to a rising quality emphasis, the Company works closely with customers to develop specialised products, widening its product range and strengthening its share of revenues derived from premium products.

Strengths

Scale: The Company is among the largest Insoluble Sulphur manufacturers in the world, resulting in economies of scale (manufacturing, focused cost coverage and procurement).

Best practices: The Company follows a defined quality management system; it was certified for IATF 16949, ISO9001, ISO14001 and OHSAS 18001and periodically audited by statutory

authorities and customers.

Entry barrier: The Company's products have been approved by global tyre majors.

Local: Despite an Indian presence, the Company provides just-in-time delivery to global customers and enduring arrangements with third-party logistics service providers.

Flexible: The Company is among handful global manufacturers with flexible manufacturing facilities, helping deliver to clients the required grades, quantity and quality.

Value-added: The Company has been working collaboratively with tyre manufacturing companies to develop new value-added grades.

The value we deliver to customers



EXCELLENCE DRIVER

Manufacturing



Overview

OCCL addresses the global markets of tyre manufacturers - that is perpetually demanding in its quality requirements, putting a premium on the need to manufacture Insoluble Sulphur with the highest discipline. Besides, the Company's various customers possess their own proprietary standard, making it imperative to customise the Company's core product around specific requirements.

During the year under review, the

Company addressed diverse challenges comprising the need for enhanced throughput and end product quality in addition to commissioning and stabilising its fourth line at the Mundra plant.

Strengths

The Company's principal manufacturing strengths comprise the following:

Knowledge: The Company possesses a deep proprietary insight into the manufacturing technology of Insoluble Sulphur that makes it independent of external dependence

Robust processes: The Company has established robust processes, marked by high uptime, productivity and adaptability to different quality requirements

Standards: The Company has demonstrated a commitment to continuous shop floor-driven improvements in the manufacturing process, resulting in improving efficiency (higher quality, lower costs, quality consistency, superior asset utilisation and increased worker productivity)

Extensive: The culture of manufacturing excellence is the result of a combination of site management and shop floor competencies

Engagement: The Company continues to engage with respected global faculty members and academic bodies, deepening its understanding of sulphur and applications



OCCL's growing research emphasis

At OCCL, we are engaged in the manufacturing of a product that is quality-critical to the performance of tyres and rubber products. The superiority of our product enhances the integrity of the end product, minimising scrap rejection. The Company invested in an in-house research laboratory at its Dharuhera facility. The R&D centre is expected to graduate the Company's research to the next level in line with increasingly demanding product standards being required by most tyre companies the world over.





Achievements, 2018-19

The Company strengthened product quality through a robust technical solution, deepened its training, implemented in-house proprietary test processes, graduated the end product in line with the best global standards, implemented a number of kaizens involving shop floor members with a focus on enhanced safety, quality improvement and cost optimisation (focusing on utilities and resources) and stabilised its new manufacturing line with a short period.

The highlight of the Company's performance during the year under review comprised the launch of predispersed Insoluble Sulphur, a specialised vulcanising agent for the tyre and rubber industries. The testing of this complex

and critical product was concluded and offered to customers to commence trials in their laboratory and production lines. The development of this product is a showcase of the Company's product development commitment and deep knowledge.

Outlook

The Company intends to expand its Dharuhera facility, which will require timely stabilisation of the expanded capacity. The Company intends to deepen research investments, recruit technical talent and sustain in its journey, strengthening its product performance.

The highlight of the Company's performance during the year under review comprised the launch of predispersed Insoluble Sulphur, a specialised vulcanising agent for the tyre and rubber industries.

How OCCL responded to the challenge of radialisation

As Indian road conditions improved and customers became more quality-demanding, a transition transpired in the country's tyre sector. An increasing number of brands graduated from the manufacture of conventional cross-ply tyres to the modern radial equivalent. When this transition happened, a number of resource suppliers to cross-ply tyre manufacturers were required to evolve their product and improve quality. Manufacturers of Insoluble Sulphur, intending to service the emerging needs of radial tyre manufacturers, needed to do the same.

At OCCL, we responded positively to the challenge. Our research team strengthened its capability. Our manufacturing team modified the product process. Our marketing team showcased our product to global and Indian brands. The result is that our Insoluble Sulphur product is now preferred and trusted the world over.

Management discussion and analysis

he Company is one of the world's leading producers and a global supplier of Insoluble Sulphur, which is a vulcanising agent used in the rubber industry. Vulcanisation is a key step in rubber processing industry especially in tyre manufacturing. Consumption of Insoluble Sulphur is higher in radial and high performance tyres. The Company also manufactures Sulphuric Acid and Oleum which are mainly used in the fertilizer, detergent and battery industries. Acid is sold in the domestic market.

Global economic review

The year 2018 was marked by suppressed economic activity in early quarters in major advanced economies as a result of the negative effects of the trade measures implemented or approved between

April and September 2018, the failure of Brexit negotiations, tightened financial conditions, geopolitical tensions and higher oil import bills.

Emerging Asian economies continued to register strong growth. The global economy growth in 2018 was estimated

(Source: World Economic Outlook)

Outlook

Global growth is expected to remain at 3.3% in 2019 on account of a relative weakening in the performance of advanced economies. The unwinding of the US fiscal stimulus and the fading of the favourable spill-overs from US demand to trading partners could be offset by a pickup in the growth

in emerging markets and developing economies.

(Source: World Fconomic Outlook)

Indian economic overview

After growing at a rate of 7.2% in 2017-18, the Indian economy grew at 6.8% in 2018-19 as per the provisional estimates of the Central Statistics Office released in May 2019. Inflation softened; crude oil prices declined.

India strengthened its overall competitiveness. The country reported a 23-notch jump to a record 77th position in the ease of doing business. The country showed an improvement in six of the 10 parameters, having witnessed a leap of 129 notches in the ever-laggard 'construction permit', 66 in 'trading across



borders' and 19 in 'starting a business'. The upward move in rankings is the sharpest by any country.

In 2018, the annual rainfall over the country was 85% of the long period average. During the season, southern and northwest India received 98% of rainfall. The commencement of the US-China trade war opened a new opportunity for India, particularly in the agro sector. While agricultural goods emerged as short-run beneficiaries, the medium-term consequences of a trade war were seen as a trigger for a global slowdown.

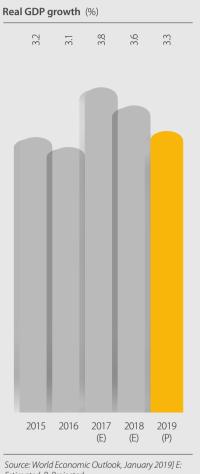
Inflation (including food and energy prices) was pegged at 2.6% on an annual basis, one of the lowest in years and well below the Reserve Bank of India's medium-term target of 4%. The rupee

rebounded after touching a low of ₹74.45 to a dollar to close the financial year at ₹69.44. During the fiscal under review, the Indian Government continued to invest deeper in digitisation, renewable energy capacity generation and infrastructure building.

(Source: Livemint, EconomicTimes, Reuters, pib.nic.in, Budget estimates, World Bank, Timesnownews, Business line, Imd)

The Insoluble Sulphur industry

Insoluble sulphur is the amorphous polymeric form of sulphur with the property of being insoluble in all known solvents and rubber. It is an effective vulcanisation agent for the rubber industry. Insoluble sulphur is a solution



Global economic growth over six years

Estimated; P: Projected



business.

Inflation (including) food and energy prices) was pegged at 2.6% on an annual basis, one of the lowest in years and well below the Reserve Bank of India's mediumterm target of 4%.

for problems arising due to the use of sulphur. It prevents the blooming of rubber, scorching of bin and ensures uniform dispersion. It is responsible for the increase in vulcanisation speed, reducing the quantity of sulphur used.

The global demand of Insoluble Sulphur is estimated at 2.9 million MT in 2019 as per the latest Notch Report. Demand in India is expected to be 21,000 MT. There are three major global players worldwide in the Insoluble Sulphur market, your company being one of them.

Tyre market growth

The global automotive tyre sector is one of the most important in the growing consumption of Insoluble Sulphur. The size of the global tyre market was placed at USD 233.18 billion in 2017 and estimated to grow to USD 306.44 billion by 2025 at a CAGR of 3.8% between 2017 and 2025.

China is the world's largest tyre producing and consuming market, followed by Europe, USA and Japan. Asia accounts for ~46% of total sectoral investments and ~50% of the total global sales.

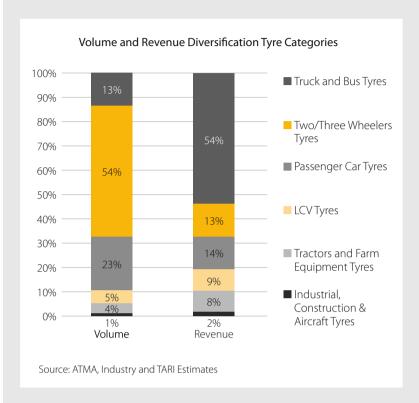
The motor vehicle market is projected to contribute to two-thirds of the total global market in 2019. Demand for tyres in the market is anticipated to rise at 3.3% per year to 2.0 billion units by 2019. The tyre market has been classified into radial and bias tyres, the former segment growing faster on account of advantages like lower transverse slip, greater power transfer, reduced fuel consumption, lower ground damage and higher vehicle efficiency. (Source: Globenewswire, Freedoniagroup)

Indian tyre industry and growth drivers

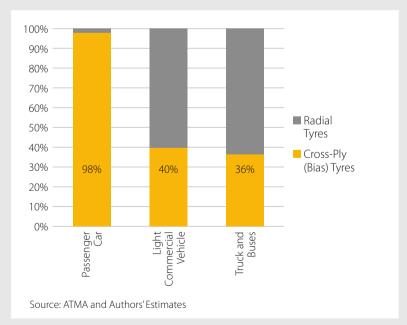
On the basis of vehicle type, the tyre market has been categorised into passenger cars, heavy commercial vehicles, light commercial vehicles and two-wheelers.

Indian tyre industry and growth drivers

On the basis of vehicle type, the tyre market has been categorised into passenger cars, heavy commercial vehicles, light commercial vehicles and twowheelers.



Use of radials in various segments



The above figures are as of July 2018 (Source:auto.economictimes.indiatimes.com)

Growth drivers

▶ Booming automobile industry

The Indian automobile industry, the fourth largest in the world, is expected to become the third largest by 2021. Overall vehicle sales grew by 9.2% with total sales of 4.02 million units in 2018. Automobile exports grew 20.78% year-on-year during April-November 2018 and expected to grow at a CAGR of 3.05% during 2016-2026. Sales of commercial vehicles increased 31.49%, followed by 25.16% y-o-y on threewheelers. Online cab rental services (Uber and Ola) catalysed the demand for vehicles.

▶ Rising incomes

India's GDP is estimated at 6.8% during 2018-19. India's per capita income grew to ₹1,26,406 in 2018-19 at current prices, faster than the 10% growth during 2017-18. Rising income levels resulted in higher disposable incomes, driving consumption.

▶ Shift of preference from bias to radial tyres

The radial tyre has been effective in consuming less fuel. Its capacity of resisting cuts and punctures and lesser slip have prompted a shift in choice from bias to radial tyres, the latter accounting for a larger Insoluble Sulphur consumption and enhanced performance. A significant portion of large commercial vehicles still run on bias tyres and this segment could shift to Radial tyres resulting in demand growth of Insoluble Sulphur.

▶ Quality awareness

The alertness due to road accidents has made customers change tyres regularly and demand enhanced quality, making it imperative for producers to work with credible suppliers of Insoluble Sulphur.

▶ Competition

The increased competition is encouraging tyre companies to work on new and better products.

▶ Increasing roads and highways

India has the second largest road network in the world (5.5 million kms). Over 64.5% of all goods in the country are transported through roads, while 90% of the total passenger traffic uses road network to commute. During 2018-19. Government of India allocated ₹71,000 crore (USD 10.97 billion) for the development of national highways and set a target to complete 200,000 km of national highways by 2022.

▶ Road freight movement

~65% of freight and ~80% passenger traffic is carried by India's roads. Road freight movement is expected to grow at a CAGR of 15% between 2017 and 2022, strengthening the offtake of commercial vehicles.

(Source: IBEF, CSO provisional estimate as on May 19, Alpha Invesco, Worldometers)

Opportunities and threats Opportunities

The production of tyres is shifting to more eco-friendly and lighter tyres, which could increase the consumption of Insoluble Sulphur per tyre. Tyre exports grew by 9% in 2017-18 and are anticipated to grow 8-10% over the next few years. The enhanced quality of tyres could result in a higher demand of Insoluble Sulphur.

Domestic demand is expected to grow with increase in the radialisation of tyres used in commercial vehicles.

Opportunities for growth are available in the American and Chinese market where the Company has made inroads.

Threats, Risks, Concerns

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

Demand and Sales Realisation:

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

New technologies being introduced in tyre manufacturing are resulting in a growth in consumption.

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

Sales realisation may also be affected

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

Quality

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

Production and input material-related risks

Raw material supplies are ensured through multiple vendors and adequate stocks. Sufficient back-up of utilities

ensure continuous supply. Due emphasis is laid on safety and preventive maintenance to avoid unnecessary interruptions.

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

Your Company has a motivated and dedicated team of employees as well as safety and environmental systems and rigorous preventive and predictive maintenance system. This helps mitigate production-related risks.

Competition:

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

The Company endeavors to be at the forefront of quality and innovation through its R&D, process and collaborative research efforts, which also focuses on streamlining and optimising production process and input costs.

Other established players continue to introduce innovative products in the market to garner market share. Your Company is, as before, working on product innovation and improvement to meet challenges.

Outlook

The global tyre industry is estimated to grow to USD 306.44 billion by 2025 at a CAGR of 3.8% between 2017 and 2025. As per Care Ratings report, tyre manufacturers who are supplying to Commercial Vehicle, Passenger Vehicle, and Tractors segment could benefit in the short term, increasing the demand for automobiles. The demand for Insoluble Sulphur is projected at 2,88,000 MTPA as per Notch Report published by Notch Consulting (Global Research Firm on Specialty Chemicals) in July 2018.

In order to capitalise the growth, the Company has decided to increase its Insoluble Sulphur production capacity by 11,000 MTPA at its Dharuhera plant in two phases. The first phase is expected to be commissioned by the third quarter of 2020-21.

Sulphuric Acid and Oleum

Sulphuric Acid is also known as 'oil of vitriol', a corrosive mineral acid. Sulphuric Acid is used in the production of phosphate fertilizers, detergents and lead batteries. It is used as catalyst and dehydrating agent in petrochemical process and organic chemical manufacturing. India is one of the largest consumers of Sulphuric Acid globally and accounts for 4% of demand and produces around 5% of all Sulphuric Acid consumed. (Source: Integer research)

Outlook

The demand from the fertilizer industry is expected to rise. There is also an increasing use of Sulphuric Acid in automotive batteries. The demand for Oleum is stable.

The margins related to Acid manufacture are expected to be under pressure as new capacities are being added in North India. (Source: Markets and Market)



Risk management

Economy risk

Economic slowdown could

Mitigation: Global growth is expected to be higher than 3% with Asia outperforming the global average. Besides, growing radialisation is expected to enhance the offtake of Insoluble Sulphur. The domestic automobile industry, currently the fourth largest in the world, is expected to become the third largest by 2021, widening offtake.

Debt service risk

Inability to service debt on time could impact respect and credit rating.

Mitigation: The Company followed a conservative policy related to leverage.

Measure: OCCL's gearing was 0.17 as on March 31, 2019. Interest coverage ratio improved from 11x in 2017-18 to 13x in 2018-19.

Employee risk

Mitigation: The Company has in place a number of policies covering recruitment, training, empowerment, job fulfilment and remuneration that enhanced industrial harmony.

Product acceptance risk

The Company's product quality may prove to be erratic in a demanding marketplace.

Mitigation: The Company enjoys approvals from and enduring relationships with global tyre companies.

Measure: Majority of the revenues of Company were derived from customers with whom we enjoy long relationships.

Technology risk

Mitigation: The Company has an in-house R&D team that works on a continuous basis to improve quality of product and properties. An in-house technology team also maintains technical and quality edge at each production stage.

Geographic risk

An overt dependence on a particular geography can have an adverse impact on the Company's financial health

Mitigation: OCCL is one of the market leaders in the production of Insoluble Sulphur. The Company enjoys a presence across 21 countries.

Financial analysis, 2018-19

Balance sheet

- Net worth increased to ₹41,353 lakhs as on March 31, 2019 compared to ₹38,782 lakhs as on March 31, 2018.
- Long-term borrowings including current maturities for 2018-19 stood at ₹9,452

lakhs compared to ₹8,829 lakhs during 2017-18. The increase was due to a term loan for Mundra capacity expansion taken during the year.

- ■Total non-current assets for 2018-19 stood at ₹38,025 lakhs compared to ₹38,009 lakhs in 2017-18.
- Current assets as on March 31, 2019 stood at ₹23,166 lakhs compared to ₹19,266 lakhs as on March 31, 2018. Current assets included investments.
- Current liabilities stood at ₹9.603 lakhs as on March 31, 2019 compared to ₹9,304 lakhs as on March 31, 2018.

Profit and loss statement

- Revenues from operations strengthened by 17% to ₹38,764 lakhs compared to the previous year figure of ₹33,203 lakhs.
- ■Total expenses for 2018-19 stood at
- ₹29,447 lakhs as compared to ₹25,783 lakhs in 2017-18
- Depreciation and ammortisation stood at ₹1,859 lakhs in 2018-19 compared to ₹1,634 lakhs in 2017-18.
- FRITDA increased to ₹12,941 lakhs in 2018-19 compared to ₹10,383 lakhs in 2017-18. Margins improved on account of attractive realisations in the acid business.

Key financial measures

Particulars	2018-19	2017-18
Debtors Turnover	4.82	4.31
Inventory Turnover	9.58	11.06
EBIDTA/Turnover	33.74	31.63
Interest Coverage Ratio	13.44	11.14
Current Ratio	2.4	2.1
Debt-equity ratio	0.17	0.18
Net Profit Margin (%)	18.57	16.82
Book value per share (₹)	403.93	376.80
Earnings per share (₹)	72.09	55.12
Return on Net Worth (%)	17.83%	14.63%

Human resources

The Company employed 445 officers and workmen as on March 31, 2019. Increase in the value of human capital through the development of individual and collective competencies helped the Company stay in step with market developments and requirements. The Company implemented programs and projects related to skill development and upgradation of employee competence. Programmes of knowledge sharing were conducted; employees were sent to external programs to enhance their perspective of emerging standards. A

number of innovative ideas received from employees were implemented, resulting in enhance quality, cost optimisation and productivity.

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be forward looking statements' within the meaning of applicable Securities Laws and Regulations. Forward looking statements are based on certain assumptions and expectations of future events.

The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual results could differ materially from those expressed in the statements or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.

ORIENTAL CARBON & CHEMICALS LIMITED

Corporate Identity Number (CIN) – L24297WB1978PLC031539 Regd. Off.: 31, Netaji Subhas Road, Kolkata - 700 001 Email: investorfeedback@occlindia.com; Website: www.occlindia.com

NOTICE

NOTICE is hereby given that the Thirty-ninth Annual General Meeting of the Shareholders of the Company will be held at "Williamson Magor Hall (1st Floor)", The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata - 700001 on Friday, the July 26, 2019 at 10.30 A.M. to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt:
 - a. the audited financial statements of the Company for the financial year ended March 31, 2019, and Reports of the Directors and Auditors thereon; and
 - b. the audited consolidated financial statements of the Company for the financial year ended March 31, 2019 and report of the Auditors thereon.
- 2. To confirm the interim dividend paid during the year and to declare a final dividend for the financial year ended March 31, 2019.
- To appoint a Director in place of Mr. H S Shashikumar [DIN: 06674954], who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the consent of the Company be and is hereby accorded for ratification of remuneration amounting to ₹1,40,000/- (Rupees One lakh forty thousand only) to be paid to M/s. J K Kabra & Co., the Cost Auditors appointed by the Board of Directors of the Company ('the Board') for the Financial Year ending March 31, 2020.

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

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

"RESOLVED THAT pursuant to the provisions of Sections 149,150, 152, 178 and any other applicable provisions of the Companies

Act, 2013 and the Rules made thereunder read with Schedule IV to the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of Members of the Company be and is hereby accorded to the re-appointment of Mr. O P Dubey (holding DIN: 00228441), whose present tenure as an Independent Director expires on July 29, 2019, for the second term of 5 (five) consecutive years with effect from July 30, 2019 and also to continue to hold the position of Non-Executive Independent Director beyond 75 years of age.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 197 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. O P Dubey be paid such fees and commission as the Board may approve from time to time and subject to such limits prescribed or as may be prescribed from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to the extent permitted by law, all or any of the powers herein conferred to any Committee of Directors or the Managing Director or any Director(s) or any other Key Managerial Personnel or any other officer(s) of the Company."

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

"RESOLVED THAT pursuant to the provisions of Sections 149,150, 152, 178 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV to the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of Members of the Company be and is hereby accorded to the re-appointment of Mr. B B Tandon (holding DIN: 00740511), whose present tenure as an Independent Director expires on July 29, 2019, for the second term of 5 (five) consecutive years with effect from July 30, 2019 and also to continue to hold the position of Non-Executive Independent Director beyond 75 years of age.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 197 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. B B Tandon be paid such fees and commission as the Board may approve from time to time and subject to such limits prescribed or as may be prescribed from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to the extent permitted by law, all or any of the powers herein conferred to any Committee of Directors or the Managing Director or any Director(s) or any other Key Managerial Personnel or any other officer(s) of the Company."

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

"RESOLVED THAT pursuant to the provisions of Sections 149,150, 152, 178 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV to the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of Members of the Company be and is hereby accorded to the re-appointment of Mr. K Raghuraman (holding DIN: 00320507), whose present tenure as an Independent Director expires on July 29, 2019, for the second term of 5 (five) consecutive years with effect from July 30, 2019 and also to continue to hold the position of Non-Executive Independent Director beyond 75 years of age.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 197 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. K Raghuraman be paid such fees and commission as the Board may approve from time to time and subject to such limits prescribed or as may be prescribed from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to the extent permitted by law, all or any of the powers herein conferred to any Committee of Directors or the Managing Director or any Director(s) or any other Key Managerial Personnel or any other officer(s) of the Company."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150,152, 178 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV to the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of Members of the Company be and is hereby accorded to the re-appointment of Mr. S J Khaitan (holding DIN: 00023370), whose present tenure as an Independent Director expires on July 29, 2019, for his second term of 5 (five) consecutive years with effect from July 30, 2019."

RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 197 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. S J Khaitan be paid such fees and commission as the Board may approve from time to time and subject to such limits prescribed or as may be prescribed from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to the extent permitted by law, all or any of the powers herein conferred to any Committee of Directors or the Managing Director or any Director(s) or any other Key Managerial Personnel or any other officer(s) of the Company."

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

"In supersession to earlier resolution passed in this regard, it is **RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), as amended from time to time and Regulation 17(6) (a) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act, be paid to and distributed amongst the Directors of the Company other than the Managing Director and/or Whole-time Directors in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors of the Company and such payments shall be made in respect of the profits of the Company for each year, commencing April 1, 2019."

By order of the Board

Pranab Kumar Maity Date: May 10, 2019 Company Secretary

Notes:

- 1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts relating to Special Business to be transacted at Annual General Meeting is annexed hereto.
- A Member entitled to attend and vote at the Annual General Meeting (the Meeting/AGM) is entitled to appoint a Proxy to attend and vote instead of himself/herself and such Proxy need not be a Member. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the commencement of the Meeting.
- In terms of Section 105 of the Companies Act, 2013 and Rules framed thereunder, a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the share capital of Company carrying voting rights. In case a proxy is proposed to be appointed by member holding more than 10% of total share capital of the Company carrying voting rights, then such proxy shall not act as proxy for any other person or members.
- Corporate members are requested to send certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorising their representatives to attend and vote at the AGM.
- 5. Any member desirous of receiving any information of Financial Statements or operations of the Company is requested to forward his/her queries to the Share Department of the Company at the Registered Office at least 10 working days prior to AGM, so that required information can be made available at the AGM.

The business set out in the Notice will be transacted through remote electronic voting system and the Company is providing facility for voting by remote electronic means. Instructions and other information relating to the E-voting are given in the Notice under Note No. 21.

Place: Noida

- Members attending the meeting, who have not cast their vote by remote e-voting, shall be able to exercise their right to vote at the meeting through ballot papers.
- 7. The Register of Members and the Share Transfer Books of the Company will remain closed from July 20, 2019 to July 26, 2019 (both days inclusive).
- Duly executed and stamped transfer deeds, along with the relative Share Certificates, should be submitted to the Company's Registrars & Share Transfer Agents before the closure of the Register of Members for transfer registration.
- An Interim dividend @40% (i.e. ₹4/- per equity shares) was declared at the meeting of the Board of Directors of the Company held on November 01, 2018 to those members whose names appeared on the Company's Register of Members, or appeared as beneficial owners at the close of business on November 16, 2018 (Record Date) and same was paid on and from November 20, 2018.

The Final Dividend as recommended by the Board of Directors, if approved at the meeting shall be credited/dispatched on or before August 14, 2019 to those members whose names appear on the Company's register of members on July 19, 2019 or their mandatees. In respect of the shares in electric form,

- the dividend will be payable on the basis of ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Ltd. for this purpose.
- 10. Members holding shares in dematerialized form should intimate to the concerned Depository Participant(s), the necessary bank account details. Members holding shares in physical form may intimate the Registrar and Share Transfer Agents, the necessary bank details for ECS credit directly to their bank accounts wherever ECS facility is available or for printing of their bank account details on the dividend warrants to prevent possibilities of fraud in encashing the warrants. In case of any change in the bank particulars, the change should be intimated to the Depository Participant(s), (in case of dematerialized shares) and the Registrar and Share Transfer Agents (in case of physical shares), immediately so that the changed particulars may be used for dividend payment.
- 11. Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto ("IEPF Rules") the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred ₹502855/- and ₹508748/- being the amount pertaining to the Final Dividend for the Financial Year 2010-11 and the Interim Dividend for the Financial Year 2011-12 on September 27, 2018 and December 31, 2018 respectively to the IEPF.
- 12. The Final Dividend for the financial year ended March 31, 2012 and Interim Dividend for the financial year ended March 31, 2013, which remains unpaid or unclaimed, will be due for transfer to IEPF later this year, pursuant to the provisions of Section 124(5) of the Companies Act, 2013.
 - The Company has been sending reminders to those members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. The details of the unpaid/unclaimed dividend are also uploaded as per the requirements, on the Company's website www.occlindia.com.

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

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

- 13. The Securities & Exchange Board of India (SEBI), has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- 14. To support the 'Green Initiative', the Members are requested to register their email addresses with the Company or Registrar and Share Transfer Agents of the Company to investorfeedback@occlindia.com or kolkata@linkintime.co.in or with the Depositories for receiving all communication, including Annual Report, Notices and Documents through e-mail instead of physical copy.
- 15. Members holding shares in physical form are requested to consider converting their holding to dematerialized form. Members can contact the Company or Company's Registrar and Share Transfer Agent, Link Intime India Pvt. Limited for the same.
- 16. The Notice of AGM, Annual Report, Attendance Slip and Proxy Form are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copies of the said documents are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
- 17. Non-resident Indian Members are requested to inform Company's Registrar and Share Transfer Agent, Link Intime India Pvt. Limited, immediately of:
 - a) Change of their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with Complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- 18. In terms of Section 152 of the Companies Act, 2013, Mr. H S Shashikumar [DIN: 06674954], shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standard 2 (SS-2), the details of Mr. H S Shashikumar seeking

- re-appointment at the ensuing Annual General Meeting are provided in the 'Corporate Governance Report' section of the Annual Report. The Directors have furnished the requisite declaration for their appointment/re-appointment.
- 19. Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 am to 1.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
- 20. The Route Map to the venue of the Meeting is also annexed for the convenience of the Members.
- 21. Voting through electronics means:
 - In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2013, the Company is pleased to provide members facility to exercise their right to vote at 39th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

Instructions for e-voting are as under:

- The voting period begins on July 23, 2019 (9.00 am) and ends on July 25, 2019 (5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on July 19, 2019 (the Cut-Off Date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders".
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier

voting of any company, then your existing password is to be used.

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

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

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

- (xii) Click on the EVSN for Oriental Carbon & Chemicals Limited on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non-Institutional Shareholders and Custodians
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https:// www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and

- password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk. evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@ cdslindia.com.
- You can update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

III. Poll Process at AGM

The voting on the agenda items shall be done by e-voting as well as by Poll. Those who do not exercise the option of e-voting shall be entitled to participate and vote at the Poll to be conducted at the venue of the AGM on the date of the meeting. Ballot Papers will be issued immediately after an announcement in this regard by the Chairman of the meeting and will continue up to 12 Noon or such extended time as may be fixed by the Company. The number of votes will be equivalent to the number of shares held by them as on the Cut-Off Date i.e. July 19, 2019.

- IV. Mr. Pawan Kumar Sarawagi (Membership No. FCS 3381), of M/s. P Sarawagi & Associates, Company Secretaries, Kolkata has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting process at AGM in a fair and transparent manner.
- V. The Results shall be declared on and after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www. occlindia com and on the website of CDSL within 24 hours of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

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

As required under Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out all material facts relating to the Special Businesses relating to Item Nos. 4 to 9 of the accompanying Notice dated May 10, 2019.

Item No. 4

The Board, on recommendation of the Audit Committee, has approved the appointment of the Cost Auditor to conduct the audit of cost records relating to the chemicals manufacture at Dharuhera for the financial year ending March 31, 2020 at a remuneration of ₹1,40,000/- plus applicable tax and reimbursement of actual out of pocket expenses. In accordance with the provisions of the Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company. The Board recommends the resolution set out at Item No. 4 for the approval of the Members of the Company.

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

Item No. 5

Based on the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Sections 149, 150, 152, 178 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Board has proposed the re-appointment of Mr. O P Dubey as an Independent Director of the Company who has attained the age of 78 years for the second term of 5 (five) consecutive years with effect from July 30, 2019.

Pursuant to Regulation 17(1)(A) of the Listing Regulations, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 years unless a special resolution is passed to that effect and the explanatory statement shall indicate the justification for appointing such a person.

In view of the aforesaid provisions of the Listing Regulations, the Nomination and Remuneration Committee discussed the matter and on having evaluated the performance of the afore-mentioned Independent Director, recommended the continuation of Directorship of Mr. O P Dubey in his further tenure of Directorship of 5 (five) years as an Independent Director of the Company.

Mr. O P Dubey is a Non-executive Independent Director of the Company. He joined the Board of Directors of the Company in October, 2001. Mr. Dubey is the Chairman of Audit Committee and Remuneration Committee of the Board of Directors of the Company. Mr. Dubey is the Chairman of Audit Committee and Remuneration Committee of Duncan Engineering Limited.

Mr. O.P. Dubey (Holding DIN 00228411), aged about 78 years is a Masters in Sociology and a graduate in Law. He began his career with Life Insurance Corporation, where he served for 36 years. He was a Member of the Governing Board and also a Professor at National Insurance Academy, Pune from November 2001 to November 2004. During his tenure with LIC of India, he was deeply involved in the area of general management, marketing, insurance, legal aspects and human resource development. Earlier he was on the Board of U P State Financial Corporation, NEDFI, Guwahati, Assam and Associated Cement Companies Limited (ACC). Before retiring from LIC of India in 2001, he was Zonal Manager in charge of Eastern Zone, Kolkata in the rank of Executive Director.

He is a Director in Oriental Carbon & Chemicals Limited and Duncan Engineering Limited.

Mr. O P Dubey does not hold by himself or for any other person on a beneficial basis, any shares in the Company. He is not related to any other Director of the Company. In the opinion of the Board, Mr. O P Dubey fulfills the conditions specified in the Companies Act, 2013 as amended and rules made thereunder and Regulation 16(1)(b) of the Listing Regulations, for his re-appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for re-appointment of Mr. O P Dubey as an Independent Director of the Company setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Mr. O P Dubey has given a declaration to this effect that he meets the criteria of independence as provided under Section 149(6) of the Companies Act and Regulation 16(1)(b) of the Listing Regulations.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. O P Dubey as an Independent Director. Accordingly, the Board recommends the resolution in relation to the re-appointment of Mr. Dubey as an Independent Director, for the approval by the shareholders of the Company by way of Special Resolution.

Except Mr. Dubey, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

This Explanatory Statement may also be regarded as a disclosure under Regulation 17(1)(A) and 36 of the Listing Regulations.

Item No. 6

Based on the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Sections 149, 150, 152, 178 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Board has proposed the re-appointment of Mr. B B Tandon as an Independent Director of the Company who has attained the age of 78 years for the second term of 5 (five) consecutive years with effect from July 30, 2019.

Pursuant to Regulation 17(1)(A) of the Listing Regulations, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 years unless a special resolution is passed to that effect and the explanatory statement shall indicate the justification for appointing such a person.

In view of the aforesaid provisions of the Listing Regulations, the Nomination and Remuneration Committee discussed the matter and on having evaluated the performance of the afore-mentioned Independent Director, recommended the continuation of Directorship of Mr. B B Tandon in his further tenure of Directorship of 5 (five) years as an Independent Director of the Company.

Mr. B B Tandon is a Non-executive Independent Director of the Company. He joined the Board of Directors of the Company in July, 2007. Mr. Tandon is a member of Audit Committee and Nomination & Remuneration Committee of the Board of Directors of the Company.

Mr. B B Tandon (holding DIN 00740511), aged about 78 years is a post graduate in Economics and a graduate in law. He was a Member of Indian Administrative Services from 1965 to 2001.

Mr. Tandon has held top level posts in the Government of India (both Central and State). He retired as Chief Election Commissioner of India. He was also served as an Additional Secretary, Department of Company Affairs. During his tenure of Additional Secretary, he was also a Member of the Securities Exchange Board of India (SEBI) as "Special Invitee". At level of State Government, Mr. Tandon held the key post of Principal Secretary (Power) and Principal Secretary (Industries). He also served as Managing Director of various State Public Sector Undertakings like HP Mineral & Industrial Development Corporation and H P Agro Industries Corporation.

Mr. Tandon holds directorships and/or membership/chairmanship of the committee of the Board of Directors of the following other Companies in India:

- Director in Birla Corporation Ltd., Jaiprakash Power Venture Ltd., Filatex India Ltd., Exicom Tele-System Ltd., Duncan Engineering Ltd., Ambience Pvt. Ltd, Jinbhuvesh Power Generation Pvt. Ltd and Extramarks Education Foundation.
- Member of Audit Committee, Nomination Committee, CSR Committee and Chairman (w.e.f. 01.04.2019) of Risk Management Committee of Birla Corporation Ltd., Chairman of Audit Committee, Committee of Directors (For Restructuring), Committee of Directors (For Fund Raising), CSR Committee and Stakeholder's Relationship Committee of Jaiprakash Power Venture Limited, Member of Audit Committee and Nomination and Remuneration Committee of Duncan Engineering Limited, Chairman of CSR Committee and member of Audit Committee and Nomination and Remuneration Committee of Exicom Tele-Systems Ltd., Member of Audit Committee, Nomination and Remuneration Committee and CSR Committee of Filatex India Ltd., Member of Shareholders/Investors Grievances Committee and CSR Committee of Ambience Private Ltd.

Mr. Tandon does not hold by himself or for any other person on a beneficial basis, any shares in the Company. He is not related to any other Director of the Company. In the opinion of the Board, Mr. B B Tandon fulfills the conditions specified in the Companies Act, 2013 as amended and rules made thereunder and Regulation 16(1)(b) of the Listing Regulations, for his re-appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for re-appointment of Mr. B B Tandon as an Independent Director of the Company setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Mr. Tandon has given a declaration to this effect that he meets the criteria of independence as provided under Section 149(6) of the Companies Act and Regulation 16(1)(b) of the Listing Regulations.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Tandon as an Independent Director. Accordingly, the Board recommends the resolution in relation to the re-appointment of Mr. Tandon as an Independent Director, for the approval by the shareholders of the Company by way of Special Resolution.

Except Mr. Tandon, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of the Notice.

This Explanatory Statement may also be regarded as a disclosure under Regulation 17(1)(A) and 36 of the Listing Regulations.

Item No. 7

Based on the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Sections 149, 150, 152, 178 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Board has proposed the re-appointment of Mr. K Raghuraman as an Independent Director of the Company who has attained the age of 71 years for the second term of 5 (five) consecutive years with effect from July 30, 2019.

Pursuant to Regulation 17(1)(A) of the Listing Regulations, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 years unless a special resolution is passed to that effect and the explanatory statement shall indicate the justification for appointing such a person.

Mr. Raghuraman will attain the age of 75 years during his tenure of re-appointment as an Independent Director for a second term of 5 (five) consecutive years with effect from July 30, 2019. Hence, the Board recommends the resolution in relation to the reappointment of Mr. K Raghurman as an Independent Director and to continue to hold the position of Non-Executive Independent Director beyond 75 years of age for the approval by the shareholders of the Company by way of Special Resolution.

Mr. K Raghuraman is a Non-executive Independent Director of the Company. He joined the Board of Directors of the Company in January, 2009. Mr. Raghuraman is the Member of Nomination and Remuneration Committee, CSR Committee and Risk Management Committee of the Board of Directors of the Company.

Mr. K Raghuraman aged about 71 years, is Chartered Accountant. He joined Central Bank of India in 1973 and contributed immensely to the organization in systems and procedures. In 1999, he held the position of General Manager and Head of General Administration, Banking operations, Card Business, Treasury, Forex Dealing, Risk Management etc. He was also Chairman of 'India Cooperation Committee of Master card International' & the Honorary Secretary of "Banks' Sports Board" of the Indian Banks' Association (IBA) as well as the Member of various industry level Committee of IBA. He was later appointed as Executive Director of Punjab National Bank. Mr. Raghuraman has a varied banking experience and exposure in handling various banking matters, issue of corporate governance and policy initiatives. He retired as Executive Director from Punjab National Bank in September, 2008.

Mr. Raghuraman holds directorships and/or membership/ chairmanship of the committee of the Board of Directors of the following other Companies in India:

- Director in NACL Industries Limited, Rama Phosphates Ltd., NELCO Ltd., Birla Cable Limited and Centbank Financial Services Ltd.
- Member of Audit Committee of Birla Cable Ltd., Chairman of Audit Committee and Stakeholder's Relationship Committee and Member of CSR Committee of Rama Phosphates Ltd., Chairman of Audit Committee, Stakeholder's Relationship Committee and Member of Nomination and Remuneration Committee of NELCO Limited, Chairman of Nomination and Remuneration Committee and Member of Audit Committee of NACL Industries Limited and Chairman of Audit Committee of Centbank Financial Services Ltd.

Mr. K Raghuraman does not hold by himself or for any other person on a beneficial basis, any shares in the Company. He is not related to any other Director of the Company. In the opinion of the Board, Mr. Raghuraman fulfills the conditions specified in the Companies Act, 2013 as amended and rules made thereunder and Regulation 16(1)(b) of the Listing Regulations, for his re-appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for re-appointment of Mr. K Raghuraman as an Independent Director of the Company setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Mr. K Raghuraman has given a declaration to this effect that he meets the criteria of independence as provided under Section 149(6) of the Companies Act and Regulation 16(1)(b) of the Listing Regulations.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. K Raghuraman as an Independent Director. Accordingly, the Board recommends the resolution in relation to the re-appointment of Mr. Raghuraman as an Independent Director, for the approval by the shareholders of the Company by way of Special Resolution.

Except Mr. Raghuraman, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 7 of the Notice.

This Explanatory Statement may also be regarded as a disclosure under Regulation 17(1)(A) and 36 of the Listing Regulations.

Based on the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Sections 149, 150, 152, 178 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and SFBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has proposed the re-appointment of Mr. S J Khaitan, who was appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from July 30, 2019.

Mr. S J Khaitan is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in May, 1998. Mr. Khaitan is a member of Audit Committee, Stakeholder's Relationship Committee, CSR Committee and Operational and Finance Committee of the Board of Directors of the Company.

Mr. Khaitan aged about 60 years is an eminent Lawyer practicing at New Delhi with 35 years experience in Litigation, Arbitration, Corporate matters, Intellectual matters, Infrastructure, Capital Market and Finance, Taxation etc. Mr. Khaitan is a member of Executive Committee of Confederation of Indian Bar, ICC India, Indian Council of Arbitration, International Centre for Alternative Dispute Resolution and Society of Indian Law Firms. He has also served as Office Bearer in Supreme Court Advocates on Record Association.

Mr. Khaitan holds directorships and/or membership/chairmanship of the committee of the Board of Directors of the following other Companies in India:

- Director in Indo Rama Synthetics (India) Ltd., Jindal Stainless Ltd., Gopi Nursery Pvt. Ltd. and The Associated Chamber of Commerce and Industries of India.
- Member of Audit Committee and Nomination and Remuneration Committee of Indo Rama Synthetics (India) Ltd., Chairman of Audit Committee, Shareholders'/Investors' Grievance Committee and Nomination and Remuneration Committee and member of Share Transfer Committee, Sub-Committee of Directors of Jindal Stainless Ltd.

Mr. S J Khaitan does not hold by himself or for any other person on a beneficial basis, any shares in the Company. He is not related to any other Director of the Company. In the opinion of the Board, Mr. S J Khaitan fulfills the conditions specified in the Companies Act, 2013 as amended and rules made thereunder and Regulation 16(1)(b) of the Listing Regulations, for his re-appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for re-appointment of Mr. S J Khaitan as an Independent Director of the Company setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Mr. S J Khaitan has given a declaration to this effect that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Khaitan as an Independent Director. Accordingly, the Board recommends the resolution in relation to the re-appointment of Mr. S J Khaitan as an Independent Director, for the approval by the shareholders of the Company by way of Special Resolution.

Except Mr. Khaitan, being an appointee and his relatives, none of the Directors and Key Managerial

Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 8 of the Notice.

This Explanatory Statement may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Item No. 9

Section 197 of the Act permits payment of remuneration to Non-Executive Directors of a Company by way of commission, if the Company authorises such payment by way of a resolution of Members. Regulation 17(6)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 authorises the Board of Directors to recommend all fees and compensation, if any, to Non-Executive Directors, including Independent Directors and shall require approval of members in general meeting. Considering the rich experience and expertise brought to the Board by the Non-Executive Directors, it is proposed that remuneration not exceeding one percent per annum of the net profits of the Company calculated in accordance with provisions of Section 197 of the Act, be continued to be paid and distributed amongst the Non-Executive Directors of the Company in accordance with the recommendations of the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

Such payment will be in addition to the sitting fees for attending Board/Committee meetings. The Board recommends the Resolution at Item No. 9 of the accompanying Notice for approval by the shareholders of the Company by way of Special Resolution.

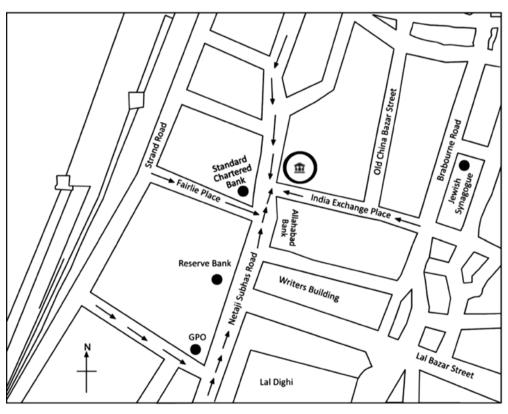
The Non-Executive Directors of the Company and their relatives are concerned or interested in the Resolution at Item No. 9 of the Notice to the extent of the remuneration that may be received by each of these Directors.

None of the Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the Resolution at Item No. 9 of the Notice.

By order of the Board

Place: Noida Date: May 10, 2019 **Pranab Kumar Maity** Company Secretary

Route Map to the AGM Venue



Williamson Magor Hall, The Bengal Chamber of Commerce and Industry, 6 Netaji Subhas Road Kolkata 700 001

Directors' Report

To the members

Your Directors are pleased to present the 39th Annual Report along with the Audited Annual Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2019.

1. SUMMARY OF FINANCIAL RESULTS

(₹ in lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2019	March 31, 2018
Net Sales/Income from Operations	3,87,63.86	3,32,02.51
Other Income	9,40.12	5,43.97
Total Revenue	3,97,03.98	3,37,46.48
Profit/(Loss) Before Taxation	1,02,57.48	79,63.31
Provision for Taxation *	(28,83.34)	(22,88.30)
Profit/(Loss) after Taxation	73,74.14	56,75.01
Other Comprehensive Income(Net of Tax)	90.92	57.75
Amount Available for Appropriation	3,84,08.92	3,22,73.98
Appropriation:		
Interim Dividend on Equity Shares	4,11.15	3,08.88
Tax on Interim Dividend	84.66	62.88
Final Dividend for Previous Year	7,20.72	7,20.72
Tax on Final Dividend	1,48.15	1,46.72
Balance Carried to Balance Sheet	3,70,44.24	3,10,34.78

^{*} Including ₹(807.53 lakhs) Deferred Tax (Previous year ₹(5,96.11 lakhs)).

2. DIVIDEND

Your Directors are pleased to recommend Final Dividend of 80% on 99,90,092 Equity Shares (₹8/- per share of ₹10 each) which is subject to the approval of Shareholders in the ensuing Annual General Meeting. With this, the total dividend for the year including interim dividend of 40% comes to 120%...

3. OPERATIONS

Insoluble Sulphur

The second phase of (5500MTPA) expansion of Insoluble Sulphur at Mundra, Gujarat was commissioned in July 2018. The Company achieved a revenue growth of about 15% in Insoluble Sulphur during the year. The additional quantities are being sold by meeting the increased demand in existing customer and addition of new geographies. Margins grew during the year mainly on account of favourable exchange rate even after absorbing the increase in Raw Material prices during the year.

The newly commissioned line at Mundra is expected to be ramped-up fully during the current financial year.

Sulphuric Acid & Oleum

The performance of Acid and Oleum was very good due to all time high margins on account of robust demand for the same in North India.

FUTURE PROSPECTS

Insoluble Sulphur

With all major global tyre companies in expansion mode, the outlook for the sales of our product looks positive. Investments in tyre industry are majorly happening in South East Asia, India, USA and Central Europe. These regions will be engines of growth for the industry. For the Company also these will be focus regions in future. The Company has approvals from some of the major tyre companies around the world and volumes are expected to grow as these companies execute their growth plans. Further some new approvals are also expected to come soon which will further add to our sales.

We have been successful in starting and growing sales in US market which is again looking up on account of curbs placed on Chinese tyre imports by US. Response for the Company's products in this market has been good and it also offers a sufficient head room for growth. Apart from US, South East Asia looks promising where we are expecting sales to grow on account of some expected new approvals and additional plants being allocated by our existing customers.

The growth in the Indian market is expected to be high on the back of aggressive expansion plans of domestic tyre companies. The Company therefore, expects to maintain high growth rate in domestic market.

Keeping the above opportunities in mind, the Board of Directors has approved a brownfield capacity expansion of Insoluble Sulphur at its existing facilities in Dharuhera, Haryana at estimated cost of ₹216 Crores. The Expansion shall be in two phases of 5500 MTPA each. The first phase of expansion is expected to be commissioned in the third guarter of FY 20-21.

Sulphuric Acid & Oleum

The Demand of Acid continues to be normal. Contributions are expected to be under pressure going forward as two more plants of Sulphuric Acid (with combined capacity of about 250 MTPA) are being commissioned during the year in North India.

Along with the capacity expansion of Insoluble Sulphur, the Board has approved the expansion of Sulphuric Acid Production mainly with the view of providing steam for the Insoluble Sulphur Capacities.

4. INTERNAL CONTROL SYSTEMS AND THEIR **ADEOUACY**

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

5. CHANGE IN THE NATURE OF BUSINESS

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

There were no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future. There were no material changes and commitments affecting the financial position of the Company occurring between March 31, 2019 and the date of this report.

6. EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act. 2013 read with Section 92(3), an extract of Annual Return in the prescribed format i.e. Form MGT-9 is annexed as Annexure A which forms an integral part of this Report and is also available on the Company's website viz. www.occlindia.com.

7. INSIDER TRADING REGULATIONS

Based on the requirements under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Code of Conduct for prevention of insider trading is in force in your Company. The Board of Directors of the Company has adopted the revised Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in compliance with Chapter IV of the said Regulations and the same has been uploaded on the Company's website www. occlindia.com.

8. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2019 was ₹9,99,00,920/- (Rupees Nine Crore Ninety Nine Lakh Nine Hundred Twenty Only) divided into 99,90,092 equity shares of ₹10/- each. During the year under review, the Company has not issued or allotted any securities. During the year, there was a reduction in the paid up equity share capital from ₹10,29,60,620/- to ₹9,99,00,920/- on account of buyback of equity shares.

9. BUYBACK OF SHARES

During the year 2018-19, the Board of Directors of your Company at their meeting held on November 01, 2018, approved the buyback of the Company's fully paid-up equity shares of the face value of ₹10 each at a maximum price of ₹1,150/- Per Share up to total amount of buyback of ₹35 crores (Rupees thirty five crores only) from its members/beneficial owners, other than those who are promoters or persons in control of the Company and the promoter group, from the open market through the stock exchange mechanism i.e. using the electronic trading facilities of the BSE Limited and the National Stock Exchange of India Limited, where the equity shares are listed in accordance and consonance with the provisions contained in the Companies Act, 2013 (Act) and the provisions contained in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (Buyback Regulations).

The buyback commenced on November 14, 2018 and closed on February 27, 2019. The Company bought back 3,05,970 equity shares at an average price of ₹1,143/- per equity share for a total consideration of ₹34,97,24,253.85 (Rupees Thirty Four Crores Ninety Seven lakhs Twenty Four Thousand Two Hundred Fifty Three and Paisa Eighty Five Only) (excluding Transaction Costs), which represents 99.92% of the total approved amount of ₹35 Crores (Rupees Thirty Five Crores) towards Buy Back.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE **FARNINGS & OUTGO**

As required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed to this Report as Annexure B.

11. RESEARCH & DEVELOPMENT

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

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

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

12. POLLUTION CONTROL

Your Company's Plants have all the requisite Pollution Control Equipments and meets all the desired and statutory norms in this regard. The Insoluble Sulphur Units of the Company enjoys ISO-TS 16949:2009, EMS14001-2004 and OHSAS18001:2007 Certification. The Company has started using Natural Gas in place of Furnace Oil and other liquid fuels at its Dharuhera Plant thus helping in reduction of pollution.

13. STATUTORY AUDITORS AND AUDIT REPORT

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

14. SECRETARIAL AUDIT

In compliance with the provisions of Sec 204 and other applicable provisions of Companies Act, 2013, a Secretarial Audit was conducted during the year by Secretarial Auditors M/s. S. Rath & Co. The Secretarial Auditor's Report for the Financial Year ended March 31, 2019 is attached as **Annexure C** and form part of this report. There are no qualifications or observations or remarks made by the Secretarial Auditors in their Audit Report.

15. COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company relating to insoluble Sulphur plants located at Dharuhera, Haryana is required to be audited. Your Board had, on recommendation of the Audit Committee, appointed Messrs J K Kabra & Co., Cost Accountants to audit the cost accounts of the Company for the financial year 2018-19. The Cost Audit Report for the year ended March 31, 2018 has been submitted to the Ministry of Corporate Affairs within stipulated time period.

Messrs J K Kabra & Co., Cost Accountants has been appointed as Cost Auditor of the Company by the Board on recommendation of the Audit Committee to carry out the requisite cost audit for the financial year 2019-20 on a remuneration of ₹1.4 lakhs. As required under the Companies Act, 2013, the remuneration payable to Cost Auditors is required to be placed before the members in a General Meeting for their ratification. Accordingly, a Resolution seeking member's ratification for remuneration payable to Messrs J K Kabra & Co., Cost Auditors is included at item no. 4 of the Notice convening the Annual General Meeting.

16. PUBLIC DEPOSITS

The Company has accepted ₹57,70,000/- (Rupees Fifty seven lakhs seventy thousand only) of Fixed Deposits including renewed Fixed Deposit from public during the year under review.

Fixed Deposits from public outstanding with your Company at the end of the financial year stood at ₹2,71,05,000/-. Out of this, deposits aggregating to ₹2,88,000/- due for repayment on or before March 31, 2019 were not claimed by the depositors by the said date.

There was no default on part of the Company in repayment of deposits or payment of interest thereon at the begining of the year and at the end of the year.

Deposits of ₹12,95,000/- and ₹10,000/-, though claimed and due for repayment, were lying unpaid, due to dispute between the joint beneficiary holders in the first case and inability to produce requisite documents by the beneficiaries in the second case. These deposits, along with interest of ₹4,27,558/- thereon, have been transferred to IEPF during the year as the depositors failed to reply or produce any documents for settlement in their favour.

17. DIRECTORS' RESPONSIBILITY STATEMENT

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

- that in the preparation of the annual financial statements for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit and loss of the Company for that period;
- iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the annual financial statements have been prepared on a going concern basis;
- v) that proper financial controls were in place and that the financial controls were adequate and were operating effectively; and
- vi) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

18. AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company consists of Mr. O. P. Dubey as Chairman, Mr. B. B. Tandon, Mr. S. J. Khaitan and Mr. Akshat Goenka as Members. The Company Secretary is the Secretary of the Committee. The Managing Director, Chief Financial Officer and Auditors are permanent invitees to the committee meetings. The detail of terms of reference of Audit Committee, number and dates of meetings held, attendance of the directors and remunerations paid to them are given separately in the attached Corporate Governance Report. Your Company has a well structured Internal Audit System commensurate with its size and operations. During the year there were no instances where the board had not accepted the recommendations of the Audit Committee.

19. STAKE HOLDER'S RELATIONSHIP COMMITTEE

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

20. CORPORATE SOCIAL RESPONSIBILITY **COMMITTEE**

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

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

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

₹148.53 lakhs were spent on CSR activities and projects undertaken during the year. The brief outline of CSR Policy along with required disclosure is given in **Annexure D** and form part of the Director's Report.

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

21. NOMINATION AND REMUNERATION COMMITTEE

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

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

22. NUMBER OF MEETINGS OF THE BOARD

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

23. POLICY ON DIRECTORS' APPOINTMENT

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skill and experience that are required of the members of the Board. The members of the Board should possess the expertise, skills and experience needed to manage and guide the Company in the right direction and to create value for all stakeholders. The members of the Board will need to consist of eminent persons of proven competency and integrity with an established track record. Besides having financial literacy, experience, leadership qualities and the ability to think strategically, the members are required to have a significant degree of commitment to the Company and should devote adequate time in preparing for the Board meeting and attending the same. The members of the Board of Directors are required to possess the education, expertise, skills and experience in various sectors and industries needed to manage and guide the Company. The members are also required to look at strategic planning and policy formulations.

The members of the Board should not be related to any executive or independent director of the Company or any of its subsidiaries. They are not expected to hold any executive or independent positions in any entity that is in direct competition with the Company. Board members are expected to attend and participate in the meetings of the Board and its Committees, as relevant. They are also expected to ensure that their other commitments do not interfere with the responsibilities they have by virtue of being a member of the Board of the Company. While reappointing Directors on the Board and Committees of the Board, the contribution and attendance record of the Director concerned shall be considered in respect of such reappointment. The Independent Directors shall hold office as a member of the Board for a maximum term as per the provisions of the Companies Act, 2013 and the rules made thereunder, in this regard from time to time, and in accordance with the provisions of the Listing Regulations. The appointment of Directors shall be formalised through a letter of appointment.

The Executive Directors, with the prior approval of the Board, may serve on the Board of any other entity if there is no conflict of interest with the business of the Company.

24. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25(3) & (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors in their meeting held on January 31, 2019 have evaluated the Performance of Non-Independent Directors, Chairperson of the Company after considering the views of the Executive and Non-Executive Directors, Board as a whole assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board. The Nomination and Remuneration Committee has also carried out evaluation of performance of every Director of the Company. On the basis of evaluation made by the Independent Directors and the Nomination and Remuneration Committee and by way of individual and collective feedback from the Non-Independent Directors, the Board has carried out the Annual Performance Evaluation of the Directors individually as well as evaluation of the working of the Board as a whole and Committees of the Board. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report.

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

25. DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013, and the Article of Association of the

Company, Mr. H S Shashikumar is due to retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer himself for appointment.

The current tenure of Mr. O. P. Dubey, Mr. B. B. Tandon, Mr. S. J. Khaitan and Mr. K. Raghuraman, Independent Directors of the Company are expiring on conclusion of 39th Annual General Meeting of the Company, i.e. July 26, 2019. The Nomination and Remuneration Committee and the Board of your Company recommended the appointment of Mr. O. P. Dubey, Mr. B. B. Tandon, Mr. S. J. Khaitan and Mr. K. Raghuraman as Independent Directors of the Company for their 2nd term of 5 (five) consecutive years with effect from July 30, 2019 with the approval of Members in the ensuing Annual General Meeting of the Company. The brief profile and other information of the Directors seeking re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been given in the Notice convening the ensuing Annual General Meeting of the Company. None of Directors of the Company are disqualified as per applicable provisions of the Act.

Appointment of directors is made in accordance with the Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed both under the Act and Regulation 16 of the Listing Regulations.

Separate Meeting of Independent Directors

Details of the separate meeting of Independent Directors held in terms of Schedule IV of the Act and Regulation 25(3) of the Listing Regulations are given in the Corporate Governance Report.

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

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

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

Mr. Akshat Goenka, Joint Managing Director of the Company

who is also serving as Managing Director of Duncan Engineering Limited, the Subsidiary of the Company received a remuneration of ₹12,000/- and ₹19.75 Lacs as commission from the Subsidiary Company during the year 2018-19.

Pursuant to Sec 134(3) (g) read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, a Report on Remuneration and other details of Key Managerial Personnel and other Employees for the year ended March 31, 2019 is annexed to this report as Annexure E.

27. PARTICULARS OF LOANS, GUARANTEES OR **INVESTMENTS**

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

28. CREDIT RATING

The Company's Credit Rating has been done by ICRA for Long Term and Short term borrowings including Fixed Deposit Programme. The current upgraded Credit Rating, received from ICRA on July 17, 2018, for fund based limits (₹200 Crore) is (ICRA) A+ and for non-fund based limits (₹14 Crore) is (ICRA) A1+. The Credit Rating for Fixed Deposit Programme (₹5 Crore) is MAA-. ICRA has further assigned outlook for long term rating as Positive.

29. RELATED PARTY TRANSACTIONS

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

30. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

The Company sends reminder letters to all members whose dividend are unclaimed so as to ensure that they receive their rightful dues. Your Company has also uploaded on its website, www.occlindia.com, information regarding unpaid/unclaimed dividend amounts lying with your Company.

During 2018-19, the unclaimed dividend amount of ₹5,02,855/and ₹5,08,748/- towards the unpaid dividend account of the Company for the financial year 2010-11 (Final Dividend) and 2011-12 (Interim Dividend) was transferred to Investor Education and Protection Fund. The said amount had remained unclaimed for seven years, despite reminder letters having been sent to each of the members concerned.

Pursuant to Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and its amendments, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the demat account of Investor Education and Protection Fund ("IEPF") Authority (the "Authority") as per the procedure mentioned in the said Rules. Accordingly, your Company has transferred 4972 equity shares to the demat account of the Authority and in terms of the said Rules. All benefits accruing on such shares viz. bonus shares, split, consolidation, fraction shares etc. except the right issue shall also be credited to such demat account.

Members may note that unclaimed dividend and shares transferred to the demat account of the Authority can be claimed back by them from IEPF Authority by following the procedure mentioned in the said Rules.

31. RISK MANAGEMENT

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

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

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

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

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

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

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

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

The Risk Assessment is also discussed in the Management Discussion and Analysis Report.

32. SUBSIDIARY

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

The Company's subsidiary registered a gross turnover of ₹45,12.24 lakhs during the current Financial Year against ₹41,98.36 lakhs during FY 2017-18. The Subsidiary reported a profit of ₹2.77.93 lakhs (Previous Year Profit ₹14.76 lakhs).

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Consolidated Financial Statements prepared by the Company in this Report include the financial results of the subsidiary company duly audited by the Statutory Auditors. The financial Statements of the Subsidiary for the Financial Year ended March 31, 2019, have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rule, 2014. The Consolidated statements have been prepared in accordance with the relevant Indian Accounting Standards (IndAS) as prescribed under the Companies Act, 2013.

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

33. VIGIL MACHANISM POLICY

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

34. COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India

35. CORPORATE GOVERNANCE

The report of the Board of Directors of your Company on Corporate Governance is presented as a separate section titled Corporate Governance Report, which forms a part of the Annual Report.

The composition of the Board, the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee, the Corporate Social Responsibility Committee and other Committees of the Board, the number of meetings of the Board and Committees of the Board, and other matters are presented in the Corporate Governance Report.

A certificate from Mr. Sahadeb Rath of (Membership no. ACS13298 of M/s. S. Rath & Co., Practising Company Secretaries regarding compliance with the Corporate Governance requirements as stipulated in the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), which forms part of the Annual Report.

36. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the financial year 2018-19, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as a separate statement in the Annual Report.

37. CEO AND CFO CERTIFICATION

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

38. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

The Code of Conduct for Directors and Senior Management Personnel is posted on the Company's website. The Managing Director & CEO of the Company has given a declaration that all Directors and Senior Management Personnel concerned affirmed compliance with the code of conduct with reference to the financial year ended on March 31, 2019. Declaration is attached with the Annual Report.

39. FRAUD REPORTING

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

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

The Company has in place an Anti-Sexual Harassment Policy line with the requirements of the Sexual Harassment of Women at Work place (Prevention, Prohibition & Redressal) Act, 2013. An internal committee has been setup to redress complaints received regarding sexual harassment. No complaints received during the year under review.

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

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

42. ACKNOWLEDGMENTS

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

On behalf of the Board of Directors

Arvind Goenka

O P Dubey Director

Date: May 10, 2019

Place: Noida

Managing Director DIN-00135653 DIN-00228441

Annexure A to the Directors' Report

FORM NO. MGT 9 **EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2019

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

I. REGISTRATION & OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Insoluble Sulphur	20119	90.48%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

A. Category-wise Share Holding

Cate	egory of Shareholders	Sha	areholding a of the ye	t the begini ar - 2018	ning	Shareholding at the beginning of the year - 2019				% Change during
		Demat Physical		Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	the year
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	407500	-	407500	3.9578	407500	-	407500	4.0790	0.1212
(b)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions / Banks	-	-	_	-	-	-	_	-	-
(d)	Any Other (Specify)									
(-/	Bodies Corporate	4723175	-	4723175	45.8736	4743175	-	4743175	47.4788	1.6052
	Sub Total (A)(1)	5130675	_	5130675	49.8314	5150675	_	5150675	51.5578	1.7264
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Government	_	_		_	_	_	_	_	_
(c)	Institutions	_	_		_	_	_	_	_	_
(d)	Foreign Portfolio Investor	_	_		_	_	_	_	_	_
(e)	Any Other (Specify)									
(-/	Sub Total (A)(2)	_	_		_	_	_	_	_	_
	Total Shareholding of Promoter and	5130675	_	5130675	49.8314	5150675	_	5150675	51.5578	1.7264
	Promoter Group(A)=(A)(1)+(A)(2)	3130073		3130073	15.0511	3130073		3130073	31.3370	1.7 20 1
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	1524238	_	1524238	14.8041	1553963	_	1553963	15.5550	0.7509
(b)	Venture Capital Funds	_	_		-	-	_	-	-	-
(c)	Alternate Investment Funds	8425	_	8425	0.0818	45620	_	45620	0.4567	0.3749
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investor	140890	_	140890	1,3684	159432	-	159432	1.5959	0.2275
(f)	Financial Institutions / Banks	3598	2430	6028	0.0585	7960	2430	10390	0.1040	0.0455
(g)	Insurance Companies	628291	-	628291	6.1022	628291	-	628291	6.2891	0.1869
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
(i)	Any Other (Specify)									
.,	Sub Total (B)(1)	2305442	2430	2307872	22.4151	2395266	2430	2397696	24.0007	1.5856
[2]	Central Government/ State									
	Government(s)/ President of India									
	Central Government / State	36997	-	36997	0.3593	-	-	-	-	(0.3593)
	Government(s)									
	Sub Total (B)(2)	36997	-	36997	0.3593	-	-	-	-	(0.3593)
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹1 lakh.	1459445	403297	1862742	18.0918	1385211	368314	1753525	17.5526	(0.5392)
(ii)	Individual shareholders holding nominal share capital in excess of ₹1 lakh	292770	-	292770	2.8435	270114	-	270114	2.7038	(0.1397)
(b)	NBFCs registered with RBI	-	-	-	-	9884	-	9884	0.0989	0.0989

Cate	gory of Shareholders	Sha		nt the beginr ear - 2018	ning	Shareholding at the beginning of the year - 2019				% Change during
			Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	the year
(c)	Overseas Depositories(holding DRs)	-	-	-	-	-	-	-	-	-
	(balancing figure)									
(d)	Any Other (Specify)									
	IEPF	-	-	-	-	41969	-	41969	0.4201	0.4201
	Trusts	100	-	100	0.0010	150	-	150	0.0015	0.0005
	Hindu Undivided Family	65853	-	65853	0.6396	62389	-	62389	0.6245	(0.0151)
	Non Resident Indians (Non Repat)	22459	-	22459	0.2181	25813	-	25813	0.2584	0.0403
	Non Resident Indians (Repat)	63281	30549	93830	0.9113	92852	28539	121391	1.2151	0.3038
	Clearing Member	19372	-	19372	0.1881	10872	-	10872	0.1088	(0.0793)
	Market Maker	321	-	321	0.0031	48	-	48	0.0005	(0.0026)
	Bodies Corporate	460553	2518	463071	4.4976	143154	2412	145566	1.4571	(3.0405)
	Sub Total (B)(3)	2384154	436364	2820518	27.3941	2042456	399265	2441721	24.4414	(2.9527)
	Total Public Shareholding(B)=(B) (1)+(B)(2)+(B)(3)	4726593	438794	5165387	50.1686	4437722	401695	4839417	48.4422	(1.7264)
	Total (A)+(B)	9857268	438794	10296062	100.0000	9588397	401695	9990092	100.0000	-
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	-	-	-	-	-	-	-	-	-
[2]	Employee Benefit Trust (under SEBI	-	-	-	-	-	-	-	-	-
	(Share based Employee Benefit)									
	Regulations, 2014)									
	Total (A)+(B)+(C)	9857268	438794	10296062	100.0000	9588397	401695	9990092	100.0000	

B. Shareholding of Promoters

Sr.	Shareholder's Name	Shareholdin	g at the beginn	ing of the year	Shareho	lding at the end	d of the year	% change in
No.		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	shareholding during the year
1	Aparna Goenka	200000	2.0020	-	200000	2.0020	-	-
2	Arvind Goenka	107500	1.0761	-	107500	1.0761	-	-
3	Akshat Goenka	100000	1.0010	-	100000	1.0010	-	-
4	Cosmopolitan Investments Ltd.	1904528	19.0642	-	1907528	19.0942	-	0.03
5	New India Investment Corporation Ltd.	1202136	12.0333	-	1212136	12.1334	-	0.1001
6	Haldia Investment Company Ltd.	591895	5.9248	-	598895	5.9949	-	0.0701
7	Duncan International (India) Ltd.	994616	9.9560	-	994616	9.9560	-	-
8	Disciplined Investments Ltd.	30000	0.3003	-	30000	0.3003	-	-
	Total	5130675	51.36	-	5150675	51.56	-	0.2

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

Sr. No.	Name & Type of Transaction	of the year - 2018		luring the year	Cumulative Sha end of the	3	
		No. of shares held	% of total shares of the	Date of transaction	No. of shares	No of shares held	% of total shares of the
			Company				Company
1	Cosmopolitan Investments Ltd	1904528	19.0642			1904528	19.0642
	Transfer			10 Aug 2018	3000	1907528	19.0942
	At the end of the year					1907528	19.0942
2	New India Investment Corporation Ltd	1202136	12.0333			1202136	12.0333
	Transfer			03 Aug 2018	3234	1205370	12.0657
	Transfer			10 Aug 2018	6766	1212136	12.1334
	At the end of the year					1212136	12.1334
3	Duncan International (India) Ltd	994616	9.9560			994616	9.9560
	At the end of the year					994616	9.9560
4	Haldia Investment Co Ltd	591895	5.9248			591895	5.9248
	Transfer			03 Aug 2018	3000	594895	5.9549
	Transfer			10 Aug 2018	4000	598895	5.9949
	At the end of the year					598895	5.9949
5	Aparna Goenka	200000	2.0020			200000	2.0020
	At the end of the year					200000	2.0020
6	Arvind Goenka	107500	1.0761			107500	1.0761
	At the end of the year					107500	1.0761
7	Akshat Goenka	100000	1.0010			100000	1.0010
	At the end of the year					100000	1.0010
8	Disciplined investments Limited	30000	0.3003			30000	0.3003
	At the end of the year					30000	0.3003

Note: 1. Paid up Share Capital of the Company (Face Value ₹10.00) at the end of the year is 9990092 Shares.

- 2. The details of holding has been clubbed based on PAN.
- 3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

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

Sr. No.	Name & Type of Transaction	Shareholding a of the ye	t the beginning ar - 2018	Transactions d	luring the year	Cumulative Shareholding at the end of the year - 2019		
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No of shares held	% of total shares of the Company	
1	HDFC Small Cap Fund	897250	8.9814			897250	8.9814	
	Transfer			22 Jun 2018	9700	906950	9.0785	
	Transfer			30 Jun 2018	14700	921650	9.2256	
	Transfer			05 Oct 2018	1600	923250	9.2417	
	Transfer			12 Oct 2018	3000	926250	9.2717	
	At the end of the year					926250	9.2717	
2	L&T Mutual Fund Trustee Limited- L & T Emerging Businesses Fund	513205	5.1371			513205	5.1371	
	Transfer			22 Jun 2018	522	513727	5.1424	
	Transfer			13 Jul 2018	46408	560135	5.6069	
	Transfer			20 Jul 2018	3592	563727	5.6429	
	Transfer			29 Sep 2018	98891	662618	6.6328	
	Transfer			15 Feb 2019	(123268)	539350	5.3988	
	Transfer			08 Mar 2019	(29249)	510101	5.1061	

Sr. No.	Name & Type of Transaction	Shareholding a of the ye		Transactions d	luring the year	Cumulative Shareholding at the end of the year - 2019		
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No of shares held	% of total shares of the Company	
	Transfer			15 Mar 2019	(39215)	470886	4.7135	
	Transfer			22 Mar 2019	(36224)	434662	4.3509	
	Transfer			29 Mar 2019	(732)	433930	4.3436	
	At the end of the year					433930	4.3436	
3	Life Insurance Corporation of India	368668	3.6903			368668	3.6903	
	At the end of the year					368668	3.6903	
4	General Insurance Corporation of	259623	2.5988			259623	2.5988	
	At the end of the year					259623	2.5988	
5	Dsp Small Cap Fund	109183	1.0929			109183	1.0929	
	At the end of the year	109103	1.0929			109183	1.0929	
6	Standard Life Investments GS	-	-			-	1.0929	
	Mauritius Holdings Limited							
	Transfer			08 Mar 2019	20000	20000	0.2002	
	Transfer			15 Mar 2019	38800	58800	0.5886	
	Transfer			22 Mar 2019	43899	102699	1.0280	
	At the end of the year					102699	1.0280	
7	Subramanian P	97000	0.9710			97000	0.9710	
	Transfer			11 May 2018	(231)	96769	0.9686	
	Transfer			18 May 2018	(2026)	94743	0.9484	
	Transfer			25 May 2018	(239)	94504	0.9460	
	Transfer			01 Jun 2018	(114)	94390	0.9448	
	Transfer			08 Jun 2018	(270)	94120	0.9421	
	Transfer			15 Jun 2018	(270)	93850	0.9394	
	Transfer			13 Jul 2018	(527)	93323	0.9342	
	Transfer			27 Jul 2018	(733)	92590	0.9268	
	Transfer			03 Aug 2018	(360)	92230	0.9232	
	Transfer			10 Aug 2018	900	93130	0.9322	
	Transfer			14 Sep 2018	(540)	92590	0.9268	
	Transfer			19 Oct 2018	(360)	92230	0.9232	
	Transfer			02 Nov 2018	(540)	91690	0.9178	
	Transfer			16 Nov 2018	(900)	90790	0.9088	
	Transfer			07 Dec 2018	(540)	90250	0.9034	
	Transfer			14 Dec 2018	(10)	90240	0.9033	
	Transfer			21 Dec 2018	(450)	89790	0.8988	
	Transfer			11 Jan 2019	(300)	89490	0.8958	
	Transfer			01 Feb 2019	(1687)	87803	0.8789	
	Transfer			08 Feb 2019	(1513)	86290	0.8638	
	Transfer			15 Feb 2019	(381)	85909	0.8599	
	Transfer			22 Feb 2019	(519)	85390	0.8547	
	Transfer			01 Mar 2019	(720)	84670	0.8475	
	Transfer			08 Mar 2019	(900)	83770	0.8385	
	Transfer			15 Mar 2019	(57)	83713	0.8380	
	Transfer			29 Mar 2019	(483)	83230	0.8331	
	At the end of the year					83230	0.8331	

Sr. No.	Name & Type of Transaction		t the beginning ear - 2018	Transactions d	uring the year	Cumulative Shar	-
		No. of shares	% of total	Date of	No. of shares	No of shares	% of total
		held	shares of the	transaction		held	shares of the
	LICOCC III.C. E. IV. E. I		Company				Company
8	HSBC Small Cap Equity Fund	-	-	2010	20254	-	-
	Transfer			09 Nov 2018	30251	30251	0.3028
	Transfer			16 Nov 2018	982	31233	0.3126
	Transfer			23 Nov 2018	845	32078	0.3211
	Transfer			30 Nov 2018	9481	41559	0.4160
	Transfer			07 Dec 2018	8550	50109	0.5016
	Transfer			14 Dec 2018	13408	63517	0.6358
	Transfer			21 Dec 2018	3085	66602	0.6667
	Transfer			28 Dec 2018	1851	68453	0.6852
	Transfer			31 Dec 2018	295	68748	0.6882
	Transfer			04 Jan 2019	6252	75000	0.7507
	Transfer			15 Feb 2019	574	75574	0.7565
	Transfer			22 Feb 2019	4426	80000	0.8008
	At the end of the year					80000	0.8008
9	Investor Education And Protection	36997	0.3703			36997	0.3703
	Fund Authority Ministry Of Corporate						
	Affairs						
	Transfer			26 Dec 2018	4972	41969	0.4201
	At the end of the year					41969	0.4201
10	Spark Alpha Fund 1	-	-			-	-
	Transfer			30 Jun 2018	15000	15000	0.1501
	Transfer			17 Aug 2018	501	15501	0.1552
	Transfer			29 Sep 2018	10000	25501	0.2553
	Transfer			19 Oct 2018	1900	27401	0.2743
	Transfer			26 Oct 2018	1558	28959	0.2899
	Transfer			02 Nov 2018	6536	35495	0.3553
	At the end of the year					35495	0.3553
11	Devabhaktuni Krishna Kumari	45322	0.4537			45322	0.4537
	Transfer			22 Mar 2019	(25000)	20322	0.2034
	Transfer			29 Mar 2019	1786	22108	0.2213
	At the end of the year					22108	0.2213
12	Winnow Investments and Securities	256404	2.5666			256404	2.5666
	Private Limited						
	Transfer			03 Aug 2018	(4357)	252047	2.5230
	Transfer			10 Aug 2018	(2729)	249318	2.4957
	Transfer			17 Aug 2018	(2177)	247141	2.4739
	Transfer			24 Aug 2018	(9734)	237407	2.3764
	Transfer			31 Aug 2018	(123)	237284	2.3752
	Transfer			07 Sep 2018	(4676)	232608	2.3284
	Transfer			14 Sep 2018	(29255)	203353	2.0355
	Transfer			21 Sep 2018	(100596)	102757	1.0286
	Transfer			29 Sep 2018	(6262)	96495	0.9659
	Transfer			05 Oct 2018	(571)	95924	0.9602
	Transfer			12 Oct 2018	(24)	95900	0.9600

Sr. No.	Name & Type of Transaction		Shareholding at the beginning of the year - 2018		luring the year	Cumulative Shareholding at the end of the year - 2019	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No of shares held	% of total shares of the Company
	Transfer			02 Nov 2018	(400)	95500	0.9559
	Transfer			16 Nov 2018	(45909)	49591	0.4964
	Transfer			23 Nov 2018	(49591)	-	-
	At the end of the year					-	-
13	The Pabrai Investment Fund IV, LP	98647	0.9874			98647	0.9874
	Transfer			08 Jun 2018	(3892)	94755	0.9485
	Transfer			15 Jun 2018	(1128)	93627	0.9372
	Transfer			22 Jun 2018	(28239)	65388	0.6545
	Transfer			30 Jun 2018	(18579)	46809	0.4686
	Transfer			06 Jul 2018	(2599)	44210	0.4425
	Transfer			13 Jul 2018	(44210)	-	-
	At the end of the year					-	-

Note: 1. Paid up Share Capital of the Company (Face Value ₹10.00) at the end of the year is 9990092 Shares.

- 2. The details of holding has been clubbed based on PAN.
- 3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding a of the	t the beginning e year	Cumulative Shareholding during the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares
1.	Mr. Arvind Goenka, Managing Director				
	At the beginning of the year	107500	1.0761		
	Changes during the year		No Ch	ange	
	At the end of the year			107500	1.0761
2.	Mr. Akshat Goenka, Jnt. Managing Director				
	At the beginning of the year	100000	1.0010		
	Changes during the year		No Ch	ange	
	At the end of the year			100000	1.0010
3.	Mr. Anurag Jain, CFO				
	At the beginning of the year	2475	0.0247		
	Changes during the year			200	0.002
	At the end of the year			2675	0.0267
4.	Mr. Pranab Kumar Maity, Company Secretary				
	At the beginning of the year	Nil	Nil		
	Changes during the year		No Ch	ange	
	At the end of the year			Nil	Nil

V) INDEBTEDNESS

i) Principal Amount

Total (i+ii+iii)

Net Change

Total (i+ii+iii)

i) Principal Amount

ii) Interest due but not paid iii) Interest accrued but not due

ii) Interest due but not paid iii) Interest accrued but not due

* Addition (PRINCIPAL)

* Reduction (PRINCIPAL)

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

(in ₹) Secured Loans Unsecured Loans Unsecured Public Total excluding Indebtedness Indebtedness at the beginning of the financial year 1,05,16,54,276 4,97,40,000 1,10,13,94,276 53,42,231 26,73,183 80.15.414 1,05,69,96,507 _ 5,24,13,183 1,10,94,09,690 Change in Indebtedness during the financial year 8,29,04,742 13,95,000 8,42,99,742 (2,40,30,000) (8,23,50,560) (10,63,80,560) 5,54,182 (2,26,35,000) (2,20,80,818) Indebtedness at the end of the financial year 1,05,22,08,458 2,71,05,000 1,07,93,13,458

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 Managing Director	Name of the WTD (Jt Managing Director)	Total Amount (₹)
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the	1,53,28,973	1,38,19,375	2,91,48,348
	Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	39,600	79,200
	(c) Profits in lieu of salary under section 17(3) Income- tax Act,	-	-	-
	1961			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	1,07,82,999	1,07,82,999	2,15,65,998
	- as 1% of Consolidated profit before tax			
5.	Others, please specify	-	-	-
	Total (A)	2,61,51,572	2,46,41,974	5,07,93,546
	Ceiling as per the Act			1085.61 lakhs

74,33,277

1,05,96,41,735

B. Remuneration to other Directors

Sr.	Particulars of Remuneration	Name of Directors							Total
No.		Mr. J P Goenka	Mr. B B Tandon	Mr. K Raghuraman	Mr. S J Khaitan	Mr. O P Dubey	Mrs. Runa Mukherjee	Mr. H Sha- shikumar (LIC Nominee)	Amount (₹)
1.	Independent Directors								
	Fee for attending board & committee meetings		4,30,000	330,000	5,56,000	4,30,000	2,60,000		20,06,000
	Commission		12,90,000	9,90,000	16,68,000	12,90,000	7,80,000		60,18,000
	Others, please specify								
	Total (1)		17,20,000	13,20,000	22,24,000	17,20,000	10,40,000		80,24,000

94,78,149

1,08,87,91,607

20,44,872

2,91,49,872

Sr.	Particulars of Remuneration	Name of Directors							Total
No.		Mr. J P Goenka	Mr. B B Tandon	Mr. K Raghuraman	Mr. S J Khaitan	Mr. O P Dubey	Mrs. Runa Mukherjee	Mr. H Sha- shikumar (LIC Nominee)	Amount (₹)
2	Other Non-Executive Directors								
	Fee for attending board & committee meetings	80,000						1,80,000 (Paid to LIC)	2,60,000
	Commission	2,40,000						5,40,000 (Paid to LIC)	7,80,000
	Others, please specify								
	Total (2)	3,20,000						7,20,000	10,40,000
	Total (B)=(1+2)	3,20,000	17,20,000	13,20,000	22,24,000	17,20,000	10,40,000	7,20,000	90,64,000
	Total Managerial								5,98,57,546
	Remuneration (A) + (B)								
	Overall Ceiling as per the Act								1194.17 lakhs

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

Sr.	Particulars of Remuneration		Key Managerial Personnel					
No.		CEO	CS	CFO	Total			
1	Gross salary							
	(a) Salary as per provisions contained in section 17(1) of	-	20,59,980	1,71,22,192	1,91,82,172			
	the Income-tax Act, 1961							
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	38,863	47,450	86,313			
	(c) Profits in lieu of salary under section 17(3) Income-	-	-	-	-			
	tax Act, 1961							
2	Stock Option	-	-	-	-			
3	Sweat Equity	-						
4	Commission	-	-	-	-			
	- as % of profit	-	-	-	-			
	others, specify	-	-	-	-			
5	Others, please specify	-	-	-	-			
	Total	-	20,98,843	1,71,69,642	1,92,68,485			

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

NONE

On behalf of the Board of Directors

Arvind Goenka O P Dubey Managing Director Director

Place: Noida Date: May 10, 2019 DIN-00135653 DIN-00228441

Annexure B to the Directors' Report

INFORMATION AS PER SECTION 134(3)(m) OF COMPANIES ACT, 2013 AND FORMING PART OF THE DIRECTOR'S REPORT

FOR THE YEAR ENDED 31ST MARCH, 2019

CONSERVATION OF ENERGY

(a) Energy Conservation Measures taken:

- 100% steam requirement of Insoluble Sulphur plants at Dharuhera is met through utilisation of excess steam generated in Sulphuric Acid Plant by installing High Pressure Waste Heat Boiler.
- Recycling of condensate for steam generation implemented.
- Replacement of existing motors with lower rating as per actual requirement and also with high efficiency ones.
- Improvement in Heat transfer through optimisation of equipments.
- Provision of VFD in various pumps etc.
- Steam to Fuel ratio has been optimised to reach consistent value in boiler in Mundra.
- Installed New Model Steam traps to Control Steam Losses.
- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:
 - Utilisation of waste Hot air from one process in other processes.
 - Optimisation of Chiling unit through various means.
 - resizing (optimisation) of vaccum pumps.
- (c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:
 - The above measures have helped in the conservation of energy and reduction in carbon footprint.

II. TECHNOLOGY ABSORPTION

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

1. Research & Development

(i) Specific area in Which R&D carried out by the Company

- : 1. Improvement in stability of Insoluble Sulphur
 - 2. Improvement in dispersion of Insoluble Sulphur
 - 3. Introduction of new grades in collaboration with Customers
 - 4. Process Improvement to minimise rejection and optimisation energy cost and consumption norms.
 - 5. Developed Predispersed Insoluble Sulphur Product

(ii) Benefits derived as a result of the above R&D

Loyalty of existing customers coupled with enlistment of new quality-conscious customers, value addition in products, edge over competitors, and better control over qualitative deviations, control over cost

(iii) Future plan of action

- 1. Development of New Grades specific to customer requirements
- 2. Process Side research for optimisation of various production parameters.

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

(iv) Expenditure on R&D (₹in lakhs)

(a) Capital 50.73 107.99 (b) Recurring (c) Total 158.72 (d) Total R&D expenditure as a percentage of Net turnover. 0.41%

Technology absorption, adaptation and innovation:

Production optimisation and innovation in the field of developing new and improved offerings, savings in consumption ratios and utilities

The Company registered a growth of 12.06% by value in

during the year by value.

Exports Constituted 64.29% of total Insoluble Sulphur sales

III. FOREIGN EXCHANGE EARNING AND OUTGO.

- (a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.
- (b) Total foreign exchange used and earned (₹in lakhs)

(i) Earned 20730.07 (ii) Used 1081.42

On behalf of the Board of Directors

Arvind Goenka O P Dubey Place: Noida Managing Director Director Date: May 10, 2019 DIN-00135653 DIN-00228441

Annexure C to the Directors' Report

SECRETARIAL AUDIT REPORT FORM NO. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

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

- We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Oriental Carbon & Chemicals Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
- On the basis of verification of the secretarial compliance and on the basis of secretarial audit of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and as shown to us during the said audit and also based on the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion and to the best of our understanding, the Company has, during the audit period covering the financial year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
- We further report that preparation and maintenance of secretarial and other records and devising proper system to ensure compliance with provisions of applicable laws and regulations is the responsibility of the Management of the Company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the Company.
- We have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by M/s. Oriental Carbon & Chemicals Limited for the financial year ended on March 31, 2019 to

the extent applicable and as shown to us during our audit, according to the provisions of the following laws:

- 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 Byelaws 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') :-
 - 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;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable to the Company during the Audit Period):
 - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the Company during the Audit Period);
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period);

- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable to the Company during the Audit Period); and
- g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- (vi) Other applicable laws:-Based on the representation given by the Management of the Company and compliance certificates issued by the respective Department Heads, it is observed that other than fiscal, labour and environmental laws which are generally applicable to all manufacturing/trading companies the following Laws/acts are also, inter alia specifically applicable to the business of the Company. It is also confirmed by the management that the Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.
 - a) Explosives Act, 1984 and Rules made thereunder
 - b) Arms Act,1959 and Rules made thereunder
 - c) Indian Boiler Act. 1932
 - d) Handling of Hazardous Wastes Rules, 1988
 - e) Manufacture, Storage & Import of Hazardous Chemicals Rule,1989
- 5. We have also examined compliance with the applicable clauses of the following:
 - 1. Secretarial Standards issued by The Institute of Company Secretaries of India.
 - The Provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
- 6. We further report that, The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the Board of Directors of the Company and the composition of the Board of Directors during the period under review is in compliance with the provisions of the Act.
- 7. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- 8. None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's views in the minutes.
- We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- 10. We further report that during the audit period the Board of Directors of your Company at their meeting held on November 01, 2018, approved the buyback of the Company's fully paid-up equity shares of the face value of ₹10/- each at a maximum price of ₹1150/- per share up to total amount of buyback of ₹35 crores (Rupees Thirty five crores) from its members/ beneficial owners, other than those who are promoters or persons in control of the Company and the promoter group, from the open market through the stock exchange mechanism i.e. using the electronic trading facilities of the BSE Limited and the National Stock Exchange of India Limited, where the equity shares are listed in accordance and consonance with the provisions contained in the Companies Act, 2013 (Act) and the provisions contained in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (Buyback Regulations).

The buyback commenced on November 14, 2018 and closed on February 27, 2019. The Company bought back 3,05,970 equity shares at an average price of ₹1143/- per equity share for a total consideration of ₹34,97,24,253.85 (Rupees Thirty Four Crores Ninety Seven lakhs Twenty Four Thousand Two Hundred Fifty Three and Eighty Five Paisa Only) (excluding Transaction Costs), which represents 99.92% of the total approved amount of ₹35 Crores (Rupees Thirty Five Crores) towards Buy Back. The Company has followed applicable provision of Companies Act, 2013 (Act) and the provisions contained in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (Buyback Regulations).

During the year, there was a reduction in the paid up equity share capital from ₹10,29,60,620/- to ₹9,99,00,920/- on account of buyback of equity shares.

11. This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For. S. Rath & Co.

Sahadeb Rath

Proprietor
Membership No.-ACS13298
CP No.-3452

Date: 10.05.2019 Place: Kolkata

Annexure - A

(To the Secretarial Audit Report of M/s. Oriental Carbon & Chemicals Limited for the financial year ended 31/03/2019)

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

Our Secretarial Audit Report for the financial year ended 31/03/2019 of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4. We do not report on Financial laws like Tax Laws, Customs Act, Banking, Financial Transactions, default in repayment of any loans/ debts or deposits / interest thereon, if any as the same is either carried out by the Statutory Auditors/Internal Auditors, designated professional.

- Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
- 7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 10.05.2019

Place: Kolkata

For. S. Rath & Co.

Sahadeb Rath Proprietor

Membership No.-ACS13298 CP No.-3452

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Annexure D to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Act & Rules made thereunder]

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

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

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

The Composition of the CSR Committee:-

Mr Suman J Khaitan Chairman Mr. Arvind Goenka Member Mr. K Raghuraman Member

Based on the Average Net profit for last three financial years, the budgeted CSR expenditure for the FY 2018-19 was ₹146.06 lakhs

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

1	2	3	4	5	6	7	8
Sr. No.	CSR project/ Activity Identified	Sector in which the Project is covered	Projects/Programmes 1. Local area/other - 2. specify the state/ district (Name of the District/s, State/s where project/ programme was undertaken)	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme Sub-heads: 1. Direct expenditure on project/ programme. 2. Overheads	Cumulative spend upto to the reporting period	Amount spent: Direct/through implementing agency*
					(in ₹ lakhs)	(in ₹ lakhs)	
1	Expenses on Govt School Adopted in Rewari	Promoting Education/ Sanitation/Health Care	In the State of Haryana		9.70	9.70	OCCL CSR Trust/ Oriental CSR Trust
2	Financial Assistence for Poor and Needy for Education, Health Care and construction of houses	Promoting Education/ Sanitation/Health Care	In the state of Haryana, Rajasthan, West Bengal and Delhi		43.65	53.35	OCCL CSR Trust/ Oriental CSR Trust
3	Expenses on Schools at Mundra	Promoting Education	Mundra, Gujarat		8.06	61.41	OCCL CSR Trust/ Oriental CSR Trust
4	Solar Light Provision at Hospital Building	Health Care	Mundra, Gujarat		2.71	64.12	OCCL CSR Trust/ Oriental CSR Trust
5	Cosnstruction of Hospital Building	Health Care	Mundra, Gujarat		4.49	68.61	OCCL CSR Trust/ Oriental CSR Trust
6	Environment Conservation	Community Development	Program run by Mokshda Parivaran and Van Suraksha Samiti In the State of U.P, Haryana, etc		5.00	73.61	Dircet
7	Donation for Education to underprivilledged Children	Promoting Education	Program Run by Project Ptential and Council for children welfare in Bihar and Delhi		2.22	75.83	Direct
8	Food for Hungry	Community Development	Donation to MCKS Food For Hungry Foundation		1.00	76.83	Direct

1	2	3	4	5	6	7	8
Sr. No.	CSR project/ Activity Identified	Sector in which the Project is covered	Projects/Programmes 1. Local area/other - 2. specify the state/ district (Name of the District/s, State/s where project/ programme was undertaken)	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme Sub-heads: 1. Direct expenditure on project/ programme. 2. Overheads	Cumulative spend upto to the reporting period	Amount spent: Direct/through implementing agency*
					(in ₹ lakhs)	(in ₹ lakhs)	
8	Construction and renovation of School/ College Building/ Provision of Safe Drinking water/ Health Care for students	Promoting Education/ Sanitation/Health Care	Program, run by Ram Chander Geonka Cheritable Trust in the state of Rajasthan		25.00	101.83	Ramchandra Goenka Charitable Trust, Kolkata
11	Construction and renovation of School/ College Building/ Provision of Safe Drinking water/ Health Care for students	Promoting Education/ Sanitation/Health Care	Program, run by Oriental Foundation.		15.00	116.83	Oriental Foundation Trust, Kolkata
11	Water resource development program	Community Development	In the State of Haryana Dist Rewari		14.51	131.34	Dircet
12	Donation for Projects for redefining/reinforcing economic and social inequalities and backwardness	Community Development	Donation to Institute for The Advance Study of India		13.00	144.34	Dircet
13	Administrative cost				4.19	148.53	OCCL CSR Trust

Responsibility Statement

On behalf of CSR committee, we here by affirm that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

On behalf of the Board of Directors

	Arvind Goenka	O P Dubey
Place: Noida	Managing Director	Director
Date: May 10, 2019	DIN-00135653	DIN-00228441

Annexure E to the Directors' Report

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

I.	The ratio of the remuneration of each director to the median	Mr. J.P Goenka- 5:1			
	remuneration of the employees of the Company for the financial	Mr. Arvind Goenka 422:10			
	year;	Mr. B.B Tandon- 28:10			
		Mr. K Raghuraman- 21:10			
		Mr. O.P Dubey- 28:10			
		Mr. S.J Khaitan- 36:10			
		Mr. H S Shashikumar-12:10			
		Mr Akshat Goenka- 398:10			
		Ms Runa Mukherjee- 17:10			
П.	The percentage increase in remuneration of each director, Chief	Directors:			
	Financial Officer, Chief Executive Officer, Company Secretary or	Mr. J.P Goenka : (-20%)			
	Manager, if any in the financial year;	Mr. Arvind Goenka: 38%			
		Mr. B.B Tandon: 17%			
		Mr. K Raghuraman: 65%			
		Mr. O.P Dubey: 17%			
		Mr. S.J Khaitan: 24%			
		Mr. H.S Shashikumar:20%			
		Mr. Akshat Goenka: 43%			
		Mr. Runa Mukherjee:10%			
		Key Managerial Personnel			
		Mr. Arvind Goenka: 38%			
		Mr. Akshat Goenka : 43%			
		Mr. Anurag Jain : 25%			
		Mr. Pranab Maity : 24%			
III.	The percentage increase in the median remuneration of employees in the financial year;	10%			
IV.	The number of permanent employees on the rolls of company;	445 employees as on 31/03/2019			
V.	Average percentile increase already made in the salaries of	Average Salary increase of non managerial employees was 11%			
	employees other than the managerial personnel in the last	Increase in managerial remuneration was 40%			
	financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The increase in managerial remuneration reflects the contribution of MD and JMD in steering the Company to a growth path and is commensurate with the industry standards. Average salary reflects average increase of all employees who have contributed to a varying degree to the growth of the			
		Company.			
VI.	The key parameters for any variable component of remuneration availed by the directors;	Managing Director and Jt Managing Director are entitled to Commission based on the performance of the Company.			
		All other directors are also entitled to Commission based on the performance of the Company in addition to the sitting fees.			
VII.	Affirmation that the remuneration is as per the remuneration policy	Remuneration paid during the year ended March 31, 2019 is as			

On behalf of the Board of Directors

	Arvind Goenka	O P Dubey
Place: Noida	Managing Director	Director
Date: May 10, 2019	DIN-00135653	DIN-00228441

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

SI. No.	Name	Designation & Nature of Duties	Remuneration Qualification & Total Service Experience		Age (Years)	Date of Commencement	Last employment held before Joining the Company	
				(Years)		of Employment	Company	Designation
(A)	EMPLOYED THROUG	GHOUT THE YEAR						
1	Goenka Arvind	Managing Director	26,151,572	B.Com 33	56	01.10.2009	Duncan International India Ltd.	Vice President
2	Goenka Akshat	Joint Managing Director	24,641,974	Graduate in Economics 8	31	01.01.2010	NA	NA
3	Jain Anurag	Chief Financial Officer	17,169,642	B. Sc 28	52	01.10.1990	NA	NA
4	Sabarwal Vijay	President (Operations)	10,247,358	BE (Mech) 28	52	20.10.2014	Subros Ltd	Sr. Vice President
5	Almeida D Antony	Sr. Vice President (F&A)	7,517,758	M.Com 46	67	01.05.1991	Swan Mills Ltd	Manager
6	Batta K Muneesh	Vice President (Marketing)	7,404,095	MIB, BA 25	49	14.05.1997	Usha International (India)Ltd.	Dy. Manager
7	Gupta Alok	General Manager (Works)	3,976,804	MSc 27	56	15.12.1992	IFFCO	Process Controller
8	Goel Chetan	General Manager (Purchase)	3,717,811	B. E (Mech), MBA (PMIT) 29	52	23.08.2010	Indo Gulf Fertilizer	General Manager
9	Pathak D Govind	General Manager (Technical)	4,371,552	B. Tech (Chem) 25	47	12.08.2013	Continental Carbon India Ltd.	General Manager
10	Walia NS	General Manager (Production)	4,101,631	B. Tech (Chem) 21	44	10.01.2017	Gujarat Fluorochemicals Ltd	Head- Chemicals

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

- The nature of employment is contractual in case of Directors and Permanent for all other employees.
- Mr. Arvind Goenka is related to Mr. J.P. Goenka Chairman of the Board and Mr Akshat Goenka Jt Managing Director
- Mr. Akshat Goenka is related to Mr. Arvind Goenka (Managing Director) and Mr. J.P. Goenka (Chairman)

On behalf of the Board of Directors

	Arvind Goenka	O.P. Dubey
Place: Noida	Managing Director	Director
Date: May 10, 2019	DIN:00135653	DIN:00228441

Report on

Corporate Governance

I. COMPANY'S PHILOSOPHY ON CORPORATE **GOVERNANCE**

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

II. BOARD OF DIRECTORS

A. Composition and Category of the Board

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors. The Chairman of the Board of Directors is a Non-Executive Director and as at March 31, 2019, the Board comprises of 9 Directors out of which 5, comprising of more than one half of the Board strength, are Independent Directors including one woman director and 4 are Non-Independent including 1 Nominee Director representing LIC of India as equity investor. All the Directors are eminent professionals with experience in Business, Industry, Finance and Law. The necessary disclosures regarding other Directorships and committee memberships have been made by all the Directors.

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

Number of Meetings held and Attendance of Directors during the Financial Year 2018-19

During the financial year ended March 31, 2019, four (4) Board Meetings were held on May 29, 2018, July 27, 2018, November 01, 2018 and January 31, 2019. The gap between two meetings is within 120 days.

The composition of Board of the Company and directors' attendance at the board meetings during the year under review and at last Annual General Meeting and also number of other Boards or Board Committee in which the directors are members/chairperson as on March 31, 2019 are as follows:

Name of Directors and Director Identification	Category of directorship	No. of Boa	rd Meetings	Attendance at Last AGM held on July 27, 2018	No. of Directorships held (excluding**)		lemberships# ding**)	Directorship in other listed entity (category of Directorship)
Number (DIN)		Held	Attended			Chairman	Member	
Mr. J P Goenka (DIN:00136782)	Non-Executive Chairman-Promoter Director	4	1	No	3	2	-	Duncan Engineering Limited (Non independent, Non- Executive)
Mr. Arvind Goenka (DIN:00135653)	Managing Director & CEO – Promoter Director	4	4	Yes	3	-	1	Duncan Engineering Limited (Non-Independent, Non- Executive) 2. Asahi Songwon Colors Limited (Independent, Non- Executive)
Mr. Akshat Goenka (DIN:07131982)	Jt. Managing Director – Promoter Director	4	4	Yes	2	-	1	Duncan Engineering Limited (Non independent, Executive)
Mr. O P Dubey (DIN:00228441)	Non-Executive- Independent Director	4	4	Yes	2	2	1	Duncan Engineering Limited (Non independent, Non- Executive)
Mr. S J Khaitan (DIN:00023370)	Non-Executive- Independent Director	4	4	Yes	3	2	3	Indo Rama Synthetics (India) Limited (Independent, Non- Executive) Jindal Stainless Limited (Independent, Non-Executive)

Name of Directors and Director Identification	Category of directorship	No. of Boar	d Meetings	Attendance at Last AGM held on July 27, 2018	No. of Directorships held (excluding**)	Committee Memberships# (excluding**)		Directorship in other listed entity (category of Directorship)
Number (DIN)		Held	Attended			Chairman	Member	
Mr. B B Tandon (DIN:00740511)	Non-Executive- Independent Director	4	4	Yes	6	2	5	Birla Corporation Limited (Independent, Non-Executive) Jaiprakash Power Venture Limited (Independent, Non-Executive) Filatex India Limited (Independent, Non-Executive)4. Duncan Engineering Limited (Independent, Non-Executive)
Mr. K Raghuraman (DIN:00320507)	Non-Executive- Independent Director	4	4	Yes	6	3	4	NACL Industries Limited (Independent, Non-Executive) Rama Phosphates Limited (Independent, Non-Executive) Birla Cable Limited (Independent, Non-Executive) NELCO Limited (Independent, Non-Executive)
Mr. H S Shashikumar (DIN:06674954)	Non-Executive- Nominee Director	4	4	Yes	1	-	-	-
Mrs. Runa Mukherjee (DIN:02792569)	Non-Executive- Independent Director	4	4	Yes	2	-	1	-

^{**}Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

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

Information to the Board

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

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

Re-appointment of Mr. H S Shashikumar, who retires by rotation, being eligible, offers himself for re-appointment.

Mr. H S Shashikumar was appointed as a Nominee Director by LIC on the Board of Directors of the Company on 11.11.2013. Mr. Shashikumar retires by rotation in the ensuing Annual General Meeting and being eligible, offers himself for re-

appointment. The brief resume of Mr. H S Shashikumar is given below:

Mr. Shashikumar aged about 57 years is Chief Executive Officer LIC, HFL AMC based at Mumbai. His career in LIC started in 1984 when he joined as Direct Recruit Officer and has since worked on various assignment in different verticals and across the geographies. He has worked as Sr. Divisional Manager of Mumbai Division, General Manager LIC HFL, Secretary (Mrkg) central Office, Chief (P&GS), central Office, Chief (SBU-Estate), Central Office, Executive Director, Health Insurance, Director, MDC of LIC at Mumbai and Zonal Manager, LIC, Bhopal. He is not a Director of any other Company.

Re-appointment of Mr. O P Dubey, Mr. B B Tandon, Mr. K Raghuraman and Mr. S J Khaitan, Independent Directors of the Company for 2nd term of 5 (five) consecutive years.

The current tenure of Mr. O. P. Dubey, Mr. B. B. Tandon, Mr. K. Raghuraman and Mr. S. J. Khaitan, Independent Directors of the Company are expiring on July 29, 2019. The Nomination and Remuneration Committee and the Board

[#] Only two committee viz. The Audit Committee and the Stakeholders Relationship Committee are considered for this purpose.

of your Company recommended the appointment of Mr. O. P. Dubey, Mr. B. B. Tandon, Mr. S. J. Khaitan and Mr. K. Raghuraman as Independent Directors of the Company for their 2nd term of 5 (five) consecutive years with effect from July 30, 2019 with the approval of Members in the ensuing Annual General Meeting of the Company. The brief profile and other information of the Directors seeking re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been given in the Explanatory Statement to the Notice convening the ensuing Annual General Meeting of the Company.

None of Directors of the Company are disqualified as per applicable provision of the Act and none of the Directors hold any shares of the Company.

Independent Directors

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

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

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

As per the requirement of Schedule IV of the Act, 2013 and the Regulation 25(3) of SEBI Listing Regulations, 1 (one) separate meeting of Independent Directors was held on January 31, 2019 without attendance of Non-Independent Directors and the members of the management. This meeting was conducted in a manner so as to enable the Independent Directors to discuss and review the performance of Non-Independent Directors and the Board as a whole, performance of the Chairman of the Company after taking into account the views of Executive Directors and Non-Executive Directors and for assessing the quality, quantity and timelines of flow of information between the Company management and the Board.

Disclosure of Relationships between Directors inter-se

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

Shareholding of Non-Executive Director(s)

As on March 31, 2019, none of the Non-executive directors was holding any shares or convertible instruments in the Company.

Code of Conduct

A Code of Conduct has been formulated for the Directors and senior management personnel of the Company and the same is available on the Company's website www.occlindia.com. A declaration from the Managing Director that all Board Members and senior management personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2019 forms part of the Annual Report. The duties of the Independent Directors as laid down in the Companies Act, 2013 has been suitably incorporated in the Code of Conduct, as necessary.

Skills/Expertise/Competencies of the Board of Directors

The Board of Directors of the Company consist of eminent qualified professional members from the diverse field, who have significant amount of skills/expertise/competencies and thus make valuable contributions to the Board. The collective contribution of the Board members reflects in the performance of the Company.

In terms of requirement of SEBI Listing Regulations, 2015, the Board has identified the following skills/expertise/competencies of the Directors in context of Company's business for effective functioning:

Global Marketing	Understanding of global business dynamics, understanding of markets & consumers, industry verticals and regulatory jurisdictions.
Strategy and Planning	Understanding of diverse business environment, Experience of having served in large public companies and the Board of diverse industries, Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Risk and compliance oversight	Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance, and monitor risk and compliance management frameworks.
Regulatory Compliance and Governance	Experience in developing governance practices, protecting and serving the interests of all stakeholders, maintaining management accountability, building long-term effective stakeholder relationship and driving corporate ethics and values .
Finance and Accounts	Experience in handling financial management along with an understanding of accounting and financial statements.

Managing Director & CEO Certificate

The certificate pursuant to Regulation 17(8) of SEBI Listing Regulations duly signed by the Managing Director and CFO in respect of the financial year ended March 31, 2019 has been placed before the Board.

III. COMMITTEES OF THE BOARD

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

AUDIT COMMITTEE

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

Composition

As on March 31, 2019, the Audit Committee of the Company comprises of three Non-Executive Independent Directors and One Executive-Promoter Director. The Company Secretary acts as the Secretary to the Audit Committee. The Composition is as under:

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

Mr. S J Khaitan, Non-Executive Independent Director, Member

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

Mr. Akshat Goenka – Jt. Managing Director, Member

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

The Chairman of the Audit Committees was present at the 38th Annual General Meeting of the Company.

b. Terms of Reference:

Powers and role of the Audit Committee:

The powers of Audit Committee include the following:

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

Role:

The role of the Audit Committee includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the

- Company including remuneration for any other services rendered by them;
- Reviewing, with the management, and examination of the financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of subsection 3 of section 134 of the Companies Act. 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - Modified opinion(s) in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus /notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- 7. Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;

- 10. Evaluation of internal financial controls and risk management systems;
- 11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 12. Reviewing the adequacy of internal audit function;
- 13. Reviewing the findings of the internal auditors including matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 14. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 15. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 16. To review the functioning of the Whistle Blower mechanism:
- 17. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
- 18. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

iii) Review of information by the Audit Committee:

The Audit Committee reviews the following information:

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

Meeting & Attendance

There were four meetings of the Committee during the year ended March 31, 2019 on May 29, 2018, July 27, 2018, November 01, 2018 and January 31, 2019. The intervening gap between the Meetings was within the period prescribed of 120 days.

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

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

B. NOMINATION & REMUNERATION COMMITTEE

a. Composition:

As on March 31, 2019, the Company's Nomination and Remuneration Committee comprises of three Non-Executive Independent Directors. The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee. The composition is as under:

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

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

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

Terms of Reference

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

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

Meetings and Attendance

During the financial year 2018-19, one meeting of Nomination and Remuneration Committee was held on May 29, 2018 and attendances of Members were as follows:

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

BOARD EVALUATION

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

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

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

- Appropriate Board size, composition, independence, structure
- Appropriate expertise, skills and leadership initiatives
- Attendance in meetings and participation in discussions
- Adequate knowledge about the Company's business and the economic scenario
- Innovative ideas for growth of the Company's business and economic scenario
- Effectiveness in discharging functions, roles and duties as required

- Review and contribution to strategies, business and operations of the Company
- Expression of independent opinion on various matters taken up by the Board
- Timely flow of information and effective decision making
- Defining roles and effective coordination and monitoring
- Effective and prompt disclosures and communication
- Compliance with applicable laws and adherence to Corporate Governance
- Compliance with Policies, Code of Conduct etc.

REMUNERATION OF DIRECTORS AND DISCLOSURES

Remuneration Policy of the Company

The Remuneration Policy recommended by the Nomination and Remuneration Committee has been accepted by the Board of Directors of the Company. The Committee also decides on payment of commission to executive directors and non-executive directors respectively. The performance evaluation criteria for non-executive including independent directors are laid down by the Committee and taken on record by the Board of Directors.

The objective of the Company's remuneration policy is to ensure that Company's Directors, Key Managerial Personnel and other senior management employees are sufficiently incentivised for enhanced performance. Following criteria shall be followed to determine the remuneration payable to Directors, Key Managerial personnel (KMP) and other Employees.

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

- Increase in stakeholder's wealth
- Target achievement in term of sales, margin visà-vis industry bench mark
- Overall health of organization
- New initiatives taken and diversification by the organization
- Optimum utilization of resources of the organization
- Long term goal setting of the organization

- Industry Pattern
- Risk Mitigation
- Remuneration should be reasonable and sufficient to attract and retain directors of quality.

Remuneration to Independent Directors:-

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

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

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

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

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

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

2. Executive Directors:

The details of remuneration including commission to all Executive Directors for the financial year ended March 31, 2019 is as follows and same is within the ceiling prescribe under applicable provisions of the Act, 2013.

Name and	Service Contact/Notice	Salary (₹)	Commission		Perquisites 	Total (₹)
Designation	Period*		(₹)	to Provident	and other	
				Fund& SAF	allowances	
				(₹)	(₹)	
Mr. Arvind	Appointed as Managing	67,80,000	1,07,82,999	18,30,600	67,57,973	2,61,51,572
Goenka	Director for five years w.e.f.					
	October 01, 2018					
Mr. Akshat	Appointed as Jt. Managing	61,20,000	1,07,82,999	16,52,400	60,86,575	2,46,41,974
Goenka	Director for five years w.e.f. June					
	01, 2018, retire by rotation					

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

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

3. Non-Executive Directors:

The details of sitting fees and annual commission to Non-Executive Directors for the Financial Year 2018-19 are as follows

Name	Service Contact/Notice Period	Sitting Fees* paid (₹)	Commission* Payable (₹)	Number of shares and convertible instruments held in the Company
Mr. J P Goenka	Retire by Rotation	80,000/-	2,40,000/-	Nil
Mr. H S Shashikumar	Retire by Rotation	1,80,000/- (paid	5,40,000/- (paid	Nil
		to LIC of India)	to LIC of India)	
Mr. O P Dubey	Appointed for 5 years as	4,30,000/-	12,90,000/-	Nil
	Independent Director at the			
	Annual General Meeting of the			
	Company held on July 30, 2014			
Mr. B B Tandon	-do-	4,30,000/-	12,90,000/-	Nil
Mr. S J Khaitan	-do-	5,56,000/-	16,68,000/-	Nil
Mr. K Raghuraman	-do-	3,30,000/-	9,90,000/-	Nil
Mrs. Runa Mukherjee	Appointed for 5 years as	2,60,000/-	7,80,000/-	Nil
	Independent Director at the			
	Annual General Meeting of the			
	Company held on July 31, 2015			

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

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a. Composition:

As on March 31, 2019, the Committee comprises of Mr. J P Goenka, Non-Executive Director as Chairman, Mr. Arvind Goenka, Executive Director and Mr. S J Khaitan, Independent Director.

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

b. Terms of Reference:

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

c. Meeting and Attendance:

During the year ended March 31, 2019, 6 (six) meetings of the Committee were held on May 29, 2018, July 17, 2018, July 27, 2018, November 01, 2018, December 18, 2018 and January 31, 2019.

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

Name of the Members	No. of Meetings	
	Held	Attended
Mr. J P Goenka	6	2
Mr. Arvind Goenka	6	6
Mr. S J Khaitan	6	5

d. Investors' Complaints and its redressal:

Shareholders' Complaints and Redressal as on March 31, 2019:

Type of Grievances and Category	Dividend Warrant not received	Shares not Dematerialised	Non-Receipt of Share Certificates	Non-Receipt of Annual Report	Total
Complaint received during the year	2	-	4	-	6
Complaint Resolved during the year	2	-	4	-	6

No Share Transfer/Transmissions/issue of Duplicate share certificates was pending as on March 31, 2019.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

Composition:

As on March 31, 2019, the Committee comprises of Mr. S J Khaitan, an Independent Director, as the Chairman, Mr. Arvind Goenka, Executive Director and Mr. K Raguraman, Independent Director.

Terms of reference:

The terms of reference of CSR Committee are as follows:

1. To formulate, monitor and recommend to the

Board the CSR Policy including the activities to be undertaken by the Company;

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

c. Meeting and Attendance:

During the year ended March 31, 2019, 2 (two) meetings were held on May 29, 2018 and January 31, 2019.

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

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

E. RISK MANAGEMENT COMMITTEE

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

As per the provision of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has a Risk Management Committee of the Board of Directors, which comprises of two Non-Executive Independent Directors and one Executive Director and two senior employees of the Company under the Chairmanship of a Non-Executive Independent Director. During the year Committee met once on January 31, 2019.

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

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

OPERATIONAL AND FINANCE COMMITTEE

As on March 31, 2019, the Committee comprised Mr. Arvind Goenka, Mr. S J Khaitan and Mr. Akshat Goenka.

During the year ended March 31, 2019, 4 (four) meetings were held on April 16, 2018, June 14, 2018, September 26, 2018 and March 28, 2019.

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

Name of the Members	No. of Meetings	
	Held	Attended
Mr. S J Khaitan	4	4
Mr. Arvind Goenka	4	4
Mr. Akshat Goenka	4	4

G. BUYBACK COMMITTEE

Your Company constituted a Buyback Committee comprising of Mr. Arvind Goenka, Managing Director, Mr. Akshat Goenka, Jt. Managing Director, Mr. Anurag Jain, CFO and Mr. Pranab Kumar Maity, Company Secretary.

The Committee was authorised to do all such acts, deeds and attend to matters as it may in its absolute discretion deem necessary, expedient or proper, in relation to the Buyback. The Buyback Committee met on February 27, 2019 to approve, inter alia, the closure of buyback and public notice in relation thereto.

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

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Arvind Goenka	1	1
Mr. Akshat Goenka	1	1
Mr. Anurag Jain	1	1
Mr. P K Maity	1	1

IV. SUBSIDIARY

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

V. GENERAL BODY MEETINGS

Details of Annual General Meetings (AGM)

Financial Year	Date of AGMs	Location	Time	Special Resolutions passed
2017-18	27.07.2018	Williamson Magor Hall (1st Floor), The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata – 700 001	10.30 a.m.	Yes (Four)
2016-17	28.07.2017	Williamson Magor Hall (1st Floor), The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata – 700 001	10.30 a.m.	Yes (one)
2015-16	22.07.2016	ICC Auditorium (10th Floor), Indian Chamber of Commerce, ICC Towers, 4, India Exchange Place, Kolkata – 700001	10.30 a.m.	Yes (one)

Postal Ballot:

Pursuant to Regulation 17 (1A) of the SEBI Listing Obligation & Disclosure Requirements) (Amendment) Regulations 2018, no Listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventyfive years unless a special resolution to that effect is passed by the Members of the Company.

Accordingly, two special resolutions were passed through Postal Ballot including e-voting in March 2019, for continuation of Mr. B. B Tandon (age 78 years) and Mr. O P Dubey (age 78 years) as Non-Executive Independent Directors of the Company for the remaining tenure of their directorship.

The details of postal ballot during the year under review are as follows:

Date of Postal Ballot Notice: 31.01.20	19	Voting Period:26.02.2019 to 27.03.2019				
Date of declaration of result: 29.03.20	eclaration of result: 29.03.2019		Date of Approval: 27.03.2019			
Name of the Resolution	No. of vote polled	Votes cast	Votes cast in favour		t against	
		No. of votes	%	No. of votes	%	
Approval for Continuation of	7190717	7190306	99.9943	411	0.0057	
Mr. Brij Behari Tandon (holding						
DIN 00740511), as a Non-						
executive Independent Director						
of the Company pursuant to						
Regulation 17(1A) of the SEBI						
(Listing Obligation & Disclosure						
Requirements) (Amendment)						
Regulations, 2018						
Approval for Continuation of	7190711	7190220	99.9932	491	0.0068	
Mr. Om Prakash Dubey (holding						
DIN 00228441), as a Non-						
executive Independent Director						
of the Company pursuant to						
Regulation 17(1A) of the SEBI						
(Listing Obligation & Disclosure						
Requirements) (Amendment)						
Regulations, 2018						

Mr. Pawan Kumar Sarawagi (Membership No. FCS 3381), of M/s. P Sarawagi & Associates, Company Secretaries, Kolkata, was appointed as the Scrutinizer to conduct the Postal Ballot and e-voting process in a fair and transparent manner.

Procedure for postal ballot

In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company provides electronic voting (e-voting) facility. in addition to physical ballot, to all its members. For this purpose, Company has engaged M/s. Link Intime India Pvt. Ltd. (LIIPL) as the Agency to provide e-voting facility so as to enable the members to exercise their right to vote on proposed resolution by electronic means i.e., remote e-Voting Services.

Postal ballot notices and forms are dispatched, along with postage-prepaid business reply envelopes to registered members / beneficiaries. The same notice is sent by email to members who have opted for receiving communication through the electronic mode. The Company also publishes a notice in the newspaper declaring the details and requirements as mandated by the Act and applicable rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members who want to exercise their votes by physical postal ballot are requested to return the forms, duly completed and signed, to the scrutinizer on or before the close of the voting period. Those using the e-voting option are requested to vote before the close of business hours on the last date of e-voting.

The scrutinizer completes his scrutiny and submits his report to the Chairman, and the consolidated results of the voting are announced by the Chairman / authorized officer. The results are also displayed on the Company website, www.occlindia.com, besides being communicated to the stock exchanges, depository and registrar and share transfer agent. The last date for the receipt of postal ballot forms or e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority

Remote e-voting and ballot voting at the AGM

To allow the shareholders to vote on the resolutions proposed at the AGM, the Company has arranged for a remote e-voting facility. The Company has engaged Link Intime (India) Pvt. Ltd. to provide e-voting facility to all the members. Members whose names appear on the register of members as on July 19, 2019 shall be eligible to participate in the e-voting.

The facility for voting through ballot will also be made available at the AGM, and the members who have not already cast their vote by remote e-voting can exercise their vote at the AGM.

In the Notice of the forthcoming 39thAnnual General Meeting there was no items of business (Special Resolutions) which require to be conducted through postal ballot.

VI. MEANS OF COMMUNICATION

Financial Results

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

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

Other Information

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

VII.GENERAL SHAREHOLDERS' INFORMATION

i.	Date, time and venue of Annual General Meeting	July 26, 2019, 10.30 A.M., "Williamson Magor Hall (1st Floor)" The Bengal
		Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata – 700 001.
ii.	Financial Year	Financial year of the Company is from April 01 to March 31.
		Publication of results for the Financial Year 2019-20 (tentative and subject to change)
		a) First quarter results : On or before August 14, 2019
		b) Second quarter and half year results: On or before November 14, 2019
		c) Third quarter results: On or before February 14, 2020
		d) Fourth quarter results and results for the year ending March 31, 2019:
		On or before May 30, 2020.
iii.	Dates of book closure	July 20, 2019 to July 26, 2019

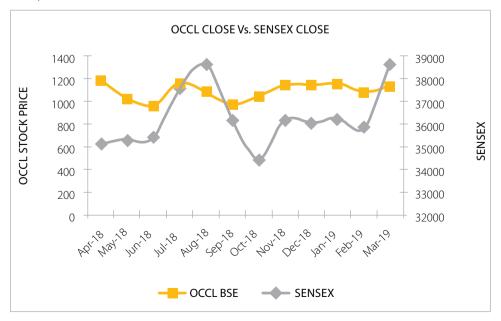
iv.	Dividend payment date	On or before August 14, 2019
V.	Listing of Equity Shares at Stock Exchanges	BSE Limited (BSE)
		Phiroze Jeejeebhoy Towers
		Dalal Street, Mumbai - 400 001
		National Stock Exchange of India Ltd. (NSE)
		Exchange Plaza, Bandra Kurla Complex
		Bandra (E), Mumbai – 400 051
vi.	Payment of Listing Fees	Annual Listing Fees for the Stock Exchanges for the Financial Year 2019-20
		has been duly paid by the Company.
vii.	Stock Code/Symbol	BSE Scrip Code: 506579
		NSE Symbol: OCCL

Stock Market Price Data

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

Month	At BSE		At NSE		
	High	Low	High	Low	
April 2018	1,255.00	1,023.90	1,258.00	1,015.55	
May 2018	1,217.80	1,007.05	1,224.70	1,011.10	
June 2018	1,100.00	926.30	1,110.00	941.00	
July 2018	1,196.60	949.95	1,200.20	956.00	
August 2018	1,230.00	994.00	1,232.00	1,005.00	
September 2018	1,132.00	943.20	1,133.00	966.00	
October 2018	1,070.00	901.00	1,062.00	900.00	
November 2018	1,200.00	1,028.00	1,184.90	1,023.15	
December 2018	1,183.90	1,135.00	1,189.00	1,140.20	
January 2019	1,225.00	1,136.10	1,245.00	1,131.25	
February 2019	1,214.95	1,017.00	1,219.50	1,014.95	
March 2019	1,158.00	1,078.00	1,153.90	1,074.40	

Performance in comparison to broad based indices - BSE Sensex:



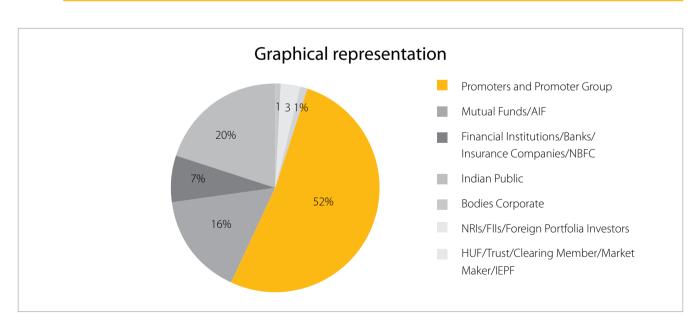
Distribution of Shareholding as on March 2019

Distribution of shareholding by category:

Category	No. of Shares held	% of Shareholding
Promoters and Promoter Group	51,50,675	51.56
Mutual Funds/AIF	15,99,583	16.01
Financial Institutions/Banks/ Insurance Companies/NBFC	6,48,565	6.49
Indian Public	20,23,105	20.25
Bodies Corporate	1,45,676	1.46
NRIs /FIIs/Foreign Portfolio Investors	3,06,636	3.07
HUF/Trust/Clearing Member/Market Maker	73,883	0.74
IEPF	41,969	0.42
Total	99,90,092	100.00

Distribution of shareholding by size:

Range in number of shares held	No. of Shareholders	% of shareholders	No. of shares held	% of shareholding
1 to 500	15,124	95.7094	11,28,148	11.2927
501 to 1000	353	2.2339	2,68,530	2.688
1001 to 2000	172	1.0885	2,53,052	2.533
2001 to 3000	61	0.386	1,48,847	1.4899
3001 to 4000	15	0.0949	52,898	0.5295
4001 to 5000	14	0.0886	65,921	0.6599
5001 to 10000	23	0.1456	1,70,930	1.711
10001 and above	40	0.2531	79,01,766	79.096
Total	15,802	100.00	99,90,092	100.00



Registrar and Transfer Agent

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

Link Intime India Private Limited

59 C Chowringhee Road, 3rd Floor,

Kolkata - 700 020

Phone - 033-2289 0540 Telefax- 033-2289 0539

E-mail: kolkata@linkintime.co.in

Share Transfer System

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

Dematerialisation of shares

The Company's Equity Shares are tradable compulsorily in electronic form and are available for trading in depository systems both National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL). The ISIN of the Company, as allotted by NSDL and CDSL, is INE 321D01016. Nearly 96% of total Subscribed & Paid-up Equity Shares are held in dematerialised form with NSDL and CDSL as at March 31, 2019.

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

Commodity Price Risk or Foreign Exchange Risk and **Hedging Activities**

The Company does not deal in Commodity.

The Company sales revenue comprises of Export sales and Domestic sales and the Company also imports some of its raw materials. The Company also availed Foreign Currency Loan. On account of the foregoing, the Company is exposed to Foreign Exchange Risk. To mitigate the Foreign Exchange Risk, the Company has a policy of hedging 60% to 90% of its Net Foreign currency Exposure through forward covers. The details of Foreign Currency Exposure and Risk with respect to above has also been explained in Note No. 32 to Financial Statement of the Company for the year ended March 31, 2019.

Credit Rating

The Company's Credit Rating has been done by ICRA for Fixed Deposit Programme of ₹5 Crores. The Rating Committee of ICRA has revised the rating for Fixed Deposit Programme from MA (pronounced M A) to MAA- (pronounced M double A minus). ICRA has further assigned outlook for rating as Positive.

Plants Location

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

Address for Correspondence for Share transfer and related matters:

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

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

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

VIII. OTHER DISCLOSURES

a. The Company did not have any materially significant related party transaction, which have potential conflict with the interest of the Company at large. The Board has approved a policy on dealing with related party transaction and same has been uploaded and available on the Company's website (http://www.occlindia.com/ policies/Related_Party_Transactions_Policy_OCCL.pdf).

- Further, the statutory disclosure requirements relating to related party transactions have been complied in the Financial Statement.
- b. The Senior Management of the Company has confirmed to the Board of Directors that they do not have any personal interest relating to material, financial and commercial transactions entered into with the Company that may have a potential conflict with the interests of the Company at large.
- c. The Company has complied with all requirements as per the provisions of the SEBI Listing Regulations as well as other regulations and guidelines of SEBI, issued from time to time. No Penalties have been imposed or stricture has been issued by SEBI, Stock Exchanges or Statutory Authorities on matters relating to Capital Markets during the last three years.
- The Company has in place Vigil Mechanism / Whistle Blower Policy as required and it is affirmed that no personnel has been denied access to the Audit Committee.
- There are no material listed/unlisted subsidiary companies as defined in Regulation 16(1)(c) of the SEBI Listing Regulations. The Board has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of Regulation 16(1)(c) of the SEBI Listing Regulations.
- The Company has adopted a Code of Conduct to regulate, monitor and report trading by Insiders as per SEBI (Prohibition of Insider Trading) Regulations, 2015, as approved by the Board of Directors, with a view to regulate trading in securities by the Director, Key Managerial Persons and other designated persons.
 - Mr. Pranab Kumar Maity, Company Secretary & DGM Legal, is the Compliance Officer who also acts as the Chief Investor Relations Officer.
- Mr. Sahadeb Rath of M/s. S. Rath & Co., Practising Company Secretary, has issued a certificate as required under Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Companies by SEBI/Ministry of Corporate Affairs or any

- such statutory authority. The certificate is enclosed and form part of this report.
- h. M/s S S Kothari Mehta & Co., Chartered Accountants (Firm registration No. 000756N) have been appointed as Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fee, on consolidated basis is given below:

Particulars		Amount
Audit Fees		20.80
Certificates & other matters		3.85
For Tax Audit		3.75
Reimbursement of expenses		0.4
	Total	28.88

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy line with the requirements of the Sexual Harassment of Women at Work place (Prevention, Prohibition & Redressal) Act, 2013. An internal committee has been setup to redress complaints received regarding sexual harassment. No complaints received during the year under review.

- X. The Company has complied with all mandatory requirements as prescribed in the SEBI Listing Regulations and Act, 2013.
- X. The Company has also complied with the discretionary requirements with regard to:
 - (i) reporting of Internal Auditor directly to Audit Committee,
 - (ii) moving towards regime of unqualified financial statements.
 - (iii) separating the post of Chairman and Managing Director / Chief Executive Officer and
 - (iv) formation of Risk Management Committee.
- XI. The Company has complied with all applicable requirement specified in Regulations 17 to 27 and clauses (b) to (i) of subregulation (2) of regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

On behalf of the Board of Directors

Arvind Goenka O P Dubey Managing Director Director DIN-00135653 DIN-00228441

CERTIFICATE OF NON-DISOUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Oriental Carbon & Chemicals Limited having CIN - L24297WB1978PLC031539 and having registered office at 31, Netaji Subhas Road, Kolkata (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company (Current Term)
1.	Mr. Jagdish Prasad Goenka	00136782	28-07-2017
2.	Mr. Arvind Goenka	00135653	01-10-2018
3.	Mr. Akshat Goenka	07131982	01-06-2018
4.	Mr. Suman Jyoti Khaitan	00023370	30-07-2014
5.	Mr. Brij Behari Tandon	00740511	30-07-2014
6.	Mr. Om Prakash Dubey	00228441	30-07-2014
7.	Mr. Kailasam Raghuraman	00320507	30-07-2014
8.	Mr. H S Shashikumar	06674954	22-07-2016
9.	Mrs. Runa Mukherjee	02792569	31-07-2015

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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.

For. S. Rath & Co.

Sahadeb Rath

Proprietor Membership No.-ACS13298

CP No.-3452

Date: 10.05.2019 Place: Kolkata

CERTIFICATE ON CORPORATE GOVERNANCE

To.

The Members.

Oriental Carbon & Chemicals Limited

We have examined the compliance of conditions of Corporate Governance by Oriental Carbon & Chemicals Limited ("the Company") for the year ended March 31, 2019, as stipulated in Regulations 17-27 and clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges.

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

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

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

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2019.

Certification

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

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

Restriction on use

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

For. S. Rath & Co.

Sahadeb Rath

Proprietor

Membership No.-ACS13298

CP No.-3452

Date: 10.05.2019 Place: Kolkata

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER IN TERMS OF REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

То

The Board of Directors.

Oriental Carbon & Chemicals Limited

We hereby certify that:-

- (A) We have reviewed financial statements of the Company as on 31st March 2019 and the cash flow statement of the Company for the period ended as on that date and to the best of our knowledge and belief:
 - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading,
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws and regulations.
- (B) To the best of our knowledge and belief, the Company has not entered into any transactions during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (C) We accept the responsibility for establishing and maintaining internal controls for the financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have also disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (D) We have also indicated to the auditors and the Audit Committee:-
 - (1) Significant changes in internal control over financial reporting during the year, if any;
 - (2) Significant changes in accounting policies during the year, if any and the same have been disclosed in the notes to the financial statements; and
 - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours faithfully

For Oriental Carbon & Chemicals Limited

For Oriental Carbon & Chemicals Limited

Anurag Jain

CFO

Arvind Goenka

Managing Director & CEO

DIN: 00135653

Place: Noida Date: May 10, 2019

DECLARATION BY THE MANAGING DIRECTOR AND CEO UNDER REGULATION 26(3) READ WITH PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING COMPLIANCE WITH CODE OF CONDUCT

То

The Board of Directors,

Oriental Carbon & Chemicals Limited

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended on March 31, 2019.

Arvind Goenka

Managing Director & CEO DIN: 00135653

Place: Noida Date: May 10, 2019

Standalone Financial Statement

Independent Auditors' Report

To The Members Oriental Carbon & Chemicals Limited

Report on the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of Oriental Carbon & Chemicals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No. Key Audit Matter Auditor's Response

The Company recognizes revenue on satisfaction of performance obligations upon transfer of control of promised products to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those products. In determining the transaction price for the sale, the Company considers the effects of variable consideration and consideration receivable from the customer. At 31 March, 2019, the Company's statement of profit and loss included Sales of ₹38763.86 lakhs. The nature of rebates and sales returns, if any, involve judgment in determining sales revenues and revenue cut-off. The risk is, therefore, that revenue may not be recognised in the correct period or that revenue and associated profit is misstated.

- We performed walkthroughs to understand the adequacy and the design of the revenue cycle for all significant components. We tested controls in the revenue and trade account receivables cycles over the accuracy and timing of revenue accounted in the financial statements.
- We checked the contracts of customers along with revenue recognition policy applied by the Company to ensure satisfaction of performance obligation upon transfer of control of products to customer at a point in time. Our checking procedure includes consideration of the accounting and presentation of the rebates and discount arrangements.
- In addition to substantive analytical reviews performed to understand how the revenue has trended over the year, we performed a detailed testing on transactions around the year-end, ensuring revenues were recognised in the correct accounting period. We also tested journal entries recognised to revenue focusing on unusual or irregular transactions.
- We validated the appropriateness and completeness of the related disclosures in Note 14 of the financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report particularly with respect to the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements. our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information identified above If, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements.

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone **Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error. design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flow and Statement of Change in Equity dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with relevant rule issued thereunder.

- (e) On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of sub-section 2 of section 164 of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 - In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". and
- (h) 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:
 - The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements – Refer Note 28 to the standalone financial statements.
 - ii. The Company has made adequate provision, as required under the law or accounting standards for material foreseeable losses, if any on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S S KOTHARI MEHTA & COMPANY

Chartered Accountants Firm Registration Number: 000756N

NAVEEN AGGARWAL

Place: Noida Partner Date: May 10, 2019 Membership Number: 094380

"Annexure A" to the Independent Auditors' Report

The Annexure as referred in paragraph (1) 'Report on Other Legal and Regulatory Requirements of our Independent Auditors' Report to the members of Oriental Carbon & Chemicals Limited on the standalone financial statements for the year ended March 31, 2019, we report that:

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

Particular	No. of	Gross Book Value	Net Book Value
	Cases	(₹ In lakhs)	(₹ In lakhs)
Building *	1	3501.99	3376.11

^{*}Also refer Note No. 2(ii)

- The inventory has been physically verified except stock lying with third parties by the management at reasonable interval during the year. As far as we could ascertain and accordingly to the information and explanations given to us, no material discrepancies were noticed between the physical stock and book records.
- The Company has granted unsecured loan to a company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). However, The Company has not granted any loans to Firms, Limited Liability Partnership Firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
 - (a) In our opinion, the terms and conditions of the grant of such loan are not prejudicial to the interest of the Company.
 - (b) The Company has stipulated schedule of repayment of principal and payment of interest and repayment of the principal amount and receipt of interest are not due at balance sheet date.
- iv. According to the information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013 with respect to the loans, investments, guarantees and security provided.

- The Company has complied with the directives issued by the Reserve Bank of India and the provisions of the section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder as applicable. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other authority.
- We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for the maintenance of cost records under sub-section 1 of Section 148 of the Companies Act, 2013, in respect of the manufacture of Insoluble Sulphur and chemicals and are of the opinion that, prima facie, the prescribed records and accounts have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determining whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods and Service Tax, custom duty, Cess and other material statutory dues with the appropriate authorities to the extent applicable and further, there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at March 31, 2019.
 - (b) According to the records and information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, duty of excise, duty of custom, value added tax or Goods and Service Tax which have not been deposited on account of any dispute except as given below:

Name of Statute	Nature of Dues	Period (Assessment Year)	Amount (₹ in lakhs)	Forum where dispute pending
Income	Income	2011-12	32.30	ITAT Kolkata
Tax Act,	Tax			
1961				

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

- ix. According to the information and explanation given to us, the Company has not raised moneys by way of initial public offer (IPO) or further public offer (including debt instruments) during the year. The term loans were applied for the purposes for which they are raised.
- x. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with provision of section 177 & 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable.

For S S KOTHARI MEHTA & COMPANY

Chartered Accountants Firm Registration Number: 000756N

NAVEEN AGGARWAL

Place: Noida Date: May 10, 2019

Partner Membership Number: 094380

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

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

We have audited the internal financial controls over financial reporting of Oriental Carbon & Chemicals Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S S KOTHARI MEHTA & COMPANY

Chartered Accountants Firm Registration Number: 000756N

NAVEEN AGGARWAL

Place: Noida Partner Membership Number: 094380 Date: May 10, 2019

Standalone Balance Sheet as at March 31, 2019

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I ASSETS			
1. Non Current Assets			
a. Property, Plant & Equipment	2	34,386.74	30,772.70
b. Capital work in Progress		332.99	4,035.97
c. Other Intangible Assets	3	47.82	61.24
d. Financial Assets	-		
i. Investments	4a	2,428.01	2,302.11
ii. Loans	4c	29.51	35.32
iii. Other Financial Assets	4g	686.15	586.34
e. Other Non Current Assets	6	114.14	215.21
TOTAL NON CURRENT ASSETS		38,025.36	38,008.89
2. Current Assets			
a. Inventories	5	4,630.66	3,856.63
b. Financial Assets			
i. Investments	4b	8,352.83	5,279.34
ii. Trade Receivables	4d	8,366.01	7,557.54
iii. Cash and cash Equivalents	4e	176.08	962.21
iv. Bank Balances other than iii) above	4f	193.08	186.95
v. Loans	4c	54.33	498.14
vi. Other Financial Assets	4g	211.75	66.77
d. Other Current Assets	6	1,180.76	859.09
TOTAL CURRENT ASSETS		23,165.50	19,266.67
TOTAL ASSETS		61,190.86	57,275.56
II. EQUITY AND LIABILITIES			
A Equity			
a. Equity Share Capital	7	1,000.53	1,031.13
b. Other Equity	8	40,352.95	37,750.42
TOTAL EQUITÝ		41,353.48	38,781.55
B Liabilities			
1. Non Current Liabilities			
a. Financial Liabilities			
i. Borrowings	9a	7,168.28	6,870.06
ii. Other Financial Liabilities	9d	20.45	26.73
b. Provisions	11	278.01	236.61
c. Deferred Tax Liabilities (Net)	12	2,767.31	2,056.18
TOTAL NON CURRENT LIABILITIES		10,234.05	9,189.58
2. Current Liabilities			
a. Financial Liabilities			
i. Borrowings	9b	3,059.38	2,903.03
ii. Trade Payables	9c		
Dues of Micro Enterprises and Small Enterprises			
Dues of Creditors Other than Micro Enterprises and Small Enterprises		1,769.71	1,883.95
iii. Other Financial Liabilities	9e	3,989.78	3,665.55
b. Other Current Liabilities	13	616.07	717.58
c. Income Tax Liability (Net)	10	92.96	44.70
d. Provisions	11	75.43	89.62
TOTAL CURRENT LIABLITIES		9,603.33	9,304.43
TOTAL EQUITY AND LIABILITIES	1 22	61,190.86	57,275.56
Notes to Accounts	1 - 33		

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

As per our Report of even date attached

For and on behalf of the Board of Directors

For S S Kothari Mehta & Company

Arvind Goenka O.P. Dubey Chartered Accountants Firm Reg. No. 000756N Managing Director Director

Naveen Aggarwal P.K. Maity Anurag Jain Company Secretary Chief Financial Officer Partner

Membership No. 094380

Place : Noida

Date: 10th May, 2019

Standalone Statement of Profit and Loss for the year ended March 31, 2019

(₹ in lakhs)

Pa	rticulars	Note No.	For the Year ended March 31, 2019	For the Year ended March 31, 2018
ī.	Revenue from Operations	14	38,763.86	33,202.51
II.	Other Income	15	940.12	543.97
III.	Total Revenue (I+II)		39,703.98	33,746.48
IV.	Expenses:			
	Cost of materials consumed	16	10,738.39	8,120.17
	Changes in Inventories of finished goods,			
	work in progress and stock in trade	17	(430.62)	(513.86)
	Excise Duty		-	380.00
	Employee benefit expense	18	4,541.92	3,932.55
	Finance costs	19	824.68	785.27
	Depreciation and amortisation expense	20	1,859.37	1,634.07
	Other expenses	21	11,912.76	11,444.97
	Total (IV)		29,446.50	25,783.17
٧	Profit before tax (III-IV)		10,257.48	7,963.31
VI.	Tax expense	23		
	Current tax		2,075.81	1,692.19
	Deferred Tax (Net)		807.53	596.11
VII	Profit for the period (V-VI)		7,374.14	5,675.01
VII	. Other Comprehensive Income (Net of Tax)			
	Items that will not be reclassified to Profit or Loss			
	Remeasurement Gain or (Loss) on Defined Benefit Plans		(8.68)	15.10
	Income Tax on the above item		3.03	(5.28)
	Net Gain or (Loss) on FVTOCI on Equity Investments		125.90	62.30
	Income Tax on the above item		(29.33)	(14.37)
	Total Other Comprehensive Income (Net of Tax)		90.92	57.75
IX.	Total Comprehensive income for the period (VII+VIII) (Comprising profit (Loss) and Other Comprehensive Income for the period)		7,465.06	5,732.76
Χ.	Earnings per equity shares :			
	Basic & Diluted	25	72.09	55.12
No	tes to Accounts	1 - 33		

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

As per our Report of even date attached

For and on behalf of the Board of Directors

Arvind Goenka

Managing Director

For S S Kothari Mehta & Company

Chartered Accountants Firm Reg. No. 000756N

> P.K. Maity Anurag Jain Company Secretary Chief Financial Officer

Membership No. 094380

Place : Noida

Partner

Date: 10th May, 2019

Naveen Aggarwal

O.P. Dubey

Director

Standalone Cash Flow Statement for the year ended March 31, 2019

(₹ in lakhs)

		Currer	it Year	Previou	ıs Year
Α.	Cash Flow From Operating Activities				
	Net Profit before tax	10,257.48		7,963.31	
	Adjustments for:				
	Depreciation & Amortisation Expense	1,859.37		1,634.07	
	Loss on Sale / Discard of Property, Plant & Equipment (Net)	259.61		130.88	
	Finance Costs	824.68		785.27	
	Interest Income	(196.04)		(134.72)	
	Effect of Exchange Rate Change on Borrowings	201.14		143.04	
	Debts earlier written off, now recovered	(0.05)		(2.27)	
	(Gain) / Loss on Redemption / Sale of Current Investments	(117.75)		(107.67)	
	Bad Advances / Debts	53.09		5.80	
	Remeasurement Gain / (Loss) on Defined Benefit Plans	(8.68)		15.10	
	(Gain) / Loss on financial assets measured at fair value through Profit or loss (Net)	(187.07)		(103.26)	
	Dividend on Current Investments	(30.69)		(71.32)	
	Operating Profit before Working Capital Changes	12,915.09		10,258.23	
	Adjustments for:				
	Trade and Other Receivables	(1,366.92)		190.06	
	Inventories	(774.03)		(637.83)	
	Trade and Other Payables	92.15		474.95	
	Cash generated from Operations before tax	10,866.29		10,285.41	
	Direct Tax Paid (Net)	(2,015.14)		(1,615.59)	
	Net Cash from Operating Activities		8,851.15		8,669.82
В.	Cash Flow From Investing Activities				
	Payments for purchase of Property, Plant & Equipment including Capital work in progress, Intangible Assets and Capital Advances	(2,249.97)		(6,188.83)	
	Proceeds from sale of Property, Plant & Equipment	11.80		83.64	
	Loans and Advances to Subsidiary / Other Companies (Net)	449.47		166.63	
	Purchase and Sale of Current Investments (Net)	(2,768.67)		(2,013.97)	
	Movement in Fixed deposits with Banks	(24.24)		572.13	
	Dividend on Current Investments	30.69		71.32	
	Interest Received	51.06		154.12	
	Net Cash used in investing activities		(4,499.86)		(7,154.96)
C.	Cash Flow From Financing Activities				
	Dividend Paid	(1,131.87)		(1,029.60)	
	Tax on Dividend	(232.81)		(209.60)	
	Payment for Buyback of Equity Shares & Cost (Gross)	(3,540.86)		-	
	Proceeds from Borrowing - Non Current	2,424.89		2,286.98	
	Repayment of Borrowing - Non Current	(1,960.71)		(1,537.10)	

Standalone Cash Flow Statement for the year ended March 31, 2019

(₹ in lakhs)

	Curre	nt Year	Previous Year	
Borrowing - Current (Net)	113.99		576.73	
Interest and Financial Costs paid (excluding Transfer to Capital Work-in- Progress)	(810.05)		(820.74)	
Net Cash From Financing Activities		(5,137.42)		(733.33)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)		(786.13)		781.53
Opening Balance of Cash and Cash Equivalents		962.21		180.68
Closing Balance of Cash and Cash Equivalents		176.08		962.21
Cash & Cash Equivalents Comprise				
Cash on Hand		1.39		2.69
Balance with Scheduled Banks in Current Accounts and fixed deposits maturing within 3 months		174.69		959.52
		176.08		962.21

Notes:

- (i) Figures in bracket represent outflows.
- (ii) Cash & cash equivalents excludes ₹137.58 lakhs (Previous Year ₹124.45 lakhs) lying in designated account with scheduled banks on account of unclaimed dividend and ₹55.50 lakhs (Previous Year ₹62.50 lakhs) in fixed deposits with banks maturing beyond three months are shown under investing activities.
- (iii) Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

Change in Liability arising from financing activities

(₹ in lakhs)

Chief Financial Officer

	April 01, 2018	Cash Flow	Foreign Exchange Movement	March 31, 2019
Borrowings - Non Current & Current Maturities (Refer Note 9(a))	8,829.24	464.18	158.78	9,452.20
Borrowings - Current (Refer Note 9(b))	2,903.03	113.99	42.36	3,059.38
	11,732.27	578.17	201.14	12,511.58

As per our Report of even date attached

For and on behalf of the Board of Directors

For S S Kothari Mehta & Company Chartered Accountants

Arvind Goenka O.P. Dubey Firm Reg. No. 000756N Managing Director Director Naveen Aggarwal P.K. Maity Anurag Jain

Partner Company Secretary

Membership No. 094380

Place : Noida Date: 10th May, 2019

Standalone Statement of Changes in Equity for the year ended March 31, 2019

Equity Share Capital

(₹ in lakhs) Balance as at March 31, 2018 1,031.13 Less: Buyback of 305970 Equity Shares of ₹10/- each under Open Market Route through Stock Exchange during the year (Refer Note No. 7(d)) (30.60) Balance as at March 31, 2019 1,000.53

b) Other Equity								(₹ in lakhs)
Particulars	Reserves Other Comprehensive Incom						Total	
		(OCI)			Other			
	Capital	Securities	Capital	General	Retained	Items that will not be		Equity
	Reserve	Premium	Redemption	Reserve	Earnings	Reclassified to I		
			Reserve			Remeasurement Gain / (Loss)	Equity Instruments	
						of the defined benefit plans (Net of Tax)	through OCI (Net of Tax)	
Balance as at	1,732,18	1,792.64	0.25	2,613.88	26,598.97	(72.85)	591.79	33,256.86
March 31, 2017	1,7 32.10	1,7 52.0 1	0.23	2,013.00	20,330.37	(, 2.03)	351.,5	33,230.00
Profit/(Loss) for the year	_	_	-	-	5,675.01	_	-	5,675.01
ended March 31, 2018					, , , , , , , , , , , , , , , , , , , ,			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Other comprehensive	-	-	-	_	-	9.82	47.93	57.75
income (net of tax) for the								
year March 31, 2018								
Dividend including	-	-	-	-	(1,239.20)	-	-	(1,239.20)
Corporate Dividend Tax								
Balance as at 31 March	1,732.18	1,792.64	0.25	2,613.88	31,034.78	(63.03)	639.72	37,750.42
2018								
Profit/(Loss) for the year	-	-	-	-	7,374.14	=	-	7,374.14
ended March 31, 2019								
Amount paid upon	-	(1,769.54)	-	(1,705.21)	-	-	-	(3,474.75)
Buyback			20.60	(20.50)				
Amount Transferred to	-	=	30.60	(30.60)	-	=	-	-
Capital Redemption								
Reserve upon Buyback Transaction costs related		(22.10)						(22.10)
	-	(23.10)	-	-	-	-	-	(23.10)
to Buyback (net of tax) Other comprehensive						(5.65)	96.57	90.92
income (net of tax) for	-	-	-	-	_	(5.05)	90.57	90.92
the year ended March 31,								
2019 Dividend including	_				(1,364.68)			(1,364.68)
Corporate Dividend Tax	_	_	-	-	(1,304.00)	_	-	(1,304.00)
Balance as at March 31,	1,732.18	_	30.85	878.07	37,044.24	(68.68)	736.29	40,352.95
2019	1,7 32.10		30.03	0,0.07	37,011.27	(00.00)	, 50.25	.0,332.33
2017						l .		

As per our Report of even date attached

For and on behalf of the Board of Directors

For S S Kothari Mehta & Company

Chartered Accountants Arvind Goenka O.P. Dubey Firm Reg. No. 000756N Managing Director Director

Naveen Aggarwal P.K. Maity Anurag Jain Company Secretary Chief Financial Officer Partner

Membership No. 094380

Place: Noida Date: 10th May, 2019

1. Company Overview, Basis of Preparation and Significant Accounting Policies

Corporate Information

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

BASIS OF PREPARATION Ш

Statement of compliance

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

These financial statements were authorised for issue by the Board of Directors on May 10, 2019

b) Basis of measurement

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

- Certain financial assets and liabilities (including derivative instruments) measured at Fair Value / Amortised Cost;
- ii. Defined benefit plan assets measured at Fair Value;

Functional and presentation currency

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

d) Current or Non current classification

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

e) Use of judgements and estimates

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

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

Measurement of defined benefit obligations;

Recognition of deferred tax assets & MAT credit entitlement;

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

Measurement of Fair Value of Current Investments;

Measurement of fair value of Equity Investments.

III SIGNIFICANT ACCOUNTING POLICY

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

Property, plant and equipment

i) Recognition and measurement

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

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

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

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

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

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

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

ii) Depreciation

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

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

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

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

Intangible assets

i) Recognition and measurement

Intangible Assets Acquired Separately

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

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

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

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

ii) Amortisation

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

The estimated useful lives are as follows:

Software: 5 years

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

Impairment of non-financial assets

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

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

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

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

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

d) Financial Instruments

i) Initial recognition

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

ii) Subsequent measurement

(a) Financial assets carried at amortised cost

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

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

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

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

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

(d) Financial liabilities

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

(e) Reclassification of Financial Assets and Financial Liabilities

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

(f) Investment in subsidiary

Investment in subsidiary is carried at cost.

iii) Impairment of financial assets

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

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

iv) Derecognition

Financial Assets

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

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

Financial Liabilities

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

v) Derivative financial instruments

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

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

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

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

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

(vi) Offsetting

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

Fair value measurement

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

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

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

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

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

f) Inventories

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

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

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

g) Provisions, Contingent Liabilities and Contingent Assets

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

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

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

h) Revenue from contracts with customers

The Company derives revenue from sale of Insoluble Sulpur, Sulphuric Acid and Oleum.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognise revenue when or as an entity satisfies performance obligation.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 14 and disclosures of transition approach along with impact of adoption of Ind AS 115 on financial statements are provided in Note 1(t).

Sale of goods

For Sale of goods, revenue is recognised on satisfaction of performance obligation upon transfer of Control of promised products to Customers at an amount that reflects the Consideration, the Company expects to receive in exchange for those products.

Other Revenue Streams

Export Benefits

In case of direct exports made by the Company, export benefits arising from Drawback, Merchandise Export Incentive Scheme are recognised on shipment of direct exports.

Revenue from exports benefits measured at the fair value of consideration received or receivable net of returns.

Interest Income

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

Dividends

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

Employee Benefits

i) Short term employee benefits

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

ii) Defined contribution plans

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

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

iii) Defined benefit plans

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

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

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

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

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

iv) Other long-term employee benefits

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

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

k) Foreign currency transactions

Initial recognition:

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

Conversion:

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

Exchange difference:

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

Research and Development Expenses

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

m) Borrowing costs

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

n) Income Tax

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

i) Current tax

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

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

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) Deferred tax

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

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- temporary differences related to investments in subsidiary to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

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

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

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

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

Deferred tax assets and liabilities are offset only if:

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

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

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

o) Segment Reporting

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

p) Cash and cash equivalents

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

g) Cash flow statement

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

r) Lease

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

Company as lessee under operating lease

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

Earning per share

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

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

Changes in accounting policies and disclosures

New and amended standards

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of new accounting standards are described below. Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on March 28, 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption. The change did not have a material impact on the financial statements of the Company.

Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Considerations

The appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the de-recognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or nonmonetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the date of the transactions for each payment or receipt of advance consideration. This Interpretation does not have any impact on the Company's financial statements.

Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments do not have any impact on the Company as the Company has no deductible temporary differences or assets that are in the scope of the amendments.

Standards issued but not effective upto the date of Financial Statements

Ind AS 116 Leases

Ind AS 116 Leases was notified by MCA on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees- leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases

The Company intends to adopt these standards from April 01 2019. The impact on adoption of Ind AS 116 on the financial statements is given below. Ind AS 116 also requires lessees and lessors to make more extensive disclosures than under Ind AS 17.

2. Property, Plant & Equipment

(₹ in lakhs)

										(× 111 1alx113)
									Net	Net
	Gross Carrying Value					Depreciation /	' Amortisation		Carrying	Carrying
Description									Value	Value
Description	As at	Additions/	Sales/	As at	As at	Additions/	Sales/	As at	As at	As at
	April 1,	adjustments	adjustments	March	March 31,	Adjustments	Adjustments	March 31,	March 31,	March
	2017	aujustinents	aujustinents	31, 2018	2017	Aujustinents	Aujustilielits	2018	2018	31, 2017
Land - Freehold	141.34	21.25	-	162.59	-	-	-	-	162.59	141.34
- Leasehold	828.41	-	-	828.41	156.39	28.81	-	185.20	643.21	672.02
Building	14,306.16	435.09	2.07	14,739.18	1,809.55	334.04	0.74	2,142.85	12,596.33	12,496.61
Plant & Equipment	23,020.58	1,347.89	434.63	23,933.84	7,571.30	906.69	219.95	8,258.04	15,675.80	15,449.28
Electrical Installations	2,288.72	39.70	1.52	2,326.90	1,096.40	173.29	0.82	1,268.87	1,058.03	1,192.32
Furniture and Fixture	386.74	10.11	0.36	396.49	143.10	32.16	0.36	174.90	221.59	243.64
Vehicles	411.69	156.59	66.63	501.65	279.76	75.56	63.30	292.02	209.63	131.93
Air Conditioners and	169.35	3.55	2.51	170.39	56.31	26.95	1.47	81.79	88.60	113.04
coolers										
Office Equipment	331.93	35.30	2.55	364.68	211.48	38.42	2.14	247.76	116.92	120.45
Total	41,884.92	2,049.48	510.27	43,424.13	11,324.29	1,615.92	288.78	12,651.43	30,772.70	30,560.63

(₹ in lakhs)

Description	Gross Carrying Value			Depreciation / Amortisation				Net Carrying Value	Net Carrying Value	
Description	As at April 1, 2018	Additions/ adjustments	Sales/ adjustments	As at March 31, 2019	As at March 31, 2018	Additions/ Adjustments	Sales/ Adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Land - Freehold	162.59	-	-	162.59	-	-	-	-	162.59	162.59
- Leasehold	828.41	-	-	828.41	185.20	28.81	-	214.01	614.40	643.21
Building	14,739.18	642.35	-	15,381.53	2,142.85	357.29	-	2,500.14	12,881.39	12,596.33
Plant & Equipment	23,933.84	4,459.05	477.95	27,914.94	8,258.04	1,082.79	207.98	9,132.85	18,782.09	15,675.80
Electrical Installations	2,326.90	369.28	1.37	2,694.81	1,268.87	199.61	1.37	1,467.11	1,227.70	1,058.03
Furniture and Fixture	396.49	33.53	4.78	425.24	174.90	32.80	4.01	203.69	221.55	221.59
Vehicles	501.65	172.07	21.88	651.84	292.02	74.52	20.79	345.75	306.09	209.63
Air Conditioners and coolers	170.39	16.71	9.00	178.10	81.79	25.62	8.01	99.40	78.70	88.60
Office Equipment	364.68	37.18	72.12	329.74	247.76	35.91	66.16	217.51	112.23	116.92
Total	43,424.13	5,730.17	587.10	48,567.20	12,651.43	1,837.35	308.32	14,180.46	34,386.74	30,772.70

Notes:

- (i) Gross Block includes ₹158.57 lakhs (Previous year ₹47.95 lakhs) purchased under Car Finance Scheme.
- (ii) Building includes properties costing ₹3501.99 lakhs pending for registration (Previous year ₹3,447.22 lakhs)
- (iii) In accordance with Ind AS-101 the exchange differences arising on translation of long term foreign currency loans taken for acquisition of depreciable assets before the transition date are being capitalised and accordingly the net exchange difference for the year amounting to ₹52.12 lakhs (Previous year ₹99.94 lakhs) have been capitalised.

3. Intangible Assets

(₹ in lakhs)

										(*)
Description	Gross Carrying Value				Amortisation				Net Carry	ing Value
	As at	Additions/	Sales/	As at	As at	Additions/	Sales/	As at	As at	As at
	April 1,	adiustments	adjustments	March	March 31,	Additions/		March 31,	March 31,	March
	2017	aujustinents	aujustinents	31, 2018	2017	Aujustinents	Aujustinents	2018	2018	31, 2017
Computer Software	251.01	29.77	-	280.78	201.39	18.15	-	219.54	61.24	49.62
Total	251.01	29.77	-	280.78	201.39	18.15	-	219.54	61.24	49.62

(₹ in lakhs)

										(VIII Idiki 15)
	Gross Carrying Value				Amortisation				Net Carrying Value	
Dan andreast and	As at	Additions/	Sales/	As at	As at	Additions/	Sales/	As at	As at	As at
Description	April 1,	adiustments	adiustments	March	March 31,	Adjustments		March 31,	March 31,	March
	2018	aujustinents	aujustinents	31, 2019	2018	Aujustinents	Aujustinents	2019	2019	31, 2018
Computer Software	280.78	8.60	-	289.38	219.54	22.02	-	241.56	47.82	61.24
Total	280.78	8.60	-	289.38	219.54	22.02	-	241.56	47.82	61.24

4. Financial Assets

4(a) NON CURRENT INVESTMENTS

(₹ in lakhs)

	Face Vale	As at March 31, 2019		As at March	n 31, 2018
	/ Share	No. of Share	Value	No. of Share	Value
(i) Quoted, Equity shares fully paid up					
Investments Carried at Cost					
Investment in Equity instruments (Subsidiary)					
Duncan Engineering Limited (Formerly known as Schrader	10/-	1848500	1,453.65	1848500	1,453.65
Duncan Ltd.)					
(ii) Unquoted, Equity shares fully paid up					
Investments Carried at Fair Value Through OCI					
Investment in Equity instruments (Others)					
Duncan International (India) Limited	100/-	8351	367.63	8351	319.54
New India Investment Corporation Limited	75/-	3353	606.73	3353	528.92
TOTAL			2,428.01		2,302.11
Agreegate Market Value of Quoted Investments			1,323.53		1,283.78
Agreegate Fair Value of Unquoted Investments			974.36		848.46

4(b) CURRENT INVESTMENTS

Da	rticulars	As at	As at
Ра	TUCUIDIS	March 31, 2019	March 31, 2018
In۱	restment in Mutual Funds at FVTPL (Quoted)		
a.	Edelweiss Arbitrage Fund Dividend-DR	-	202.67
	(March 31, 2019 Nil Units; March 31, 2018 1936279.528 Units)		
b.	ICICI Prudential Equity Arbitrage Fund Dividend-DR	-	303.81
	(March 31, 2019 Nil Units; March 31, 2018 2227297.793 Units)		
C.	Kotak Equity Arbitrage Fund Regular Plan Monthly Dividend-DR	=	405.43
	(March 31, 2019 Nil Units; March 31, 2018 3791639.870 Units)		
d.	Reliance Arbitrage Advantage Fund Monthly Dividend Plan-DR	-	406.40
	(March 31, 2019 Nil Units; March 31, 2018 3841165.636 Units)		10000
e.	SBI Arbitrage Opportunities Fund-Direct-Dividend Plan	-	180.93
_	(March 31, 2019 Nil Units; March 31, 2018 1278725.570 Units)		604.05
f.	SBI Treasury Advantage Fund-Direct Plan-Daily Dividend	-	601.95
	(March 31, 2019 Nil Units; March 31, 2018 30428.410 Units)		21602
g.	SBI Corporate Bond Fund - Direct Plan Growth	-	216.82
	(March 31, 2019 Nil Units; March 31, 2018 753843.660 Units)		162.00
<u>h.</u>		-	162.00
-	(March 31, 2019 Nil Units; March 31, 2018 1248312.947 Units)		(22.52
i.	DSP BlackRock India Enhanced Equity Fund	-	632.52
-	(March 31, 2019 Nil Units; March 31, 2018 Nil Units) Avendus Absolute Return Fund Class A2		222.76
<u>J.</u>		-	323.76
	(March 31, 2019 Nil Units; March 31, 2018 30000 Units) DSP BlackRock Liquidity Fund-Institutional Plan-Growth		0.68
Κ.	(March 31, 2019 Nil Units; March 31, 2018 27.670 Units)	-	0.08
_			200.00
1.	BNP Paribas Enhanced Arbitrage Fund Regular	_	300.99

4. Financial Assets (contd.)

(₹i	in	lak	hs)

•••	Timarical Assets (contail)		(₹ in lakhs)
Da	rticulars	As at	As at
Pa	ticulars	March 31, 2019	March 31, 2018
	(March 31, 2019 Nil Units; March 31, 2018 2991623.454 Units)		
m.	Edelweiss Arbitrage Fund Direct Plan Growth	215.62	-
	(March 31, 2019 1531570.887 Units; March 31, 2018 Nil Units)		
n.	Edelweiss Alpha Fund	-	253.66
	(March 31, 2019 Nil Units; March 31, 2018 Nil Units)		250.40
0.	DSP BlackRock India Enhanced Equity SatCore Fund-Class B-1.12	=	250.40
	(March 31, 2019 Nil Units; March 31, 2018 Nil Units)		215.16
р.	Avendus Absolute Return Fund Class A3 (March 31, 2019 Nil Units; March 31, 2018 30000 Units)	-	315.16
	ICICI Prudential Credit Risk Fund Growth (Erstwhile ICICI Prudential Regular Saving Fund	214.67	200.84
q.		214.07	200.64
	Growth)		
	(March 31, 2019 1081209.657 Units; March 31, 2018 1081209.657 Units)	222.06	
r.	ICICI Prudential Equity Arbitrage Fund Direct Plan Growth	323.06	-
	(March 31, 2019 1279640.337 Units; March 31, 2018 Nil Units) Kotak Equity Arbitrage Fund Direct Plan Growth	431.19	
S.	(March 31, 2019 1585094.012 Units; March 31, 2018 Nil Units)	431.19	-
	Reliance Arbitrage Fund Direct Plan Growth	433.68	
<u> </u>	(March 31, 2019 2215922.753 Units; March 31, 2018 Nil Units)	433.00	-
	SBI Magnum Ultra SDF Direct Growth	525.67	
_u.	(March 31, 2019 12607.576 Units; March 31, 2018 Nil Units)	323.07	
V.	SBI Liquid Fund Direct Growth	521.14	
	(March 31, 2019 17829.121 Units; March 31, 2018 Nil Units)	321.11	
W.	Aditya Birla Sun Life Liquid Fund- Growth	905.45	-
	(March 31, 2019 302819.143 Units; March 31, 2018 Nil Units)		
Χ.	HDFC Liquid Fund Regular Plan Growth	1,005.08	-
	(March 31, 2019 27458.992 Units; March 31, 2018 Nil Units)	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
У.	Avendus Enhanced Return Fund - Class A1 (Alternate)	573.94	521.32
	(March 31, 2019 Nil Units; March 31, 2018 Nil Units)		
Z.	Xponentia Opportunities Fund 1 - Class A1 (Alternate)	200.00	-
	(March 31, 2019 Nil Units; March 31, 2018 Nil Units)		
	estment in Bonds at Cost		
	oted		
a.	7.8125 % LIC Housing Finance Limited	497.74	-
	Face Value ₹10,00,000; (March 31, 2019 50 Bonds; March 31, 2018 Nil Bonds)		
b.	9.45 % HDFC Limited	502.37	-
	Face Value ₹10,00,000; (March 31, 2019 50 Bonds; March 31, 2018 Nil Bonds)	405.22	
С.	7.00 % HDFC Limited	495.33	-
اء	Face Value ₹1,00,00,000; (March 31, 2019 5 Bonds; March 31, 2018 Nil Bonds)	F01 2F	
_a.	8.45 % HDFC Limited	501.25	-
	Face Value ₹1,00,00,000; (March 31, 2019 5 Bonds; March 31, 2018 Nil Bonds)	1,006,64	
e.	9.22 % LIC Housing Finance Limited Face Value ₹10,00,000; (March 31, 2019 100 Bonds; March 31, 2018 Nil Bonds)	1,006.64	-
	TOTAL	8,352.83	5,279.34
Δ-	reegate Market Value of Quoted Investments	8,352.83	5,279.34
779	reegate market value of Quotea investments	0,552.05	シュムノラ・コオ

4. Financial Assets (contd.)

4(c) LOANS

(₹ in lakhs)

	Non- C	Current	Current		
Particulars	As At	As At	As At	As At	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
Unsecured, considered good					
Loans and advances to Subsidiary	-	-	1.95	451.42	
Other Loans and advances					
Employee Advances	29.51	35.32	52.38	46.72	
TOTAL	29.51	35.32	54.33	498.14	

4(d)TRADE RECEIVABLE

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured, Considered Good	-	_
Unsecured, Considered Good	8,366.01	7,557.54
Trade Receivables which have significant increase in Credit Risk	-	_
Trade Receivables - Credit Impaired	-	-
TOTAL	8,366.01	7,557.54

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firm or private companies respectively in which any director is a partner, a director or a member other than stated above.

Trade receivables are non-interest bearing and are generally on terms of 30 to 150 days

Impairment of Trade Receivables has been considered Nil based on the Expected Credit Loss Method and in other cases based on the management judgement.

4(e) CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with banks		
In Current Accounts	174.69	259.52
Cash on hand	1.39	2.69
Fixed Deposit with Maturity less than 3 Months	-	700.00
TOTAL	176.08	962.21

4(f) OTHER BANK BALANCES

(₹ in lakhs)

		(\ III Iakiis)
Particulars	As at March 31, 2019	As at March 31, 2018
Deposit Repayment reserve Account	55.50	62.50
Unpaid Dividend Accounts	137.58	124.45
TOTAL	193.08	186.95

4(g) OTHER FINANCIAL ASSETS

(₹ in lakhs)

(X III IdKIIS)					
	Non- Current		Current		
Particulars	As At	As At	As At	As At	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
Considered good unless stated otherwise					
Measured at Amortised Cost					
Other Bank Deposits with more than 12 months maturity @	442.18	410.94	-	-	
Security Deposits	243.97	175.40	49.71	49.71	
Accrued Interest Income	-	-	162.04	17.06	
TOTAL	686.15	586.34	211.75	66.77	

@ Includes margin money for bank guarantees ₹1.54 lakhs (previous year ₹1.54 lakhs).

5. Inventories (Lower of Cost or Net Realisable Value)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Materials (Includes Stock-in-transit ₹120.99 lakhs;		
Previous year ₹99.26 lakhs)	1,249.55	1,204.95
Work in Progress	57.44	43.35
Finished Goods	2,577.42	1,921.38
Stores & Spares (Includes Stock-in-transit ₹0.89 lakhs; Previous year ₹23.44 lakhs)	674.11	619.51
Fuel	72.14	67.44
TOTAL	4,630.66	3,856.63

6. Other Assets

(₹ in lakhs)

	Non- Current			rent
Particulars	As At	As At	As At	As At
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Considered good unless stated otherwise				
Export incentive Receivable	-	-	379.18	484.74
Capital Advances *	114.14	215.21	-	-
Assets held for sale	-	-	18.50	11.13
(At lower of Book Value and Net Realisable Value)				
Receivable on Foreign Currency Forward Contracts	-	-	355.14	-
Other Receivables	-	-	84.56	109.90
Prepaid Expenses	-	-	227.92	114.52
Other Advances	-	-	115.46	138.80
TOTAL	114.14	215.21	1,180.76	859.09

^{*} Includes ₹75.00 lakhs(Previous year ₹75.00 lakhs) to a company under liquidation against the use of an office premises which is pending transfer in favour of the Company.

7. Equity Share Capital

(₹ in lakhs)

		(\ III IUNI 13)
Particulars	As at March 31, 2019	As at March 31, 2018
Authorised Shares		
1,49,90,000 (Previous year 1,49,90,000) Equity Shares of ₹10 each		
(Previous year ₹10 each)	1,499.00	1,499.00
1,000 (Previous year 1,000) Redeemable Cumulative Preference Shares of ₹100 each		
(Previous year ₹100 each)	1.00	1.00
	1,500.00	1,500.00
Issued Shares		
1,00,23,844 (Previous year 1,03,29,814) Equity Shares of ₹10 each		
(Previous year ₹10 each)	1,002.38	1,032.98
	1,002.38	1,032.98
Subscribed & Fully Paid up Shares		
99,90,092 (Previous year 1,02,96,062) Equity Shares of ₹10 each		
(Previous year ₹10 each)	999.01	1,029.61
Add: Forfeited Shares (Amount Originally paid up)	1.52	1.52
Total subscribed and fully paid up share capital	1,000.53	1,031.13

a. Terms / rights attached to Equity Shares

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

7. Equity Share Capital (contd.)

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

Issued Share Capital

Equity Shares

	Equity Share (No. of Shares)		Equity Share (Value of Shares)	
Particulars	As At	As At	As At	As At
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Share outstanding at beginning of period	10329814	10329814	1,032.98	1,032.98
Less: Buyback of 305970 (Previous year Nil) Equity Shares	305970	-	30.60	-
of ₹10 each under the Open Market Route through Stock				
Exchange During the year (refer Note 7(d))				
Share outstanding at end of period	10023844	10329814	1,002.38	1,032.98

Subscribed & Paid up

Equity Shares

	Equity Share (No. of Shares)		Equity Share (Value of Shares)	
Particulars	As At	As At	As At	As At
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Share outstanding at beginning of period	10296062	10296062	1,029.61	1,029.61
Less: Buyback of 305970 (Previous year Nil) Equity Shares	305970	-	30.60	-
of ₹10 each under the Open Market Route through Stock				
Exchange During the year (refer Note 7(d))				
Share outstanding at end of period	9990092	10296062	999.01	1,029.61

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

Equity Shares

Name of Shareholders	As at March 31, 2019		As at March 31, 2018	
Name of Shareholders	No of Shares	% of Holding	No of Shares	% of Holding
Cosmopolitan Investments Ltd	1907528	19.09%	1904528	18.50%
New India Investment corporation Ltd.	1212136	12.13%	1202136	11.68%
Duncan International (India) Ltd	994616	9.96%	994616	9.66%
HDFC Trustee Company Ltd	926250	9.27%	897250	8.71%
Haldia Investment Company Ltd	598895	5.99%	591895	5.75%

d. Note on Buyback of Equity Shares

The Board of Directors of the Company, at its meeting held on November 01, 2018, has approved a proposal to buy back the Company's fully paid-up equity shares of the face value of ₹10/- each at a maximum price of ₹1150/- per equity share up to total amount of buy back of ₹3500.00 lakhs from it's members / beneficial owners / other than those who are promoters or persons in control of the Company and the promoter group, under the open market route through stock exchange. The buy back process commenced on November 14, 2018 and closed on March 02, 2019. During the period, the Company has bought back 3,05,970 equity shares and extinguished on March 02, 2019.

8. Other Equity

(₹ in lakhs)

(7)				
Par	ticulars	As at	As at	
T al	ticulais ————————————————————————————————————	March 31, 2019	March 31, 2018	
	Reserves			
a.	Capital Reserve			
	Balance at the beginning of the Financial year	1,732.18	1,732.18	
	Balance at the end of the Financial year	1,732.18	1,732.18	
b.	Securities Premium			
	Balance at the beginning of the Financial year	1,792.64	1,792.64	
	Less: Amount paid upon Buyback	1,769.54	-	
	Less: Transaction costs related to Buyback (net of tax)	23.10	-	
	Balance at the end of the Financial year	=	1,792.64	
c.	Capital Redemption Reserve			
	Balance at the beginning of the Financial year	0.25	0.25	
	Add: Amount Transferred from General Réserve upon Buyback	30.60	-	
	Balance at the end of the Financial year	30.85	0.25	
d.	General Reserve			
	Balance at the beginning of the Financial year	2,613.88	2,613.88	
	Less: Amount paid upon Buyback	1,705.21	-	
	Less: Amount Transferred to Capital Redemption Reserve upon Buyback	30.60	-	
	Balance at the end of the Financial year	878.07	2,613.88	
e.	Retained Earnings		·	
	Balance at the beginning of the Financial year	31,034.78	26,598.97	
	Addition during the Financial year	7,374.14	5,675.01	
		38,408.92	32,273.98	
	Less: Appropriations			
	Interim Dividend	411.15	308.88	
	Tax on Interim Dividend	84.66	62.88	
	Dividend paid during the year	720.72	720.72	
	Tax on Dividend paid during the year	148.15	146.72	
	, ,	37,044.24	31,034.78	
	TOTAL (I)	39,685.34	37,173.73	
(II) I	tems of Other Comprehensive Income		·	
` ,	Balance at the beginning of the Financial year	576.69	518.94	
	Add: Other Comprehensive Income for the Financial period			
	Remeasurement Gain or (Loss) on Defined Benefit Plans (Net of Tax)	(5.65)	9.82	
	Net Gain or (Loss) on FVOCI Non Current Investments (Net of Tax)	96.57	47.93	
	TOTAL (II)	667.61	576.69	
	TOTAL OTHER EQUITY (I + II)	40,352.95	37,750.42	

Notes:

(i) Capital Reserve:

The Company had recognised Surplus arising out of transfer of Assets and Liabilities of erstwhile Carbon Black Division to Capital Reserve.

(ii) Securities Premium:

In the earlier years, the Company has received Share Premium on conversion of fully convertible debentures into equity shares and also on allotment of equity shares issued on rights basis.

(iii) Capital Redemption Reserve:

An amount of ₹30.60 lakhs (equivalent to nominal value of the equity shares bought back and cancelled by the Company in the year ended March 2019) has been transferred to Capital Redemption Reserve from General Reserve pursuant to the provisions of Section 69 of the Companies Act, 2013 and the article 8 of the Article of Association of the Company. (Refer Note No. 7(d)).

(iv) Items of Other Comprehensive Income

The Company recognises the gain or loss on fair value of non-current investments and Remeasurement Gain or loss on Defined Benefit Plans under Items of Other Comprehensive Income.

(v) During the year, the Company has paid Interim dividend of ₹4.00; (Previous year ₹3.00) per equity share.

Now, final dividend ₹8.00 (Previous year ₹7.00) per equity share for financial year 2018-19 is recommended by the Board of Directors, which is subject to the approval of the shareholders in the ensuing Annual General Meeting.

9. Financial Liabilities

a) Borrowings (Non-Current)

(₹ in lakhs)

	Non - Current Maturities		Current Maturities	
Particulars	As At	As At	As At	As At
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Term Loans - From Banks (i)	6,940.35	6,659.16	2,124.63	1,682.09
Vehicle Loans from Banks (ii)	89.51	0.43	29.54	11.56
Public Deposits (iii)	138.42	210.47	129.75	265.53
Less : Current Maturities of Long Term Borrowings	-	-	(2,283.92)	(1,959.18)
TOTAL	7,168.28	6,870.06	-	-

Notes:

(i) (a) Securities:

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

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

(₹ in lakhs)

As at March 31, 2019				
As at	Repayments			
March 31, 2019	No. of outstanding Instalments	Periodicity		
1,236.66	12	Quarterly Equal		
669.10	17	Quarterly Equal		
2,117.20	12	Quarterly Graded		
599.21	12	Quarterly Equal		
1,473.13	17	Quarterly Equal		
845.05	20	Quarterly Equal		
6,940.35		·		

As at March 31, 2018					
As at	Repayments				
March 31, 2018	No. of outstanding Instalments	Periodicity			
1,549.61	16	Quarterly Equal			
195.51	20	Quarterly Equal			
3,915.17	16	Quarterly Graded (Includes Buyer's Credit of ₹1363.73 lakhs part of Term Loan)			
798.56	16	Quarterly Equal			
200.31	20	Quarterly Equal			
6,659.16	-	-			

(ii) Secured by hypothecation of vehicles purchased under the scheme and non-current portion of ₹89.51 lakhs (Previous year ₹0.43 lakhs) is repayable in 15 to 49 (Previous year 2) equated monthly instalments in 2019-20 onwards as per the repayment schedule.

(iii) Deposits from public carries rate of interest @ 7.75% to 8.00% (Previous year 7.75% to 8.00%) p.a. and non-current portion of ₹138.42 lakhs (Previous year ₹210.47 lakhs) is repayable after 1 to 3 years (Previous year 1 to 3 years) from the date of acceptance of deposits.

(b) Borrowings (Current)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans Repayable on Demand		
Working Capital Loans from Bank (secured)		
Cash Credit and Packing Credit	1,302.80	2,126.30
Bill Discounting	1,756.58	776.73
TOTAL	3,059.38	2,903.03

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

9. Financial Liabilities (contd.)

(c) Trade Payables

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables		
Dues of Micro Enterprises and Small Enterprises *	-	-
Dues of Creditors Other than Micro Enterprises and Small Enterprises	1,769.71	1,883.95
TOTAL	1,769.71	1,883.95

^{*}There were no outstanding dues to Micro and small enterprises to the extent information available with the Company and the payments in respect of such suppliers are made with in the appointed day. Hence no amount of Interest is paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.

(d) Other Financial Liabilities (Non Current)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest Accrued but not due on deposits	20.45	26.73
TOTAL	20.45	26.73

(e) Other Financial Liabilities (Current)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current maturities of Long-Term Borrowings	2,124.63	1,682.09
Current maturities of Vehicle Loans	29.54	11.56
Current maturities of Deposits	129.75	265.53
Interest accrued but not due on Borrowings	74.33	53.42
Unpaid Dividend	137.58	124.45
Unpaid and Unclaimed Matured Deposits & Interest accrued thereon #	3.46	26.43
Creditors for Capital Goods	220.07	535.31
Employees liabilities @	1,181.10	902.49
Directors' Commission	81.58	55.21
Security Deposits	7.74	9.06
TOTAL	3,989.78	3,665.55

[#] Includes ₹ Nil (Previous year ₹12.95 lakhs) under legal dispute between the Joint Holders of the deposit.

@ Includes dues to Executive Directors ₹233.87 lakhs (Previous year ₹107.16 lakhs)

10. Income Tax Liability (Net)

(₹ in lakhs)

		(\langle III laki is)
Particulars	As at March 31, 2019	As at March 31, 2018
Income Tax Liability (Net) (Advance Tax & TDS ₹2074.41 lakhs;		
Previous year ₹1601.30 lakhs)	92.96	44.70
TOTAL	92.96	44.70

11. Provisions

				()	
	Non - 0	Current	Current		
Particulars	As At	As At	As At	As At	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
Provision for Employee Benefits (Refer Note No. 26)					
Compensated Absences & Gratuity	278.01	236.61	75.43	89.62	
TOTAL	278.01	236.61	75.43	89.62	

12. Deferred Tax Liabilities (Net)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
The balance comprises temporary differences attributable to:		
Deferred Tax Liabilities		
Property, Plant & Equipment and Intangible Assets	4,321.19	3,602.59
Deferred Tax Liability on FVOCI on Equity Investments	221.19	191.86
Deferred Tax Liability on Current Investment at Fair Value	65.37	55.69
Deferred Tax Liability on Amortised Value of Upfront Fees of Long Term Loans	2.72	4.29
Deferred Tax Liability on Exchange Difference on Forward Contracts	53.40	-
A	4,663.87	3,854.43
Deferred Tax Assets		
Provision for employee benefits & others.	99.11	123.50
MAT credit entitlement	1,797.45	1,674.75
В	1,896.56	1,798.25
Net A-B	2,767.31	2,056.18

13. Other Liabilities

(₹ in lakhs)

	Non - 0	Current	Current		
Particulars	As At	As At	As At	As At	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
Advance received from and Credit balance of Customers	-	-	14.31	125.98	
Statutory dues payable	-	-	272.66	228.94	
Payable on Foreign Currency Forward Contracts	=	-	93.16	126.86	
Other payable	-	-	235.94	235.80	
TOTAL	-	-	616.07	717.58	

14. Revenue from Operations

Revenue from Contracts with Customers

(i) Disaggregated Revenue Information

Set out below is the disaggregation of the Company's revenue from contracts with customers

(₹ in lakhs)

Segment	Year Ended March 31, 2019			Year Ended March 31, 2018		
	Domestic	Export	Total	Domestic	Export	Total
a) Sale of Manufactures Products						
Insoluble Sulphur	12,391.53	22,310.68	34,702.21	10,354.27	19,909.26	30,263.53
Sulphuric Acid and Oleum	3,651.34	-	3,651.34	2,560.06	-	2,560.06
Total Sale of Manufactures Products	16,042.87	22,310.68	38,353.55	12,914.33	19,909.26	32,823.59
b) Export Benefits	-	410.31	410.31	-	378.92	378.92
Total Revenue from Contracts with Customers (a+b)	16,042.87	22,720.99	38,763.86	12,914.33	20,288.18	33,202.51
Timing of Revenue Recognition						
Goods Transferred at a point of time	16,042.87	22,720.99	38,763.86	12,914.33	20,288.18	33,202.51
Total Revenue from Contracts with Customers	16,042.87	22,720.99	38,763.86	12,914.33	20,288.18	33,202.51

Note:

Revenue from operations for the year ended March 31 2019 includes excise duty Nil (Previous year ₹380.00 lakhs). From July 01, 2017 onwards the excise duty and most indirect taxes in India have been replaced with Goods and Service Tax (GST). The Company collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations year ended March 31, 2019 is not comparable with March 31, 2018.

(ii) Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Trade Receivables *	8,366.01	7,557.54
Contract Liabilities		
Advance from customers (Refer Note No. 13)	14.31	125.98

^{*} Trade Receivables are non-interest bearing and are generally on terms of 30 to 150 days.

14. Revenue from Operations (contd.)

(iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Revenue as per Contracted Price	38,964.26	33,940.99
Adjustments		
Sales Return	(87.76)	(439.84)
Rebate	(101.77)	(271.28)
Discount	(10.87)	(27.36)
Revenue from Contracts with Customers	38,763.86	33,202.51

(iv) The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31, 2019 are, as follows:

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Advance from customers (Refer Note No. 13)	14.31	125.98

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

15. Other Income

(₹ in lakhs)

Particulars	Year Ended M	larch 31, 2019	Year Ended M	arch 31, 2018
Dividend on Current Investment		30.69		71.32
Profit On Redemption / Maturity of Current Investment (Net)		117.75		107.67
Interest Income				
On Deposit	40.22		70.64	
On Bonds	126.01		-	
On Loans	27.61		63.83	
Others	2.20	196.04	0.25	134.72
Loans and Debts earlier Written off, now recovered		0.05		2.27
Net Gain on Foreign Currency Forward Contracts		261.98		-
Rent received		1.80		7.23
Provision no longer Required written back		67.23		66.02
Scrap Sales		63.34		46.31
Net Gain on Fair Value of Current Investments		187.07		103.26
Miscellaneous Income		14.17		5.17
TOTAL		940.12		543.97

16. Cost of Materials Consumed

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Cost of Materials Consumed	10,867.42	8,120.17
Less: Consumption for Trial Run Production	129.03	-
TOTAL	10,738.39	8,120.17

17. Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade

Particulars	Year Ended M	larch 31, 2019	Year Ended M	arch 31, 2018
Inventories at the beginning of the Financial year				
Finished Goods		1,921.38		1,382.63
Work in Progress		43.35		98.82
		1,964.73		1,481.45
Add: Transferred from Trial Run Production				
Finished Goods	231.02		-	
Work-in-Progress	8.49		-	
		239.51		-
		2,204.24		1,481.45
Inventories at the end of the Financial year				
Finished Goods		2,577.42		1,921.38
Work in Progress		57.44		43.35
		2,634.86		1,964.73
Change in Excise Duty on Finished Goods Stock		-		(30.58)
Change in Inventories		(430.62)		(513.86)

18. Employee Benefit Expenses

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Salaries, Wages and Bonus	4,021.67	3,371.95
Contribution to Provident & other funds (Refer Note No. 26)	196.33	177.25
Gratuity (Refer Note No. 26)	46.61	83.78
Long term compensated absences (Refer Note No. 26)	64.47	48.85
Employees Welfare Expenses	321.65	320.02
	4,650.73	4,001.85
Less: Transfer to Capital Work-in-Progress / Capitalised	108.81	69.30
TOTAL	4,541.92	3,932.55

19. Finance Cost

(₹ in lakhs)

		(
Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest on financial liabilities measured at amortised cost	780.15	731.34
Other Borrowing Costs	88.85	68.98
	869.00	800.32
Less: Transfer to Capital Work-in-Progress / Capitalised	44.32	15.05
TOTAL	824.68	785.27

20. Depreciation and Amortisation Expenses

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Depreciation on Property, Plant and Equipment (Refer Note No. 2)	1,837.35	1,615.92
Amortisation of Intangible Assets (Refer Note No. 3)	22.02	18.15
TOTAL	1,859.37	1,634.07

21. Other Expenses

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Stores Consumed	82.53	56.96
Packing cost	976.30	1,064.24
Power and Fuel	4,157.12	3,809.96
Water Charges	108.06	85.89
Rent	175.78	163.10
Rates and Taxes	145.22	93.48
Insurance	152.93	137.15
Repairs to Buildings	124.78	139.61
Repairs to Machinery	994.04	916.25
Repairs to Others	218.73	189.79
Job Charges	89.65	75.44
Freight & Forwarding	2,142.90	2,209.25
Commission and Discount	435.01	441.44
Travelling	272.00	239.88
Legal & Professional	348.06	287.28
Service Charges	215.19	220.46
Loss on sale/discard of Property, Plant & Equipment (Net)	259.61	130.88
Net Loss on Foreign Currency Translations and Transactions	131.82	143.32
Net Loss on Foreign Currency Forward Contracts	-	99.94
Bad Advances / Debts	53.09	5.80
Donations (CSR Activities ₹148.53 lakhs		
(Previous Year ₹134.20 lakhs)) (Refer Note No. 22)	148.53	134.67
Directors' Commission & Fees	90.64	74.50
Auditor's Remuneration (Refer Note No. 21(a))	28.88	25.06
Cost Auditor Fees	1.30	1.30
Miscellaneous	749.08	757.20
	12,101.25	11,502.85
Less: Transfer to Capital Work-in-Progress / Capitalised	188.49	57.88
TOTAL	11,912.76	11,444.97

21. Other Expenses (contd.)

a. Auditors' Remuneration

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Audit Fees	20.80	17.25
Certificates & other matters	3.85	3.80
For Tax Audit	3.75	3.00
Reimbursement of expenses	0.48	1.01
TOTAL	28.88	25.06

22. Amount Spent on CSR Activities

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
a) Gross amount required to be spent by the Company during the year	146.08	134.20
b) Amount spent during the year :		
Health, Hygiene and Sanitation	40.71	6.00
Education, Skill Development Programme and Livelihood enhancement	103.63	122.04
Training and capacity building of CSR team and administrative expenses	4.19	6.16
TOTAL	148.53	134.20

23. Income Tax Expenses

a) Income tax recognised in Profit and Loss

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Current tax expense		
Current tax on profits for the year	2,207.29	1,713.91
Less: Taxation Adjustment in respect of earlier years (Net)	25.80	=
Less: MAT Credit Entitlement (Net)	105.68	21.72
	2,075.81	1,692.19
Deferred tax expense		
Origination and reversal of temporary differences	807.53	596.11
Income tax charged to profit and loss	2,883.34	2,288.30

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

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Remeasurement Gain / (Loss) on Defined Benefit Plans	3.03	(5.28)
FVTOCI Equity Investments	(29.33)	(14.37)
Income tax charged to OCI	(26.30)	(19.65)

Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Accounting profit before tax	10,257.48	7,963.31
At India's Statutory Income Tax Rate of 34.944% (Previous year 34.608%)	3,584.38	2,755.95
Adjustment for Tax Purposes:		
- Difference in book depreciation & amortisation and depreciation and		
amortisation as per Income Tax Act, 1961	(769.82)	(580.53)
- 43B Items	14.22	9.03
- Exempted Income	(10.72)	(24.68)
- Items not deductable (Net)	21.95	78.33
- Items of Previous years (Net)	(14.86)	47.07
- Donation and CSR (Net)	38.99	34.11
- Items of Research Instutions and In-house R&D	(44.78)	(15.35)
- Exempted from Tax (Operations from SEZ)	(713.19)	(594.99)
- Others (Net)	(4.56)	4.97
At the effective Income Tax Rate of 20.49 % (Previous year 21.52 %)	2,101.61	1,713.91
Income Tax Expenses	2,101.61	1,713.91
Tax adjustment for Earlier years	(25.80)	(21.72)
Income Tax expenses reported in the Statement of profit and loss	2,075.81	1,692.19
Deferred Tax expenses reported in the Statement of profit and loss	807.53	596.11
	2,883.34	2,288.30

23. Income Tax Expenses (contd.)

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Deferred Tax Expense / (Income) relates to the following:		
- Depreciation & amortisation	718.59	617.85
- Mark to Mark Loss / (Gain) on Forward Contract	88.33	(39.97)
- Remeasurement (Gain) / Loss on Defined Benefit Plans	3.03	(5.28)
- Disallowance u/s 43B	(14.22)	(9.85)
- Current Investments at Fair Value	9.68	39.77
- Diminuation in Value of Investments	3.69	(3.69)
- Unamortised Cost of Term Loans	(1.57)	(2.72)
Deferred Tax Expense / (Income)	807.53	596.11
Deferred Tax Expense / (Income) recognised in Other Comprehensive		
Income	26.30	19.65
Total Deferred Tax Expense / (Income)	833.83	615.76
Deferred Tax relates to the following:		
- Acceleratd depreciation for tax purposes	4,321.19	3,602.59
- Disallowance u/s 43B	(99.11)	(84.89)
- Current Investments at Fair Value	65.37	55.69
- Non-Current Investments at Fair Value	221.19	191.86
- Diminuation in Value of Investments	-	(3.69)
- Foreign Exchange Forwards	53.40	(34.92)
- Unamortised Cost of Term Loans	2.72	4.29
- MAT Credit *	(1,797.45)	(1,674.75)
Net Deferred Tax Assets / (Liabilities)	2,767.31	2,056.18
Reflected in the balance sheet as follows:		
Deferred Tax Liabilities	4,663.87	3,854.43
Deferred Tax Assets	1,896.56	1,798.25
Deferred Tax Liabilities (Net)	2,767.31	2,056.18

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. During the year ended March 31, 2019, the Company has paid dividend to its shareholders. This has resulted in payment of DDT to the taxation authorities. The Company believes that DDT represents additional payment to taxation authority on behalf of the shareholders. Hence DDT paid is charged to equity.

24. Research and Development Expenses

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

Revenue Expenditure

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Employee Benefit Expenses		
Salaries, Wages and Bonus	70.92	62.92
Contributions to Provident & Other Funds	2.95	2.68
Employee welfare Expenses.	4.16	6.59
TOTAL	78.03	72.19
Consumption of Consumables	4.72	2.40
Repair to Machinery	5.15	3.59
Repair to Others	0.28	-
Job Charges	-	1.48
Insurance Charges	-	0.01
Auditor's Remuneration	0.30	0.20
Travelling and Conveyance	0.35	0.50
Miscellaneous Expenses	6.86	8.07
TOTAL	17.66	16.25
Depreciation		
Depreciation	12.30	7.77
TOTAL	12.30	7.77
Total Expenditure Allowed	107.99	96.21

^{*} During the year the Company Created MAT Credit amounting to ₹105.68 lakhs (Previous year ₹21.72 lakhs).

24. Research and Development Expenses (contd.)

b) Capital expenditure

(₹ in lakhs)

Description	March 31, 2018	Additions during the Year	March 31, 2019
Buildings	-	-	-
Equipments and Others	78.36	50.73	129.09
TOTAL	78.36	50.73	129.09

25. Earnings per Share

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
a) Net Profit for Basic & Diluted EPS	7,374.14	5,675.01
b) Weighted Average Number of Equity Shares for Basic & Diluted EPS	10229106	10296062
c) Earning Per Share - Basic & Diluted (₹)	72.09	55.12
d) Face value per share (₹)	10.00	10.00

26. Employee Benefits

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

a) Defined Contribution Plans

Amount recognized as an expense and included in Note No. 18 Item "Contribution to Provident and Other Funds" ₹196.33 lakhs (Previous year ₹177.25 lakhs) Consist of Contribution to Superannuation Fund ₹38.63 lakhs (Previous year ₹36.39 lakhs) and to Provident and other fund ₹157.70 lakhs (Previous year ₹140.86 lakhs).

b) Other long-term benefits

Amount recognized as an expense and included in Note No. 18 Item "Long Term Compensated Absences ₹64.47 lakhs (Previous year ₹48.85 lakhs) for long term compensated Absences.

c) Defined benefits plans - as per actuarial valuation

Gratuity Expense ₹46.61 lakhs (Previous year ₹83.78 lakhs) has been recognized in "Gratuity" under Note No. 18 as per Actuarial Valuation.

				(₹ in lakhs)
	Yea	ar ended	Yea	ır ended
	Marc	h 31, 2019	Marc	h 31, 2018
Deuti autom	Gratuity	Long term	Gratuity	Long term
Particulars		Compensated		Compensated
		Absences		Absences
	Funded	Non -Funded	Funded	Non -Funded
I. Change in present value of obligation during the year				
Present value of obligation at the beginning of the year	504.48	262.17	449.12	239.41
Included in profit and loss:				
Current Service Cost	41.68	30.23	36.08	34.54
Interest Cost	38.82	20.17	33.21	17.70
Past Service Cost	-	-	39.63	-
Actuarial losses/(gains)	-	-	-	(6.90)
Experience Judgement	-	3.37	-	(5.24)
Included in OCI:				
Actuarial losses/(gains) arising from:				
Experience Judgement	7.27	-	(0.95)	-
Financial assumption	-	-	(10.78)	-
Others	-			
Benefits Paid	(38.33)	(14.29)	(41.83)	(17.34)
Present Value of obligation as at year-end	553.92	301.65	504.48	262.17
II. Change in Fair Value of Plan Assets during the year				
Plan assets at the beginning of the year	440.41	-	340.03	-
Included in profit and loss:				
Expected return on plan assets	33.89	-	25.14	-

26. Employee Benefits (contd.)

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					(₹ in lakhs)
			r ended		ir ended
		Marc	h 31, 2019	Marcl	h 31, 2018
Dart	iculars	Gratuity	Long term	Gratuity	Long term
Part	iculars		Compensated		Compensated
			Absences		Absences
		Funded	Non -Funded	Funded	Non -Funded
	Included in OCI:	Tarraca	Hon Funded	ranaca	11011 Tallaca
	Actuarial Gain/(Loss) on plan assets	(1.41)	_	3.37	-
	Others:	(,		3.37	
	Employer's contribution	67.57	_	113.70	_
	Benefits paid	(38.33)	_	(41.83)	_
	Plan assets at the end of the year	502.13	_	440.41	_
	The plan assets are managed by the Gratuity Trust formed by the Company.	302.13		110.11	
III.	Reconciliation of Present value of Defined Benefit Obligation and Fair				
	Value of Plan Assets				
	1. Present Value of obligation as at year-end	553.92	301.65	504.48	262.17
	1. Present value of obligation as at year-end	502.13	301.03	440.41	202.17
	2. Fair value of plan assets at year -end				(262.17)
	3. Funded status (Surplus/ (Deficit))	(51.79)	(301.65)	(64.07)	(262.17)
	Net Asset/(Liability)	(51.79)	(301.65)	(64.07)	(262.17)
IV.	Expenses recognised in the Statement of Profit and Loss	41.60	64.47	26.00	40.05
	1. Current Service Cost	41.68	64.47	36.08	48.85
	2. Acturial (Gain) / Loss	-	-	-	-
	3. Past Service Cost	-	-	39.63	-
	4. Net interest Cost/ (Income) on the net defined benefit liability	4.93	-	8.07	-
	Total Expense	46.61	64.47	83.78	48.85
V.	Expenses recognised in the Statement of Other Comprehensive Income	7.07		(4.4.72)	
	1. Net Actuarial (Gain)/Loss	7.27	-	(11.73)	-
	2. Expected return on plan assets excluding interest income	1.41	-	(3.37)	-
	Total Expense	8.68	-	(15.10)	-
VI.	Constitution of Plan Assets				
	1. Equity Instruments	-	-	-	-
	2. Debt Instruments	435.50		379.53	-
	3. Mutual Fund Units	33.50		33.50	-
	4. Bank Balances to be Invested	33.13		27.38	-
VII.	Bifurcation of PBO at the end of the year				
	1. Current Liability	51.79	23.64	64.07	25.56
	2. Non-Current Liability	-	278.01	-	236.61
VIII.	Actuarial Assumptions				
	1. Discount Rate	7.70%	7.70%	7.70%	7.70%
	2. Mortality Table	IALM	IALM 06-08	IALM	IALM 06-08
		06-08		06-08	
	3. Salary Escalation	7.00%	7.00%	7.00%	7.00%
	4. Turnover Rate		44 Years - 2%,	Age upto	44 Years - 2%,
			e 44 Years - 1%		e 44 Years - 1%
		rige abov	C IT ICUIS 1/0	/ igc abovi	C 17 1Cu13 1/0

IX. Experience Adjustment:

ix. Experience Adjustinent.					
Gratuity	2018-19	2017-18	2016-17	2015-16	2014-15
Present Value of obligation	553.92	504.48	449.12	354.93	307.95
Fair value of Plan assets	502.13	440.41	340.03	299.43	270.97
Net Asset/(Liability)	(51.79)	(64.07)	(109.09)	(55.50)	(36.98)
Actuarial (Gain)/Loss on plan obligation	7.27	(0.95)	63.57	45.04	12.50
Actuarial Gain/(Loss) on plan assets	(1.41)	3.37	0.23	(3.26)	(0.02)
Long term Compensated Absences					
Present Value of obligation	301.65	262.17	239.41	179.71	130.04
Fair value of Plan assets	-	-	-	-	-
Net Asset/(Liability)	(301.65)	(262.17)	(239.41)	(179.71)	(130.04)
Actuarial (Gain)/Loss on plan obligation	3.37	(5.24)	(4.18)	32.57	19.41
Actuarial Gain/(Loss) on plan assets	-	-	-	-	-

26. Employee Benefits (contd.)

X. Sensitivity Analysis

(₹ in lakhs)

	Yea	r ended	Yea	r ended
Gratuity	March	1 31, 2019	March	n 31, 2018
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	517.35	595.75	471.37	542.16
Future salary growth (1% movement)	592.37	519.83	538.50	473.88
Employee turnover (1% movement)	555.92	551.68	506.49	502.24

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

(₹ in lakhs)

		(()))
	Year ended	Year ended
Particulars	March 31, 2019	March 31, 2018
	Gratuity Funded	Gratuity Funded
1 Year	47.41	59.58
2 to 5 Years	273.42	236.81
6 to 10 Years	285.43	286.45
More than 10 years	527.30	430.94

XII. Description of Risk Exposures:

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

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

27. Capital Commitment

(₹ in lakhe)

Particulars	As at March 31, 2019	As at March 31, 2018
Estimated Amount of Capital Commitments outstanding and not provided for		
(Gross) (Advance paid ₹39.13 lakhs (Previous year ₹13.84 lakhs))	437.21	592.64

28. Contingent Liabilities

Particulars	As At March 31, 2019	As At March 31, 2018
a. Claims against the Company not acknowledged as debt*;		
Income Tax (Deposited ₹ Nil; Previous year ₹10.35 lakhs;) (Gross)	32.30	51.57
Other matters, including claims relating to third parties etc. (Deposited ₹ Nil;		
Previous year ₹12.00 lakhs) (Gross)	-	22.69
b. Guarantees excluding financial guarantees;		
Bank Guarantees given to various Govt authorities/ others (Gross)	10.26	10.26
(Margin Money / Short Term Deposits ₹1.54 lakhs; Previous year ₹1.54 lakhs)		
c. Corporate Guarantee given to a bank for loan taken by Subsidiary Company (to the		
extent loan outstanding)	669.27	472.28
(Maximum value of Guarantee ₹1081.00 lakhs ; Previous year ₹981.00 lakhs)		

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

29. Related Party Disclosures

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

I. Nature of Related Party relationship

(a) Duncan Engineering Limited (Formerly known as Schrader Duncan Limited) : Subsidiary Company

(b) Duncan International (India) Limited Enterprise over which relative of key management

personnel is having significant influence.

(c) Cosmopolitan Investments Ltd. : Enterprise over which key management personnel is

having significant influence.

(d) Haldia Investments Ltd. Subsidiary of Cosmopolitan Investments Ltd. (e) Disciplined Investments Ltd. : Subsidiary of Cosmopolitan Investments Ltd.

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

(a) Key Management Personnel

(i) Mr. J.P. Goenka - Chairman : Chairman and Relative of Key Management Personnel *

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

(b) Relatives of Key Management Personnel

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

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

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

^{*} Director's Fees and Commission paid

29. Related Party Disclosures (contd.)

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

<u> </u>	Subsidiary Company (Refer I (a))	Ent ove relati mana	> ±	Enterprise over which key manage- ment person		Subsidiary Company of Cosmopolitan Investments	Subsidiary Company of Cosmopol- itan Invest-		Chairman and Relative of Key Man- agement	Key Man- agement Personnel (Refer II a(ii))		Key Man- agement Personnel (Refer II a(iii))		Non-Executive Directors (Refer II a(iv to ix))		Key Man- agement Personnel (Refer II a(x))		Key Man- agement Personnel (Refer II a(xi))	Relative of Key Management Personnel		Relative of Key Man- agement Personnel	Trust in Which Key Management personnel		Trust in Which Key Manage- ment	Trust in Which Key Management personnel	t in N Key ement nnel
				nel is having significant influence (Refer I (c))	t (Re	Ltd. (Refer I (d))	ments Ltd. (Refer I (e))		Personnel (Refer II a(i))										(Refer II (k		er II (b) (ii))	are Trustees (Refer III (i))		personnel are Trustees (Refer III (ii))	are Trustees (Refer III (iii))	istees III (iii))
2018	18 2017- 9 18			2018- 2017- 2018- 2017- 19 18 19 18	7- 2018 3 19	3- 2017- 18	2018- 19	2017- <mark>2018-</mark> 2017- 18 19 18	3- 2017- 18	2018- 19	2017- 18	2018- 2 19	2017- <mark>20</mark>	2018- 2017- 19 18	7- 2018- 8 19	8- 2017- 18	- 2018- 19	2017- 18	2018- 19	2017- <mark>2018-</mark> 18 19	2017- 18	2018-	2017- 2018 18 19	2018- 2017- 2018- 19 18 19	2018- 19	2017- 18
Loans & (450.00) Advances	(00)	1	1	1	1	1	1	1		'	1	1	1	'	1	1		1	1	1	1	'	1	1	'	
Given / (Recovered) (Net)																										
25	25.36 61.36	98	1	'	1	1	'	1	-	'	'	1	1	'	'	1		'	1	'	'	1	1	'	1	'
on Loans & Advances																										
	1	- 76.00	00 72:00	'	1	1	'	1	1	1	1	1	1	1	1	-	ľ	1	1	1	1	1	1	1	'	ľ
Rent paid	,				70.80	1	'	1	1	1	1	1	1	1	1	,			1	1	1	1	1	1	1	'
Expenses (4. (Recovered)	(4.56) (2.82)	2) (6.30)	(7.50)	(6.70) (5.3	(5.37)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	'	'
Purchases 8 of Stores & Spares	8.69 10.32	32	1	'	1	1	1	1	1	1	1	'	1	'	1	'	1	'	1	1		'		1	1	'
Remunera- tion @	1	1	1	1	1	1	1	1	1	261.52	189.36	246.42	172.14	'	- 169	169.32 132.7	.79 21.00	16.93	1	1	1	'	1	1	1	'
Dividend Paid	'	- 109.41		99.46 209.62 190.45	145 65.39	39 59.18	3.30	3.00	1	11.83	10.75	11.00	10.00	'	'	'	1	'	22:00	20:00	- 2.02	'	1	1	1	
Director's Fees & Commis- sion	1	1	1	1	1	1	1	- 3.20	4.00	1	1	1	1	87.44 70	70.50	1	'		1	1	1	1	1	1	1	1
Donations towards CSR Activ- ities	1	1	1	1	1	1	1	1	'	1	1	1	1	1	1	1	'	1	1	1	1	34.00	54.00 38.80	0	1	'
Contribu- tion	'	1	1	1	,	1	'	1	1	'	1	1	1	1	'	'		'	'	1	1	'	1		90.49	109.09
Outstand- ing at the end of Financial																										
	1.95 451.42	17	1	'	-	1	'	1	1	1	-	1	'	1	1	1	ľ	1	1	'	1	1		1	'	'
Н	-	1	1	-	1	-	-	- 2.88	38 2.96	117.59	56.35	116.28	50.81	78.70 52	52.25 55	55.92 38.68	8 1.89	2.81	-	1	1	1	-	1	51.79	64.06
Corporate 669 guarantee given (to the extent	669.27 472.28	88	1	1	1	1	1	1	1	1	1	1	1	1	1	1	'	'	1	1	1	1	1	1	1	1

@ Excludes Acturial Valuation of Retirement Benefits.

V. Disclosure required under Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015:

(i) New India Investment Corporation Ltd. : Promotor Entity whose Shareholding is more than 10%

=	The following transactions were carried out in the ordinary course of business:	ie ordinary course	or pusitiess:
		2018-19	2017-18
(a)	(a) Service charges paid	38.40	36.00
9	(b) Expenses (Recovered)	(1.87)	(1.85)
0	Outstanding at the end of Financial year		
	Receivable	-	1
	Pavahle		

30. Segment Reporting

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

31. Financial Instruments

Financial instruments - Fair values and risk management

A. Financial instruments by category

(₹ in lakhs)

Particulars	Fair Value	N	larch 31, 201	9	N	March 31, 201	8
	Hierarchy	FVTPL	FVTOCI	Amortised	FVTPL	FVTOCI	Amortised
				Cost			Cost
Financial Assets							
Non-current Assets							
Loans	Level 3	-	-	29.51	-	-	35.32
Investment in Subsidiary	Level 3	-	-	1,453.65	-	-	1,453.65
Investments others	Level 2	-	974.36	-	-	848.46	_
Others	Level 3	-	-	686.15	-	-	586.34
Current Assets							
Investments	Level 1	8,352.83	-	-	5,279.34	-	-
Trade receivables	Level 3	-	-	8,366.01	-	-	7,557.54
Cash and cash Equivalents	Level 3	-	-	176.08	-	-	962.21
Bank balances other than cash and cash	Level 3	-	-	193.08	-	-	186.95
equivalents							
Loans	Level 3	-	-	54.33	-	-	498.14
Other Current Assets	Level 3	-	-	211.75	-	-	66.77
TOTAL		8,352.83	974.36	11,170.56	5,279.34	848.46	11,346.92
Financial Liabilities							
Non-current Liabilities							
Borrowings	Level 3	-	-	7,168.28	-	_	6,870.06
Other financial Liabilities	Level 3	-	-	20.45	-	_	26.73
Current liabilities							
Borrowings	Level 3	-	-	3,059.38	-	-	2,903.03
Trade payables	Level 3	-	-	1,769.71	-	-	1,883.95
Other financial liabilities	Level 3	-	-	3,989.78	-	-	3,665.55
TOTAL		-	-	16,007.60	-	-	15,349.32

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

Fair value hierarchy

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

- **Level 1** This includes financial instruments measured using quoted prices.
- Level 2 The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.
- Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. There are no transfers between level 1, level 2 and level 3 during the year.

Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

The use of quoted market prices

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

As per Para D-15 of Appendix D of Ind AS 101, Company has opted to value its investment in Subsidiary at Cost.

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

32. Financial Risk Management Objectives and Policies

A Financial risk factors

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

Credit risk

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

Ageing Analysis of Trade Receivables

(₹ in lakhs)

Ageing	As at March 31, 2019	As at March 31, 2018
Not due	7,469.74	5,974.19
Upto Six months	896.27	1,572.77
Six to Twelve Months	-	10.58
Above Twelve Months	-	-
Gross Carrying Amount	8,366.01	7,557.54
Expected Credited Losses	-	-
Expected Provision for Doubtful Debts	-	-
Net Carrying Amount	8,366.01	7,557.54

Market Risk

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

a) Foreign Currency risk

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

The following table analyses foreign currency risk from financial instruments as of March 31, 2019:

(Foreign Currency and Indian Currency in lakhs)

				y arra irraiari cai	
Particulars	INR	USD	Euro	GBP	JPY
Financial Assets					
Cash and cash equivalents	16.66	0.24	-	-	-
Trade receivables	2,987.73	16.33	23.42	0.42	-
Other Financial Assets	2.78	-	-	-	4.44
Total	3,007.17	16.57	23.42	0.42	4.44
Financial liabilities					
Trade payables	143.98	1.83	0.11	-	14.01
Borrowings	3,855.28	35.61	-	-	2,226.74
Other Liabilities	58.85	0.03	0.73	-	-
Total	4,058.11	37.47	0.84	-	2,240.75

32. Financial Risk Management Objectives and Policies (contd.)

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

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

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

INR	Year End Spot Rate As At			
IIN	March 31, 2019	March 31, 2018		
USD	69.1713	65.0441		
Euro	77.7024	80.6222		
GBP	90.4756	92.2846		
JPY(100)	62.5200	61.5400		

Sensitivity Analysis

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

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

(₹ in lakhs)

Particulars	2018-	2019	2017-2018	
	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
USD Sensitivity	(14.46)	14.46	(4.87)	4.87
Euro Sensitivity	17.55	(17.55)	20.93	(20.93)
GBP Sensitivity	0.38	(0.38)	0.54	(0.54)
JPY (100) Sensitivity	(13.98)	13.98	(13.69)	13.69

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

(Foreign Currency and Indian Currency in lakhs)

Currency	Cross	As at Marc	h 31, 2019	As at Marc	h 31, 2018
	Currency	Foreign	INR	Foreign	INR
		Currency		Currency	
Financial Assets		·			
USD *	INR	55.00	3,804.42	63.00	4,097.78
EURO *	INR	35.00	2,719.58	39.50	3,184.58
EURO	USD	-	=	2.00	161.24
			6,524.01		7,443.60
Financial Liabilities					
USD @	INR	34.88	2,412.72	34.42	2,238.76
JPY	INR	870.00	543.92	-	-
JPY	USD	200.00	125.04	-	-
			3081.68		2238.76

^{*} Includes USD/INR 38.95 lakhs (Previous year 38.03 lakhs) and EURO/INR 15.08 lakhs (Previous year 22.98 lakhs) against Sales Orders.

[@] Includes JPY/USD 501.88 lakhs equivalent to USD/INR 4.61 lakhs (Previous year JPY/USD 500.00 lakhs equivalent to USD/INR 4.60 lakhs)

32. Financial Risk Management Objectives and Policies (contd.)

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

(Foreign Currency and Indian Currency in lakhs)

Currency	Cross	As at March 31, 2019		As at Marc	h 31, 2018
	Currency	Foreign	INR	Foreign	INR
		Currency		Currency	
Financial Assets					
USD	INR	0.52	36.09	0.09	5.82
EURO	INR	3.50	272.18	5.71	460.04
GBP	INR	0.42	38.13	0.58	53.70
JPY	INR	4.44	2.78	1.59	0.98
			349.18		520.54
Financial Liabilities					
USD	INR	7.21	498.42	6.40	416.43
EURO	INR	0.84	65.01	1.25	101.02
JPY	INR	668.87	418.18	1,726.45	1,062.46
			981.61		1,579.91

b) Interest Rate Risk and Sensitivity

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

Interest Rate Risk Exposure

Particulars	As at March	า 31, 2019	As at March 31, 2018		
	₹ in lakhs	% of Total	₹ in lakhs	% of Total	
Fixed Rate Borrowings	387.22	3.09%	487.99	4.16%	
Variable Rate Borrowings	12,124.36	96.91%	11,244.28	95.84%	
Total Borrowings	12,511.58	100.00%	11,732.27	100.00%	

Sensitivity on Variable Rate Borrowings

(₹ in lakhs)

Particulars	Impact on Profit	: & Loss Account	Impact o	n Equity
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Interest Rate Increase by 25 bp	(30.31)	(28.11)	(30.31)	(28.11)
Interest Rate Decrease by 25 bp	30.31	28.11	30.31	28.11

iii Liquidity risk

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

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2019:

Particulars	Carrying	Less than	1-5 Years	Total
	Amount	1 Year		
Borrowings - Current	3,059.38	3,059.38	-	3,059.38
Borrowings - Non-Current and Current Maturities	9,452.20	2,283.92	7,168.28	9,452.20
Trade payables	1,769.71	1,769.71	-	1,769.71
Other financial liabilities - Current (Exclusive of Current Maturities)	1,705.86	1,705.86	-	1,705.86
Other financial liabilities - Non-Current				
Interest accrued but not due on deposits	20.45	-	20.45	20.45

32. Financial Risk Management Objectives and Policies (contd.)

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

Particulars	Carrying	Less than	1-5 Years	Total
	Amount	1 Year		
Borrowings - Current	2,903.03	2,903.03	-	2,903.03
Borrowings - Non-Current and Current Maturities	8,829.24	1,959.18	6,870.06	8,829.24
Trade payables	1,883.95	1,883.95	-	1,883.95
Other financial liabilities - Current (Exclusive of Current Maturities)	1,706.37	1,706.37	-	1,706.37
Other financial liabilities - Non-Current				
Interest accrued but not due on deposits	26.73	-	26.73	26.73

Capital Risk Management

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

(₹ in lakhs) Particulars As at March 31, 2019 As at March 31, 2018 Borrowings 12.511.58 11,732,27 Less: Cash and Cash Equivalents including bank balances 369.16 1.149.16 Less: Current Investments 8,352.83 5,279.34 Net Debt 3,789.59 5,303.77 41,353.48 38,781.55 Equity Capital and Net Debt 45,143.07 44,085.32 Gearing Ratio

33. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

As per our Report of even date attached

For and on behalf of the Board of Directors

For S S Kothari Mehta & Company

Chartered Accountants Arvind Goenka O.P. Dubey Firm Reg. No. 000756N Managing Director Director

Naveen Aggarwal P.K. Maity Anurag Jain Chief Financial Officer Company Secretary Partner

Membership No. 094380

Date: 10th May, 2019

Place: Noida

Consolidated Financial Statement

Independent Auditors' Report

To The Members Oriental Carbon & Chemicals Limited

Report on the Consolidated Financial Statements Opinion

We have audited the accompanying consolidated financial statements of Oriental Carbon & Chemicals Limited (hereinafter referred to as "the Holding Company") and its subsidiary Duncan Engineering Limited (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2019, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, of consolidated profit and total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No. Key Audit Matter

The Company recognizes revenue on satisfaction of performance obligations upon transfer of control of promised products to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those products. In determining the transaction price for the sale, the Company considers the effects of variable consideration and consideration receivable from the customer. At 31 March, 2019, the Company's statement of profit and loss included Sales of ₹43,200.77 lakhs. The nature of rebates and sales returns, if any, involve judgement in determining sales revenues and revenue cut-off. The risk is, therefore, that revenue may not be recognised in the correct period or that revenue and associated profit is misstated.

Auditor's Response

- We performed walkthroughs to understand the adequacy and the design of the revenue cycle for all significant components. We tested controls in the revenue and trade account receivables cycles over the accuracy and timing of revenue accounted in the financial statements.
- We checked the contracts of customers along with revenue recognition policy applied by the Company to ensure satisfaction of performance obligation upon transfer of control of products to customer at a point in time. Our checking procedure includes consideration of the accounting and presentation of the rebates and discount arrangements.
- In addition to substantive analytical reviews performed to understand how the revenue has trended over the year, we performed a detailed testing on transactions around the year-end, ensuring revenues were recognised in the correct accounting period. We also tested journal entries recognised to revenue focusing on unusual or irregular transactions.
- We validated the appropriateness and completeness of the related disclosures in Note 14 of the financial statements.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report particularly with respect to the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information identified above If, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements.

The Holding Company's Board of Directors is responsible for preparation and presentation of these consolidated financial statements in terms of the requirement of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities, 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been

used for the purpose of preparation of the consolidated financial statements by the directors of the holding company, as aforesaid.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group and of its associate are responsible for overseeing the Company's financial reporting process of the group and of its associate.

Auditor's Responsibility for the Audit of the Consolidated **Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group and its associate to express an opinion on the consolidated financial statement. For the subsidiary included in the consolidated financial statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them, we remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of subsidiary whose financial statements reflect total assets of ₹3482.18 lakhs as at March 31, 2019, total revenues of ₹4512.24 lakhs and net cash outflows amounting to ₹199.56 lakhs, Profit after Tax of ₹277.93 lakhs and total Comprehensive Income of ₹270.49 lakhs for the year ended on that date, as considered in the consolidated financial statements. Financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

- 1. As required by section 143 (3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors
 - (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the Consolidated statement of change in equity and the consolidated statement of cash flow dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules made thereunder.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India none of the directors is disqualified as on March 31, 2019 from being appointed as a director of that company in terms of sub-section 2 of Section 164 of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and Its subsidiary Company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A", and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - the consolidated financial statements disclose the impact of pending litigations on the consolidated

- financial position of the Group refer to Note 27 to the consolidated financial statements:
- provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For S S KOTHARI MEHTA & COMPANY

Chartered Accountants Firm Registration Number: 000756N

NAVEEN AGGARWAL

Place: Noida Date: May 10, 2019

Partner Membership Number: 094380

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

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Oriental Carbon & Chemicals Limited ('the Holding Company') and its subsidiary Duncan Engineering Limited, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Group internal financial controls over financial reporting based on our audit.

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Group have maintained, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary, which is company incorporated in India, is based on the corresponding reports of the auditors of such Company.

For S S KOTHARI MEHTA & COMPANY

Chartered Accountants Firm Registration Number: 000756N

NAVEEN AGGARWAL

Place: Noida Partner Date: May 10, 2019 Membership Number: 094380

Consolidated Balance Sheet as at March 31, 2019

(₹ in lakhs)

Cother Intangible Assets	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
a. Property Plant & Equipment 2 36012.99 32,6991 b. Capital work in Progress 38,28 4,0355 c. Other Intangible Assets 3 70,58 77,7 d. Financial Assets 48 974,26 888,8 ii. Lords 4C 29,51 35,8 iii. Other 4C 29,51 35,3 iii. Other 4C 29,51 35,3 iii. Other Nor Current Assets 4C 29,51 35,3 TOTAL NON CURRENT ASSETS 38,237,29 38,506 Z.Current Assets 5 5,423,44 4,670 E. Investments 4b 8,352,83 5,279 ii. Trade Receivables 4b 8,916,57 8,100 iii. Cash and Cash Equivalents 4e 37,77 96,33 iv. Bank Balances other than iii) above 4f 198,24 1917 v. Loans 4c 6,31,39 70 v. Loans 4c 6,31,39 70 v. Loans 4c 6,31,39 70 </th <th>I ASSETS</th> <th></th> <th></th> <th></th>	I ASSETS			
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iii. Other Financial Liabilities 10d 34.62 41.6 b. Provisions 11 306.97 264.8 c. Deferred Tax Liabilities (Net) 12 2,764.12 2,052.9 TOTAL NON CURRENT LIABILITIES 10,273.99 9,232.9 2. Current Liabilities 3,728.65 3,375.3 ii. Borrowings 10b 3,728.65 3,375.3 iii. Trade Payables 10c Dues of Micro Enterprises and Small Enterprises 123.08 60.6 Dues of Creditors Other than Micro Enterprises and Small Enterprises 2,120.40 2,449.9 iii. Other Financial Liabilities 10e 4,137.27 3,806.3 b. Other Current Liabilities 13 835.38 883.3 c. Provisions 11 84.17 104.9 TOTAL CURRENT LIABLITIES 11,028.95 10,684.9				
b. Provisions 11 306.97 264.8 c. Deferred Tax Liabilities (Net) 12 2,764.12 2,052.5 TOTAL NON CURRENT LIABILITIES 10,273.99 9,232.5 2. Current Liabilities a. Financial Liabilities 3,728.65 3,375.3 ii. Borrowings 10b 3,728.65 3,375.3 iii. Trade Payables 10c 0 Dues of Micro Enterprises and Small Enterprises 123.08 60.6 Dues of Creditors Other than Micro Enterprises and Small Enterprises 2,120.40 2,449.6 iii. Other Financial Liabilities 10e 4,137.27 3,806.3 b. Other Current Liabilities 13 835.38 883.3 c. Provisions 11 84.17 104.5 TOTAL CURRENT LIABLITIES 11,028.95 10,684.5				
c. Deferred Tax Liabilities (Net) 12 2,764.12 2,052.5 TOTAL NON CURRENT LIABILITIES 10,273.99 9,232.5 2. Current Liabilities 3,728.65 3,375.5 i. Borrowings 10b 3,728.65 3,375.5 ii. Trade Payables 10c 3,228.65 3,375.5 Dues of Micro Enterprises and Small Enterprises 123.08 60.0 Dues of Creditors Other than Micro Enterprises and Small Enterprises 2,120.40 2,449.6 iii. Other Financial Liabilities 10e 4,137.27 3,806.5 b. Other Current Liabilities 13 835.38 888.5 c. Provisions 11 84.17 104.5 TOTAL CURRENT LIABLITIES 11,028.95 10,684.5				41.01
TOTAL NON CURRENT LIABILITIES 10,273.99 9,232.2 2. Current Liabilities a. Financial Liabilities i. Borrowings 10b 3,728.65 3,375.3 ii. Trade Payables 10c 10c Dues of Micro Enterprises and Small Enterprises 123.08 60.0 iii. Other Financial Liabilities 10e 4,137.27 3,806.3 iii. Other Current Liabilities 13 835.38 888.3 c. Provisions 11 84.17 104.4 TOTAL CURRENT LIABLITIES 11,028.95 10,684.3				264.87
2. Current Liabilities a. Financial Liabilities 3,728.65 3,375.3 ii. Borrowings 10b 3,728.65 3,375.3 iii. Trade Payables 10c 10c Dues of Micro Enterprises and Small Enterprises 123.08 60.0 Dues of Creditors Other than Micro Enterprises and Small Enterprises 2,120.40 2,449.4 iii. Other Financial Liabilities 10e 4,137.27 3,806.3 b. Other Current Liabilities 13 835.38 888.3 c. Provisions 11 84.17 104.4 TOTAL CURRENT LIABLITIES 11,028.95 10,684.3		12		2,052.99
a. Financial Liabilities i. Borrowings 10b 3,728.65 3,375.3 ii. Trade Payables 10c Dues of Micro Enterprises and Small Enterprises 123.08 60.0 Dues of Creditors Other than Micro Enterprises and Small Enterprises 2,120.40 2,449.4 iii. Other Financial Liabilities 10e 4,137.27 3,806.3 b. Other Current Liabilities 13 835.38 888.3 c. Provisions 11 84.17 104.1 TOTAL CURRENT LIABLITIES 11,028.95 10,684.3			10,273.99	9,232.52
i. Borrowings 10b 3,728.65 3,375.3 ii. Trade Payables 10c 10c Dues of Micro Enterprises and Small Enterprises 123.08 60.0 Dues of Creditors Other than Micro Enterprises and Small Enterprises 2,120.40 2,449.4 iii. Other Financial Liabilities 10e 4,137.27 3,806.3 b. Other Current Liabilities 13 835.38 888.3 c. Provisions 11 84.17 104.5 TOTAL CURRENT LIABLITIES 11,028.95 10,684.3				
ii.Trade Payables10cDues of Micro Enterprises and Small Enterprises123.0860.6Dues of Creditors Other than Micro Enterprises and Small Enterprises2,120.402,449.6iii.Other Financial Liabilities10e4,137.273,806.3b. Other Current Liabilities13835.38888.3c. Provisions1184.17104.5TOTAL CURRENT LIABLITIES11,028.9510,684.3				
Dues of Micro Enterprises and Small Enterprises123.0860.0Dues of Creditors Other than Micro Enterprises and Small Enterprises2,120.402,449.0iii. Other Financial Liabilities10e4,137.273,806.3b. Other Current Liabilities13835.38888.3c. Provisions1184.17104.3TOTAL CURRENT LIABLITIES11,028.9510,684.3			3,/28.65	3,3/5.31
Dues of Creditors Other than Micro Enterprises and Small Enterprises 2,120.40 2,449.4 iii. Other Financial Liabilities 10e 4,137.27 3,806.3 b. Other Current Liabilities 13 835.38 888.3 c. Provisions 11 84.17 104.3 TOTAL CURRENT LIABLITIES 11,028.95 10,684.3		10c		
iii. Other Financial Liabilities 10e 4,137.27 3,806.3 b. Other Current Liabilities 13 835.38 888.3 c. Provisions 11 84.17 104.3 TOTAL CURRENT LIABLITIES 11,028.95 10,684.3				60.66
b. Other Current Liabilities 13 835.38 888. c. Provisions 11 84.17 104. TOTAL CURRENT LIABLITIES 11,028.95 10,684.				2,449.49
c. Provisions 11 84.17 104.2 TOTAL CURRENT LIABLITIES 11,028.95 10,684.3				3,806.32
TOTAL CURRENT LIABLITIES 11,028.95 10,684.				888.20
TOTAL CURRENT LIABLITIES 11,028.95 10,684. TOTAL EQUITY AND LIABILITIES 63,121.30 58,892.9		11		104.54
TOTAL EQUITY AND LIABILITIES 63,121.30 58,892.9				10,684.52
			63,121.30	58,892.97
Notes to Accounts 1 - 34	Notes to Accounts	1 - 34		

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

In terms of our Report of even date attached

For and on behalf of the Board of Directors

Company Secretary

Chief Financial Officer

For S S Kothari Mehta & Company

Chartered Accountants Arvind Goenka O.P. Dubey Firm Reg. No. 000756N Managing Director Director P.K. Maity Naveen Aggarwal Anurag Jain

Partner Membership No. 094380

Place : Noida Date: 10th May, 2019

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

(₹ in lakhs)

				(₹ in lakhs)
Parti	culars	Note No.	For the Year ended	For the Year ended
			March 31, 2019	March 31, 2018
l.	Revenue from Operations	14	43,200.77	37,376.09
II.	Other Income	15	981.40	497.09
III.	Total Revenue (I+II)		44,182.17	37,873.18
IV.	Expenses:			
	Cost of materials consumed	16	13,453.41	10,571.29
	Purchase of Stock in Trade	17a	-	20.90
	Changes in Inventories of finished goods, work in progress and stock			
	in trade	17b	(446.31)	(482.00)
	Excise Duty		-	491.71
	Employee benefit expense	18	5.352.18	4.741.22
	Finance costs	19	873.79	879.87
	Depreciation and amortisation expense	20	2,026.28	1,817.16
	Other expenses	21	12,355.22	11,859.36
	Total (IV)	Z 1	33,614.57	29,899.51
V	Profit before tax from continuing operations (III-IV)		10,567.60	7,973.67
VI	Tax expense	23	10,507.00	7,575.07
V 1	Current tax	23	2,107.99	1,692.19
	Deferred Tax (Net)		807.53	596.11
VII	Profit for the period from continuing operations after tax (V-VI)		7,652.08	5,685.37
VIII	Profit /(Loss) from discontinued operations		7,032.08	4.41
IX	Tax Expense of discontinued operations			4,41
X	Profit /(Loss) from discontinued operations after tax (VIII-IX)		-	4.41
XI	Profit for the period (VII+X)		7,652.08	5,689.78
XII	Profit for the Year attributable to:		7,052.06	5,069.76
_XII	Owners of the Parent		7 512 15	F 602 40
			7,513.15 138.93	5,682.40
VIII	Non-Controlling Interest		138.93	7.38
XIII	Other Comprehensive Income (Net of Tax)			
	Items that will not be reclassified to Profit or Loss		(1 < 1 1)	12.70
	Remeasurement Gain or (Loss) on Defined Benefit Plans		(16.11)	12.78
	Income Tax on the above item		3.03	(5.28)
	Net Gain or (Loss) on FVTOCI Non Current Investments		125.89	62.30
	Income Tax on the above item		(29.33)	(14.37)
\	Total Other Comprehensive Income for the Period (Net of Tax)		83.48	55.43
XIV	Total Other Comprehensive Income for the Period attributable to:			
	Owners of the Parent		87.19	56.59
	Non-Controlling Interest		(3.71)	(1.16)
XV	Total Comprehensive Income for the Period (XI+XIII)		7,735.56	5,745.21
XVI	Total Comprehensive income for the period attributable to:			
	Owners of the Parent		7,600.34	5,738.99
	Non-Controlling Interest		135.22	6.22
XVII	Basic & Diluted Earnings per equity shares (of ₹10 each) (₹)			
	-For Continuing Operations	25	73.45	55.17
	-For Continuing & Discontinued Operations	25	73.45	55.19
Note	es to Accounts	1 - 34		

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

In terms of our Report of even date attached

For and on behalf of the Board of Directors

For S S Kothari Mehta & Company

Arvind Goenka Chartered Accountants O.P. Dubey Firm Reg. No. 000756N Managing Director Director

Naveen Aggarwal P.K. Maity Anurag Jain Chief Financial Officer Partner Company Secretary

Membership No. 094380

Place : Noida Date: 10th May, 2019

Consolidated Cash Flow Statement for the year ended March 31, 2019

		Curren	nt Year	Previou	(र in lakhs is Year
A.	Cash Flow From Operating Activities	Curren	it itui	11000	is real
Λ.	Net Profit before tax and Extra ordinary items	10,567.60		7,973.67	
	Adjustments for:	10,307.00		7,973.07	
	Profit/(loss) from Discontinued operations	_		4.41	
	Depreciation and Amortisation including Impairment Loss	2,026.28		1,817.16	
	Loss on Sale / Discard of Property, Plant & Equipment (Net)	333.46		130.88	
	Finance Costs	873.79		879.87	
	Interest Income	(171.29)		(75.14)	
	Effect of Exchange Rate Change on Borrowings	201.14		143.04	
	Loans and Debts earlier written off, now recovered				
		(28.66)		(5.69)	
	Bad Advances / Debts	61.21		35.71	
	Provision for Doubtful Debts	2.68		1.97	
	(Gain) / Loss on Redemption / Sale of Current Investments	(117.78)		(111.98)	
	Remeasurement Gain / (Loss) on Defined Benefit Plans	(16.11)		12.78	
	(Gain) / Loss on financial assets measured at fair value through Profit or loss (Net)	(187.07)		(100.01)	
	Dividend on Current Investments	(30.69)		(71.33)	
	Operating Profit before Working Capital Changes	13,514.56		10,635.34	
	Adjustments for :				
	Trade and Other Receivables	(1,430.72)		421.81	
	Inventories	(752.94)		(595.62)	
	Trade and Other Payables	20.81		528.35	
	Cash generated from Operations	11,351.71		10,989.88	
	Direct Tax Paid (Net)	(2,018.90)		(1,615.59)	
	Net cash from Operating Activities		9,332.81		9,374.29
B.	Cash Flow From Investing Activities				
	Payments for purchase of Property, Plant & Equipment including Capital work in progress, Intangible Assets and Capital Advances	(2,284.95)		(6,214.82)	
	Proceeds from sale of Property, Plant & Equipment	95.07		83.64	
	Purchase and Sale of Current Investments (Net)	(2,768.64)		(2,009.63)	
	Movement in Fixed deposits with Banks	(24.74)		571.59	
	Dividend on Current Investments	30.69		71.32	
	Dividend on Non-Current Investments	-		0.01	
	Interest Received	26.36		93.05	
	Net Cash used in investing activities		(4,926.21)		(7,404.84)
C.	Cash Flow From Financing Activities		,		
	Dividend Paid	(1,131.87)		(1,029.60)	
	Tax on Dividend	(232.81)		(209.60)	
	Payment for Buyback of Equity Shares & Cost (Gross)	(3,540.86)		-	

Consolidated Cash Flow Statement for the year ended March 31, 2019

(₹ in lakhs)

	Currei	nt Year	Previou	us Year
Proceeds from Borrowing - Non Current	2,424.89		2,286.98	
Repayment of Borrowing - Non Current	(1,964.34)		(1,540.42)	
Borrowing - Current (Net)	310.98		198.25	
Interest and Financial Costs paid (excluding Transfer to Capital Work-in- Progress)	(859.16)		(915.34)	
Net Cash From Financing Activities		(4,993.17)		(1,209.73)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)		(586.57)		759.72
Opening Balance of Cash and Cash Equivalents		963.94		204.22
Closing Balance of Cash and Cash Equivalents		377.37		963.94
Cash & Cash Equivalents Comprise				
Cash on Hand		1.69		3.02
Balance with Scheduled Banks in Current Accounts and fixed deposits maturing within 3 months		375.68		960.92
		377.37		963.94

Notes:

- (i) Figures in bracket represent outflows.
- (ii) Cash & cash equivalents excludes ₹137.58 lakhs (Previous Year ₹124.45 lakhs) lying in designated account with scheduled banks on account of unclaimed dividend and ₹60.66 lakhs (Previous Year ₹67.16 lakhs) in fixed deposits with banks and Margin Money maturing beyond three months are shown under investing activities.
- (iii) Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

Change in Liability arising from financing activities

(₹ in lakhs)

O.P. Dubey

Anurag Jain

Chief Financial Officer

Director

	April 01, 2018	Cash Flow	Foreign Exchange Movement	March 31, 2019
Borrowings - Non Current & Current Maturities (Refer Note 10(a))	8,836.46	460.55	158.78	9,455.79
Borrowings - Current (Refer Note 10(b))	3,375.31	310.98	42.36	3,728.65
	12,211.77	771.53	201.14	13,184.44

As per our Report of even date attached

For and on behalf of the Board of Directors

Arvind Goenka

For S S Kothari Mehta & Company

Chartered Accountants Firm Reg. No. 000756N

Managing Director Naveen Aggarwal P.K. Maity Partner Company Secretary

Membership No. 094380

Place: Noida

Date: 10th May, 2019

Consolidated Statement of Changes in Equity for the year ended March 31, 2019

a) Equity Share Capital

(₹ in lakhs) Balance as at March 31, 2018 1,031.13 Less: Buyback of 305970 Equity Shares of ₹10/- each under Open Market (30.60) Route through Stock Exchange during the year (Refer Note No. 8(d)) 1,000.53 Balance as at March 31, 2019

b) Other Equity								(₹ in lakhs)
Particulars			Reserves			Other Comprehe		Total
					D	(OCI		Other
	Capital	Securities	Capital	General	Retained	Items that w		Equity
	Reserve	Premium	Redemption	Reserve	Earnings	Reclassified to I Remeasurement	Profit or loss Equity	
			Reserve			Gain / (Loss)	Instruments	
						of the defined	through OCI	
						benefit plans	(Net of Tax)	
						(Net of Tax)	(INEL OI TAX)	
Balance as at						(Net or lax)		
March 31, 2017	2,008.99	1,792.64	0.25	2,613.88	25,692.97	(79.30)	591.79	32,621.22
Profit/(Loss) for the year								
ended March 31, 2018	-	-	-	-	5,682.40	-	-	5,682.40
Other comprehensive								
income (net of tax) for the								
year March 31, 2018	-	-	-	-	-	8.66	47.93	56.59
Dividend including								
Corporate Dividend Tax	-	-	-	-	(1,239.20)	-	-	(1,239.20)
Balance as at		4 700 44		2 (4 2 00	2042647	(70.64)	600.70	27.424.04
31 March 2018	2,008.99	1,792.64	0.25	2,613.88	30,136.17	(70.64)	639.72	37,121.01
Profit/(Loss) for the year					7.512.15			7.512.15
ended March 31, 2019 Amount paid upon	-	_	-		7,513.15	-	-	7,513.15
Buyback		(1,769.54)		(1,705.21)			_	(3,474.75)
Amount Transferred to		(1,709.34)	_	(1,703.21)		_		(3,474.73)
Capital Redemption								
Reserve upon Buyback	_	_	30.60	(30.60)	_	_	_	_
Transaction costs related			30.00	(30.00)				
to Buyback (net of tax)	_	(23.10)	_	-	-	=	_	(23.10)
Other comprehensive								
income (net of tax) for								
the year ended March 31,								
2019	-	-	-	-	-	(9.37)	96.57	87.20
Dividend including								
Corporate Dividend Tax	-	-	-	-	(1,364.68)	-	-	(1,364.68)
Balance as at								
March 31, 2019	2,008.99	-	30.85	878.07	36,284.64	(80.01)	736.29	39,858.83

In terms of our Report of even date attached

For and on behalf of the Board of Directors

For S S Kothari Mehta & Company

Chartered Accountants Arvind Goenka O.P. Dubey Firm Reg. No. 000756N Managing Director Director

Naveen Aggarwal P.K. Maity Anurag Jain Chief Financial Officer Partner Company Secretary

Membership No. 094380

Place: Noida Date: 10th May, 2019

1. Company Overview, Basis of Preparation and Significant Accounting Policies

Corporate Information

Oriental Carbon and Chemicals Limited (""OCCL"" or ""the Holding Company"") is a public limited company domiciled in India and has its registered office at Kolkata. The shares of the Holding Company are listed on National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd.

The Consolidated Financial Statements comprise the Holding Company and its subsidiary (referred to collectively as ""the Group""). The Holding Company's core business is manufacturing and sales of Insoluble Sulphur. The Holding Company is a global supplier of Insoluble Sulphur and about two-third of the turnover of the Holding Company is from Exports. The Holding Company has two manufacturing facilities, one in Haryana and other one in Gujrat. The principal activities of the subsidiary Company is manufacturing & trading of tyre valves and accessories, fluid power and automation products. The Subsidiary Company has its manufacturing facility in Maharashtra. The Subsidiary Company is a Public Limited Company and is listed on the Bombay Stock Exchange (BSE). "

BASIS OF PREPARATION

Statement of compliance

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

These financial statements were authorised for issue by the Board of Directors on May 10, 2019

Basis of measurement

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

- Certain financial assets and liabilities (including derivative instruments) measured at Fair Value / Amortised Cost;
- Defined benefit plan assets measured at Fair Value;

Functional and presentation currency

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

d) Current or Non current classification

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

Use of judgements and estimates

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

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

Measurement of defined benefit obligations;

Recognition of deferred tax assets & MAT credit entitlement;

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

Measurement of Fair Value of Current Investments;

Measurement of fair value of Equity Investments.

III SIGNIFICANT ACCOUNTING POLICY

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

Principle of Consolidation

- The consolidated Financial statement includes the financial statement of the parent company, its subsidiary company. The consolidated financial statement have been prepared in accordance with Ind AS 110 on "Consolidated financial statement" as per Companies (Indian Accounting Standard) Rules 2015 notified under section 133 of the Companies Act, 2013 ('the Act) and other relevant provisions of the Act to the extent possible.
- The Financial Statement of the Parent Company and its Subsidiary company are prepared on line by line adding together like items of assets, liabilities equity, income and expenses, intercompany balances and transactions and any unrealised gains arising from inter company transactions are eliminated. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidences of impairment.
- iii) The consolidated Financial Statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements except provision for depreciation for some assets, which is not material to the Consolidated Financial Statements.
- iv) Non controlling Interest in the consolidated financial statement is identified and recognised after taking into consideration the amount of equity attributable to non controlling interest at date on which investment in subsidiary is made
- Non Controlling Interest in Equity since the date parent/ Subsidiary relationship came into existence, the losses attributable to the minorities are adjusted against the minority interest in the equity of the subsidiary
- vi) Financial statement of Subsidiary used for the purpose of Consolidation are drawn up to the same reporting date as that of the Company i.e. year ended March 31, 2019.
- vii) The Subsidiary company which is included in the consolidation and the parent company's holding are as under:

Name of the Company	% of Shar	Place of Incorporation	
Duncan Engineering Limited	As on March 31, 2019	As on March 31, 2018	le die
(Formerly Known as Schrader Duncan Limited)	50.01%	50.01%	India

Property, plant and equipment

Recognition and measurement

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

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

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

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

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

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

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

ii) Depreciation

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

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

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

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

Intangible assets

Recognition and measurement

Intangible Assets Acquired Separately

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

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

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

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

Amortisation

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

The estimated useful lives are as follows:

Software: 5 years

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

d) Impairment of non-financial assets

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

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

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

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

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

Financial Instruments

Initial recognition

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

Subsequent measurement

(a) Financial assets carried at amortised cost

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

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

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

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

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

(d) Financial liabilities

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

(e) Reclassification of Financial Assets and Financial Liabilities

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

iii) Impairment of financial assets

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

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

iv) Derecognition

Financial Assets

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

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

Financial Liabilities

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

Derivative financial instruments

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

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

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

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

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

vi) Offsetting

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

Fair value measurement

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

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

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

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

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

g) Inventories

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

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

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

Provisions, Contingent Liabilities and Contingent Assets

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

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

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

Revenue from contracts with customers

The Group derives revenue from sale of Insoluble Sulpur, Sulphuric Acid, Oleum and General Engineering Products.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognise revenue when or as an entity satisfies performance obligation.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 14 and disclosures of transition approach along with impact of adoption of Ind AS 115 on financial statements are provided in Note 1(t).

Sale of goods

For sale of goods, revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products to customers at an amount that reflects the consideration the Company expects to receive in exchange for those products.

Other Revenue Streams j)

Export Benefits

In case of direct exports made by the Group, export benefits arising from Drawback, Merchandise Export Incentive Scheme are recognised on shipment of direct exports.

Revenue from exports benefits measured at the fair value of consideration received or receivable net of returns.

Interest Income

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

Dividends

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

Employee Benefits

Short term employee benefits

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

Defined contribution plans

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

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

iii) Defined benefit plans

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

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

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

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

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

iv) Other long-term employee benefits

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

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

Foreign currency transactions

Initial recognition:

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

Conversion:

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

Exchange difference:

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

m) Borrowing costs

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

Income Tax

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

i) Current tax

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

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

- has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) Deferred tax

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

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

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

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

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

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

Deferred tax assets and liabilities are offset only if:

- a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

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

o) Segment Reporting

The accounting policies adopted for the segment reporting are in conformity with the accounting policies adopted for the Group. Primary Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Revenue, Expense, Assets and Liabilities, which relate to the Group as a whole and could not be allocated to segments on a reasonable basis, have been classified as unallocated. Secondary segment is identified based on geography by location of customers i.e. in India and outside India. Inter-segment revenue have been accounted for based on the transaction price agreed to between the segments, which is primarily market based.

p) Cash and cash equivalents

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

g) Cash flow statement

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

r) Lease

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

Group as lessee under operating lease

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

s) Earning per share

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

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

Changes in accounting policies and disclosures

New and amended standards

The Group applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of new accounting standards are described below. Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on March 28, 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Group adopted Ind AS 115 using the modified retrospective method of adoption. The change did not have a material impact on the financial statements of the Group.

Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Considerations

The appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the de-recognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or nonmonetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the date of the transactions for each payment or receipt of advance consideration. This Interpretation does not have any impact on the Group's financial statements.

Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments do not have any impact on the Group as the Group has no deductible temporary differences or assets that are in the scope of the amendments.

Standards issued but not effective upto the date of Financial Statements

Ind AS 116 Leases

Ind AS 116 Leases was notified by MCA on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees- leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Group intends to adopt these standards from April 01 2019. The impact on adoption of Ind AS 116 on the financial statements is given below. Ind AS 116 also requires lessees and lessors to make more extensive disclosures than under Ind AS 17.

2. Property, Plant & Equipment

(₹ in lakhs)

		Gross Carr	ying Value			Depreciation / Amortisation				Net Carrying Value	
Description	As at April 1, 2017	Additions/ adjustments	Sales/ adjustments	As at March 31, 2018	As at March 31, 2017	Additions/ Adjustments	Sales/ Adjustments	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017	
Land - Freehold	141.34	21.25	-	162.59	-	-	-	-	162.59	141.34	
- Leasehold	1,033.23	-	-	1,033.23	173.98	31.01	-	204.99	828.24	859.25	
Building	15,740.57	435.08	2.07	16,173.58	2,102.04	372.39	0.74	2,473.69	13,699.89	13,638.53	
Plant & Equipment	24,099.01	1,385.73	434.63	25,050.11	8,123.26	971.14	219.95	8,874.45	16,175.66	15,975.75	
Electrical Installations	2,507.10	39.70	1.51	2,545.29	1,228.36	202.03	0.83	1,429.56	1,115.73	1,278.74	
Furniture and Fixture	581.63	10.86	0.36	592.13	267.58	53.31	0.36	320.53	271.60	314.05	
Vehicles	451.88	156.59	66.63	541.84	295.35	83.04	63.30	315.09	226.75	156.53	
Air Conditioners and coolers	196.02	3.54	2.51	197.05	72.69	30.51	1.47	101.73	95.32	123.33	
Office Equipment	454.97	35.45	2.54	487.88	319.67	46.20	2.14	363.73	124.15	135.30	
Total	45,205.75	2,088.20	510.25	46,783.70	12,582.93	1,789.63	288.79	14,083.77	32,699.93	32,622.82	

(₹ in lakhs)

		Gross Carr	ying Value			Depreciation /	' Amortisation		Net Carrying Value	
Description	As at April 1, 2018	Additions/ adjustments	Sales/ adjustments	As at March 31, 2019	As at March 31, 2018	Additions/ Adjustments	Sales/ Adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Land - Freehold	162.59	-	-	162.59	-	-	-	-	162.59	162.59
- Leasehold	1,033.23	-	-	1,033.23	204.99	31.01	-	236.00	797.23	828.24
Building	16,173.58	642.36	-	16,815.94	2,473.69	395.32	-	2,869.01	13,946.93	13,699.89
Plant & Equipment	25,050.11	4,462.63	1,017.23	28,495.51	8,874.45	1,134.50	591.88	9,417.07	19,078.44	16,175.66
Electrical Installations	2,545.29	369.28	1.37	2,913.20	1,429.56	228.32	1.37	1,656.51	1,256.69	1,115.73
Furniture and Fixture	592.13	33.80	4.78	621.15	320.53	53.66	4.01	370.18	250.97	271.60
Vehicles	541.84	172.08	32.85	681.07	315.09	80.52	30.03	365.58	315.49	226.75
Air Conditioners and coolers	197.05	16.71	9.00	204.76	101.73	29.18	8.01	122.90	81.86	95.32
Office Equipment	487.88	45.29	73.64	459.53	363.73	40.69	67.68	336.74	122.79	124.15
Total	46,783.70	5,742.15	1,138.87	51,386.98	14,083.77	1,993.20	702.98	15,373.99	36,012.99	32,699.93

Notes:

- Gross Block includes ₹158.57 lakhs (Previous year ₹47.95 lakhs) purchased under Car Finance Scheme.
- (ii) Building includes properties costing ₹3501.99 lakhs pending for registration (Previous year ₹3,447.22 lakhs)
- (iii) In accordance with Ind AS-101 the exchange differences arising on translation of long term foreign currency loans taken for acquisition of depreciable assets before the transition date are being capitalised and accordingly the net exchange difference for the year amounting to ₹52.12 lakhs (Previous year ₹99.94 lakhs) have been capitalised.

3. Intangible Assets

(₹ in lakhs)

Description		Gross Carr	ying Value			Amort	Net Carrying Value				
	As at Additions/ adjustments	Additions/	Sales/	As at	As at	Additions/	Additions/ Sales/		As at	As at	As at
		adjustments March 31, 2018	March	March 31,	' Adjustments		March 31,	March 31,	March		
			31, 2018	2017	Aujustinents		2018	2018	31, 2017		
Computer Software	339.72	33.57	-	373.29	268.43	27.53	-	295.96	77.33	71.29	
Total	339.72	33.57	-	373.29	268.43	27.53	-	295.96	77.33	71.29	

(₹ in lakhs)

		Gross Carr	ying Value			Amort	Net Carrying Value			
Description	As at	t Additions/	Sales/	As at	As at Additions /	Additions/	Sales/	As at	As at	As at
	April 1,		adiustments	March	March 31,		Adiustments	March 31,	March 31,	March
	2018	adjustments	aujustments	31, 2019	2018	Adjustifients	Aujustinents	2019	2019	31, 2018
Computer Software	373.29	26.33	-	399.62	295.96	33.08	-	329.04	70.58	77.33
Total	373.29	26.33	-	399.62	295.96	33.08	-	329.04	70.58	77.33

4. Financial Assets

4(a) NON CURRENT INVESTMENTS

(₹ in lakhs)

	Face Vale	As at Marc	h 31, 2019	As at Marc	h 31, 2018
	/ Share	No. of Share	Value	No. of Share	Value
Unquoted, Equity shares fully paid up					
Investments Carried at Fair Value Through OCI					
Investment in Equity instruments (Others)					
Duncan International (India) Limited	100/-	8351	367.63	8351	319.54
New India Investment Corporation Limited	75/-	3353	606.73	3353	528.92
TOTAL			974.36		848.46
Agreegate Fair Value of Unquoted Investments			974.36		848.46

4(b) CURRENT INVESTMENTS

Day	ticulars	As at	As at
Pal	ticulais	March 31, 2019	March 31, 2018
lην	estment in Mutual Funds at FVTPL		
Qυ	oted		
a.		-	202.67
	(March 31, 2019 Nil Units; March 31, 2018 1936279.528 Units)		
b.	ICICI Prudential Equity Arbitrage Fund Dividend-DR	-	303.81
	(March 31, 2019 Nil Únits; March 31, 2018 2227297.793 Units)		
C.	Kotak Equity Arbitrage Fund Regular Plan Monthly Dividend-DR	-	405.43
	(March 31, 2019 Nil Units; March 31, 2018 3791639.870 Units)		
d.	Reliance Arbitrage Advantage Fund Monthly Dividend Plan-DR	-	406.40
	(March 31, 2019 Nil Units; March 31, 2018 3841165.636 Units)		
e.		-	180.93
	(March 31, 2019 Nil Units; March 31, 2018 1278725.570 Units)		
f.	SBI Treasury Advantage Fund-Direct Plan-Daily Dividend	-	601.95
	(March 31, 2019 Nil Units; March 31, 2018 30428.410 Units)		
g.	SBI Corporate Bond Fund - Direct Plan Growth	-	216.82
	(March 31, 2019 Nil Units; March 31, 2018 753843.660 Units)		
h.	SBI Equity Savings Fund-Dir Gr	-	162.00
	(March 31, 2019 Nil Units; March 31, 2018 1248312.947 Units)		
i.	DSP BlackRock India Enhanced Equity Fund	-	632.52
	(March 31, 2019 Nil Units; March 31, 2018 Nil Units)		
j.	Avendus Absolute Return Fund Class A2	-	323.76
	(March 31, 2019 Nil Units; March 31, 2018 30000 Units)		
k.	DSP BlackRock Liquidity Fund-Institutional Plan-Growth	-	0.68
	(March 31, 2019 Nil Units; March 31, 2018 27.670 Units)		
l.	BNP Paribas Enhanced Arbitrage Fund Regular	-	300.99
	(March 31, 2019 Nil Units; March 31, 2018 2991623.454 Units)		
m.	Edelweiss Arbitrage Fund Direct Plan Growth	215.62	-
	(March 31, 2019 1531570.887 Units; March 31, 2018 Nil Units)		
n.		-	253.66
	(March 31, 2019 Nil Units; March 31, 2018 Nil Units)		

4. Financial Assets (contd.)

(₹ in lakhs)

_			(₹ in lakhs)
Pa	rticulars	As at	As at
1 4		March 31, 2019	March 31, 2018
Ο.		-	250.40
	(March 31, 2019 Nil Units; March 31, 2018 Nil Units)		
p.	Avendus Absolute Return Fund Class A3	-	315.16
	(March 31, 2019 Nil Units; March 31, 2018 30000 Units)		
q.	ICICI Prudential Credit Risk Fund Growth (Erstwhile ICICI Prudential Regular Saving Fund	214.67	200.84
	Growth)		
	(March 31, 2019 1081209.657 Units; March 31, 2018 1081209.657 Units)		
r.	ICICI Prudential Equity Arbitrage Fund Direct Plan Growth	323.06	-
	(March 31, 2019 1279640.337 Units; March 31, 2018 Nil Units)		
S.	Kotak Equity Arbitrage Fund Direct Plan Growth	431.19	-
	(March 31, 2019 1585094.012 Units; March 31, 2018 Nil Units)		
t.	Reliance Arbitrage Fund Direct Plan Growth	433.68	-
	(March 31, 2019 2215922.753 Units; March 31, 2018 Nil Units)		
u.	SBI Magnum Ultra SDF Direct Growth	525.67	-
	(March 31, 2019 12607.576 Units; March 31, 2018 Nil Units)		
V.		521.14	-
	(March 31, 2019 17829.121 Units; March 31, 2018 Nil Units)		
W.	Aditya Birla Sun Life Liquid Fund- Growth	905.45	-
	(March 31, 2019 302819.143 Units; March 31, 2018 Nil Units)		
Χ.	HDFC Liquid Fund Regular Plan Growth	1,005.08	-
	(March 31, 2019 27458.992 Units; March 31, 2018 Nil Units)		
у.		573.94	521.32
	(March 31, 2019 Nil Units; March 31, 2018 Nil Units)		
Z.	Xponentia Opportunities Fund 1 - Class A1 (Alternate)	200.00	-
	(March 31, 2019 Nil Units; March 31, 2018 Nil Units)		
In	vestment in Bonds at Cost		
	uoted		
a.	7.8125 % LIC Housing Finance Limited	497.74	-
	Face Value ₹10,00,000; (March 31, 2019 50 Bonds; March 31, 2018 Nil Bonds)		
b.	9.45 % HDFC Limited	502.37	-
	Face Value ₹10,00,000; (March 31, 2019 50 Bonds; March 31, 2018 Nil Bonds)		
C.	7.00 % HDFC Limited	495.33	-
	Face Value ₹1,00,00,000; (March 31, 2019 5 Bonds; March 31, 2018 Nil Bonds)		
d.	8.45 % HDFC Limited	501.25	-
	Face Value ₹1,00,00,000; (March 31, 2019 5 Bonds; March 31, 2018 Nil Bonds)		
e.	9.22 % LIC Housing Finance Limited	1,006.64	-
	Face Value ₹10,00,000; (March 31, 2019 100 Bonds; March 31, 2018 Nil Bonds)		
	TOTAL	8,352.83	5,279.34
	Agreegate Market Value of Quoted Investments	8,352.83	5,279.34

4(c) LOANS

				(\ 111 141(113)	
	Non- C	Current	Current		
Particulars	As At	As At	As At	As At	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
Unsecured, considered good					
Other Loans and advances					
Employee Advances	29.51	35.32	63.61	52.44	
TOTAL	29.51	35.32	63.61	52.44	

4. Financial Assets (contd.)

4(d)TRADE RECEIVABLE

(₹ in lakhs)

		(
Particulars	As at March 31, 2019	As at March 31, 2018
Secured, Considered Good	2.10	2.40
Unsecured, Considered Good	8,914.47	8,097.96
Trade Receivables which have significant increase in Credit Risk	-	=
Trade Receivables - Credit Impaired	2.68	148.50
	8,919.25	8,248.86
Less: Impairment Allowance for doubtful debts	(2.68)	(148.50)
TOTAL	8,916.57	8,100.36

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firm or private companies respectively in which any director is a partner, a director or a member other than stated above.

Trade receivables are non-interest bearing and are generally on terms of 7 to 150 days.

Impairment of Trade Receivables has been considered ₹2.68 lakhs (Previous year 148.50 lakhs) based on the Expected Credit Loss Method and in other cases based on the management judgement.

4(e) CASH AND CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with banks		
In Current Accounts	375.68	260.92
Cash on hand	1.69	3.02
Fixed Deposit with Maturity less than 3 Months	-	700.00
TOTAL	377.37	963.94

4(f) OTHER BANK BALANCES

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed Deposit with Maturity less than 12 Months	5.16	4.66
Deposit Repayment reserve Account	55.50	62.50
Unpaid Dividend Accounts	137.58	124.45
TOTAL	198.24	191.61

4(g) OTHER FINANCIAL ASSETS

(₹ in lakhs)

	Non- C	urrent	Current	
Particulars	As At	As At	As At	As At
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Considered good unless stated otherwise				
Measured at Amortised Cost				
Other Bank Deposits with more than 12 months maturity @	442.18	410.94	-	-
Security Deposits	251.05	182.46	51.85	53.57
Accrued Interest Income	-	-	162.05	17.15
TOTAL	693.23	593.40	213.90	70.72

@ Includes Margin Money for Bank Guarantees ₹5.72 lakhs (Previous year ₹6.20 lakhs)

5. Inventories (Lower of Cost or Net Realisable Value)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Materials (Includes Stock-in-transit ₹120.99 lakhs; Previous year ₹99.26 lakhs)	1,770.59	1,757.90
Work in Progress	119.34	125.81
Finished Goods	2,780.68	2,084.98
Stores & Spares (Includes Stock-in-transit ₹0.89 lakhs; Previous year ₹23.44 lakhs)	677.08	627.33
Traded Goods	2.61	4.52
Scrap	1.00	2.51
Fuel	72.14	67.44
TOTAL	5,423.44	4,670.49

6. Other Assets

(₹ in lakhs)

	Non- Current		Current	
Particulars	As At	As At	As At	As At
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Considered good unless stated otherwise				
Export incentive Receivable	-	-	379.18	484.74
Capital Advances *	114.13	215.21	-	0.89
Fixed Assets held for sale (At lower of Book Value and Net	-	-	23.50	11.28
Realisable Value)				
Receivable on Foreign Currency Forward Contracts	-	-	355.14	-
Other Receivables	-	-	194.91	200.34
Prepaid Expenses	4.21	1.02	238.73	125.35
Other Miscellaneous Advances	-	-	128.53	140.10
TOTAL	118.34	216.23	1,319.99	962.70

^{*} Includes ₹75.00 lakhs (Previous year ₹75.00 lakhs) to a company under liquidation against the use of an office premises which is pending transfer in favour of the Company.

7. Income Tax Assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Income Tax Assets (Net)	18.06	94.73
TOTAL	18.06	94.73

8. Equity Share Capital

(₹ in lakhe)

		(< in lakns)
Particulars	As at March 31, 2019	As at March 31, 2018
Authorised Shares		
1,49,90,000 (Previous year 1,49,90,000) Equity Shares of ₹10 each (Previous year ₹10		
each)	1,499.00	1,499.00
1,000 (Previous year 1,000) Redeemable Cumulative Preference Shares of ₹100 each		
(Previous year ₹100 each)	1.00	1.00
	1,500.00	1,500.00
Issued Shares		
1,00,23,844 (Previous year 1,03,29,814) Equity Shares of ₹10 each (Previous year ₹10		
each)	1,002.38	1,032.98
	1,002.38	1,032.98
Subscribed & Fully Paid up Shares		
99,90,092 (Previous year 1,02,96,062) Equity Shares of ₹10 each (Previous year ₹10		
each)	999.01	1,029.61
Add: Forfeited Shares (Amount Originally paid up)	1.52	1.52
Total subscribed and fully paid up share capital	1,000.53	1,031.13

Terms / rights attached to Equity Shares

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

b. Reconciliation of Shares outstanding at the beginning and at the end of the reporting period **Issued Share Capital**

Equity Shares

	Equity Share (No. of Shares)	Equity Share (\	Value of Shares)	
Particulars	As At	As At	As At	As At	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
Share outstanding at beginning of period	10329814	10329814	1,032.98	1,032.98	
Less: Buyback of 305970 (Previous year Nil) Equity Shares	305970	-	30.60	-	
of ₹10 each under the Open Market Route through Stock					
Exchange During the year (refer Note 8(d))					
Share outstanding at end of period	10023844	10329814	1,002.38	1,032.98	

8. Equity Share Capital (contd.)

Subscribed & Paid up

Equity Shares

	Equity Share (No. of Shares)		Equity Share (Value of Shares)	
Particulars	As At	As At	As At	As At
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Share outstanding at beginning of period	10296062	10296062	1,029.61	1,029.61
Less: Buyback of 305970 (Previous year Nil) Equity Shares	305970	-	30.60	-
of ₹10 each under the Open Market Route through Stock				
Exchange During the year (refer Note No. 8(d))				
Share outstanding at end of period	9990092	10296062	999.01	1,029.61

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

Equity Shares

Name of Shareholders	As at March 31, 2019		As at March 31, 2018	
Name of Stratefiolities	No of Shares	% of Holding	No of Shares	% of Holding
Cosmopolitan Investments Ltd	1907528	19.09%	1904528	18.50%
New India Investment corporation Ltd.	1212136	12.13%	1202136	11.68%
Duncan International (India) Ltd	994616	9.96%	994616	9.66%
HDFC Trustee Company Ltd	926250	9.27%	897250	8.71%
Haldia Investment Company Ltd	598895	5.99%	591895	5.75%

d. Note on Buyback of Equity Shares

The Board of Directors of the Company, at its meeting held on November 01, 2018, has approved a proposal to buy back the Company's fully paid-up equity shares of the face value of ₹10/- each at a maximum price of ₹1150/- per equity share up to total amount of buy back of ₹3500.00 lakhs from it's members / beneficial owners / other than those who are promoters or persons in control of the Company and the promoter group, under the open market route through stock exchange. The buy back process commenced on November 14, 2018 and closed on March 02, 2019. During the period, the Company has bought back 3,05,970 equity shares and extinguished on March 02, 2019.

9. Other Equity

Particulars	As at	As at
Particulars	March 31, 2019	March 31, 2018
(I) Reserves		
a. Capital Reserve		
Balance at the beginning of the Financial year	2,008.99	2,008.99
Balance at the end of the Financial year	2,008.99	2,008.99
b. Securities Premium		
Balance at the beginning of the Financial year	1,792.64	1,792.64
Less: Amount paid upon Buyback	1,769.54	-
Less: Transaction costs related to Buyback (net of tax)	23.10	-
Balance at the end of the Financial year	-	1,792.64
c. Capital Redemption Reserve		
Balance at the beginning of the Financial year	0.25	0.25
Add: Amount Transferred from General Reserve upon Buyback	30.60	-
Balance at the end of the Financial year	30.85	0.25
d. General Reserve		
Balance at the beginning of the Financial year	2,613.88	2,613.88
Less: Amount paid upon Buyback	1,705.21	-
Less: Amount Transferred to Capital Redemption Reserve upon Buyback	30.60	-
Balance at the end of the Financial year	878.07	2,613.88
e. Surplus in Statement of Profit & Loss		
Balance at the beginning of the Financial year	30,136.17	25,692.97
Addition during the Financial year	7,513.15	5,682.40
	37,649.32	31,375.37
Less: Appropriations		
Interim Dividend @	411.15	308.88
Tax on Interim Dividend	84.66	62.88

9. OTHER EQUITY (contd.)

(₹ in lakhs)

		(* 111 1011115)
Particulars		As at
Fai ticulai 3	March 31, 2019	March 31, 2018
Final Dividend of previous year	720.72	720.72
Tax on Final Dividend of Previous year	148.15	146.72
	36,284.64	30,136.17
TOTAL (I)	39,202.55	36,551.93
(II) Items of other comprehensive income		
Balance at the beginning of the Financial year	569.08	512.49
Add: Other Comprehensive Income for the Financial year		
Remeasurement Gain or (Loss) on Defined Benefit Plans (Net of Tax)	(9.37)	8.66
Net Gain or (Loss) on FVOCI Non Current Investments (Net of Tax)	96.57	47.93
TOTAL (II)	656.28	569.08
TOTAL OTHER EQUITY (I + II)	39,858.83	37,121.01

Notes:

(i) Capital Reserve:

The Holding Company had recognised Surplus arising out of transfer of Assets and Liabilities of erstwhile Carbon Black Division to Capital Reserve and Capital Reserve arising on Consolidation of its Subsidiary.

(ii) Securities Premium:

In the earlier years, the Holding Company has received Share Premium on conversion of fully convertible debentures into equity shares and also on allotment of equity shares issued on rights basis.

(iii) Capital Redemption Reserve:

An amount of ₹30.60 lakhs (equivalent to nominal value of the equity shares bought back and cancelled by the Company in the year endd March 2019) has been transferred to Capital Redemption Reserve from General Reserve pursuant to the provisions of Section 69 of the Companies Act, 2013 and the article 8 of the Article of Association of the Holding Company. (Refer Note No. 8(d)).

(iv) Items of Other Comprehensive Income

The Group recognises the gain or loss on fair value of non-current investments and Remeasurement Gain or loss on Defined Benefit Plans under Items of Other Comprehensive Income.

(v) During the year, the Holding Company has paid Interim dividend of ₹4.00; (Previous year ₹3.00) per equity share. Now, final dividend ₹8.00 (Previous year ₹7.00) per equity share for financial year 2018-19 is recommended by the Board of Directors, which is subject to the approval of the shareholders in the ensuing Annual General Meeting.

10. Financial Liabilities

a) Borrowings (Non-Current)

(₹ in lakhs)

	Non - Current Maturities		Current Maturities	
Particulars	As At	As At	As At	As At
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Term Loans - From Banks (i)	6,940.35	6,659.16	2,124.63	1,682.09
Vehicle Loans from Banks (ii)	89.51	4.02	33.13	15.19
Public Deposits (iii)	138.42	210.47	129.75	265.53
Less : Current Maturities of Long Term Borrowings	-	-	(2,287.51)	(1,962.81)
TOTAL	7,168.28	6,873.65	-	_

Notes:

(i) (a) Securities:

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

10. Financial Liabilities (contd.)

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

(₹ in lakhs)

As at March 31, 2019				
As at	Repayments			
March 31, 2019	No. of outstanding Instalments	Periodicity		
1,236.66	12	Quarterly Equal		
669.10	17	Quarterly Equal		
2,117.20	12	Quarterly Graded		
599.21	12	Quarterly Equal		
1,473.13	17	Quarterly Equal		
845.05	20	Quarterly Equal		
6,940.35				

As at March 31, 2018			
As at	Repayments		
March 31, 2018	No. of outstanding Instalments	Periodicity	
1,549.61	16	Quarterly Equal	
195.51	20	Quarterly Equal	
		Quarterly Graded	
		(Includes Buyer's	
3,915.17	16	Credit of ₹1363.73	
		lakhs part of Term	
		Loan)	
798.56	16	Quarterly Equal	
200.31	20	Quarterly Equal	
-	-	-	
6,659.16			

- (ii) Secured by hypothecation of vehicles purchased under the scheme and non-current portion of ₹89.51 lakhs (Previous year ₹4.02 lakhs) is repayable in 15 to 49 (Previous year 2 to 11) equated monthly instalments in 2019-20 onwards as per the repayment schedule.
- (iii) Deposits from public carries rate of interest @ 7.75% to 8.00% (Previous year 7.75% to 8.00%) p.a. and non-current portion of ₹138.42 lakhs (Previous year ₹210.47 lakhs) is repayable after 1 to 3 years (Previous year 1 to 3 years) from the date of acceptance of deposits.

(b) Borrowings (Current)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans Repayable on Demand		
Working Capital Loans from Bank (secured)		
Cash Credit and Packing Credit	1,972.07	2,598.58
Bill Discounting	1,756.58	776.73
TOTAL	3,728.65	3,375.31

Security:

Cash Credit, Packing Credit and Bill Discounting of the Holding Company amounting to ₹3,059.38 lakhs (Previous year ₹2,903.03 lakhs) are secured by first exclusive charge on entire current assets of the Company and second exclusive charge over the entire fixed assets including equitable mortgage of factory land and building of Mundra SEZ Unit of Holding Company with State Bank of India. In respect of Subsidiary Company, Cash Credit amounting to ₹669.27 lakhs (Previous year ₹472.28 lakhs) is secured by primary first exclusive charge on the current assets of the Subsidiary Company and collateral charge on the tangible movable/immovable fixed assets of the Subsidiary Company at Ranjangaon, Pune, with State Bank of India and further by Corporate Guarantees of the Holding Company and Cosmopolitan Investments Ltd.

(c) Trade Payables

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables		
Dues of Micro Enterprises and Small Enterprises (Refer Note No. 28)	123.08	60.66
Dues of Creditors Other than Micro Enterprises and Small Enterprises	2,120.40	2,449.49
TOTAL	2,243.48	2,510.15

(d) Other Financial Liabilities (Non Current)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest Accrued but not due on deposits	20.45	26.73
Trade deposits	14.17	14.28
TOTAL	34.62	41.01

10. Financial Liabilities (contd.)

(e) Other Financial Liabilities (Current)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current maturities of Long-Term Borrowings	2,124.63	1,682.09
Current maturities of Vehicle Loans	33.13	15.19
Current maturities of Deposits	129.75	265.53
Interest accrued but not due on Borrowings	74.33	53.46
Unpaid Dividend	137.58	124.45
Unpaid and Unclaimed Matured Deposits & Interest accrued thereon #	3.46	26.43
Creditors for Capital Goods	220.08	535.31
Employees liabilities @	1,324.99	1,039.59
Directors' Commission	81.58	55.21
Security Deposits	7.74	9.06
TOTAL	4,137.27	3,806.32

[#] Includes ₹ Nil (Previous year ₹12.95 lakhs) under legal dispute between the Joint Holders of the deposit.

11. Provisions

(₹ in lakhs)

	Non - Current		Current	
Particulars	As At	As At	As At	As At
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Provision for Employee Benefits				
Compensated Absences & Gratuity	306.97	264.87	84.17	104.54
TOTAL	306.97	264.87	84.17	104.54

12. Deferred Tax Liabilities (Net)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
The balance comprises temporary differences attributable to:		
Deferred Tax Liabilities		
Property, Plant & Equipment and Intangible Assets	4,478.80	3,823.49
Deferred Tax Liability on FVOCI on Equity Investments	221.19	191.86
Deferred Tax Liability on Current Investment at Fair Value	65.37	55.69
Deferred Tax Liability on Amortised Value of Upfront Fees of Long Term Loans	2.72	4.29
Deferred Tax Liability on Exchange Difference on Forward Contracts	53.40	-
A	4,821.48	4,075.33
Deferred Tax Assets		
Provision for employee benefits & others.	109.31	146.71
Unabsorbed Depreciation/Carry forward Loss	147.42	197.69
MAT credit entitlement	1,800.63	1,677.94
В	2,057.36	2,022.34
Net A-B	2,764.12	2,052.99

13. Other Liabilities

	Non - Current		Current		
Particulars	As At	As At	As At	As At	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
Advance received from and Credit balance of Customers	-	-	43.22	168.76	
Statutory dues payable	-	-	336.29	285.58	
Payable on Foreign Currency Forward Contracts	-	-	93.16	126.87	
Interest Payable	-	-	0.96	0.06	
Other payable	-	-	361.75	306.93	
TOTAL	-	-	835.38	888.20	

[@] Includes dues to Executive Directors ₹253.66 lakhs (Previous year ₹107.26 lakhs)

14. Revenue from Operations

Revenue from Contracts with Customers

(i) Disaggregated Revenue Information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(₹ in lakhs)

Segment	Year Ended March 31, 2019			Year Ended March 31, 20		1, 2018
	Domestic	Export	Total	Domestic	Export	Total
a) Sale of products (including Excise Duty)*						
Insoluble Sulphur	12,391.53	22,310.68	34,702.21	10,354.27	19,909.26	30,263.53
Sulphuric Acid and Oleum	3,651.34	-	3,651.34	2,560.06	-	2,560.06
Hydraulic and Pneumatic Equipment	3,972.65	117.28	4,089.93	3,714.48	59.38	3,773.86
Others	346.98	-	346.98	399.72	-	399.72
Total Sale of Manufactures Products	20,362.50	22,427.96	42,790.46	17,028.53	19,968.64	36,997.17
b) Export Benefits	-	410.31	410.31	-	378.92	378.92
Total Revenue from Contracts with Customers (a+b)	20,362.50	22,838.27	43,200.77	17,028.53	20,347.56	37,376.09
Timing of Revenue Recognition						
Goods Transferred at a point of time	20,362.50	22,838.27	43,200.77	17,028.53	20,347.56	37,376.09
Total Revenue from Contracts with Customers	20,362.50	22,838.27	43,200.77	17,028.53	20,347.56	37,376.09

Note:

Revenue from operations for the year ended March 31 2019 includes excise duty Nil (Previous year ₹491.71 lakhs). From 1July 2017 onwards the excise duty and most indirect taxes in India have been replaced with Goods and Service Tax (GST). The Company collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations year ended March 31, 2019 is not comparable with March 31, 2018.

(ii) Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers (₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Trade Receivables *	8,916.57	8,100.36
Contract Liabilities		
Advance from customers (Refer Note No. 13)	43.22	168.76

^{*} Trade Receivables are non-interest bearing and are generally on terms of 7 to 150 days.

(iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Revenue as per Contracted Price	43,518.26	38,153.18
Adjustments		
Sales Return	(150.19)	(447.73)
Rebate	(101.77)	(271.28)
Discount	(65.53)	(58.08)
Revenue from Contracts with Customers	43,200.77	37,376.09

(iv) The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31, 2019 are, as follows:

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Advance from customers (Refer Note No. 13)	43.22	168.76

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

15. Other Income

(₹ in lakhs)

Particulars	Year Ended M	larch 31, 2019	Year Ended M	arch 31, 2018
Dividend on Current Investment		30.69		71.33
Profit On Sale / Redemption / Maturity of Current Investment (Net)		117.78		111.98
Interest Income				
On deposit	40.51		70.96	
On Bonds	126.01		-	
On Loans	2.25		2.47	
Others	2.52	171.29	1.71	75.14
Loans and Debts earlier Written off, now recovered		28.66		5.69
Net Gain on foreign Currency Translation and Transaction		2.61		-
Net Gain on Foreign Currency Forward Contracts		261.98		-
Rent received		1.80		7.23
Provision no longer Required Written Back		77.79		71.84
Advance Received Written Back		15.01		-
Scrap Sales		63.34		46.31
Net Gain on Fair Value of Current Investments		187.07		100.01
Miscellaneous Income		23.38		7.56
TOTAL		981.40		497.09

16. Cost of Materials Consumed

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Cost of Materials Consumed	13,582.44	10,571.29
Less: Consumption for Trial Run Production	129.03	-
TOTAL	13,453.41	10,571.29

17. a) Purchase of Traded Goods

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Purchase of Traded Goods	-	20.90
TOTAL	-	20.90

17. b) Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade

(\frac{1}{1})				
Particulars	Year Ended M	larch 31, 2019	Year Ended M	larch 31, 2018
Inventories at the beginning of the Financial year				
Finished Goods		2,084.98		1,559.80
Work in Progress		125.81		217.86
Stock in trade		4.52		7.60
Scrap		2.51		10.99
		2,217.82		1,796.25
Add: Transferred from Trial Run Production				
Finished Goods	231.02		-	
Work-in-Progress	8.48	239.50	=	-
		2,457.32		1,796.25
Inventories at the end of the Financial year				
Finished Goods		2,780.68		2,084.98
Work in Progress		119.34		125.81
Stock in trade		2.61		4.52
Scrap		1.00		2.51
		2,903.63		2,217.82
Change in Excise Duty on Finished Goods Stock		-		(60.43)
Change in Inventories		(446.31)		(482.00)

18. Employee Benefit Expenses

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Salaries, Wages and Bonus	4,683.71	4,015.76
Contribution to Provident & other funds	250.31	227.16
Gratuity	55.43	94.65
Long term compensated absences	74.88	58.32
Employees Welfare Expenses	396.66	414.63
	5,460.99	4,810.52
Less: Transfer to Capital Work-in-Progress / Capitalised	108.81	69.30
TOTAL	5,352.18	4,741.22

19. Finance Cost

(₹ in lakhs)

		(
Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest on financial liabilities measured at amortised cost	823.16	816.28
Other Borrowing Costs	94.95	78.64
	918.11	894.92
Less: Transfer to Capital Work-in-Progress / Capitalised	44.32	15.05
TOTAL	873.79	879.87

20. Depreciation and Amortisation Expenses

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Depreciation on Property, Plant and Equipment (Refer Note No. 2)	1,993.20	1,789.63
Amortisation of Intangible Assets (Refer Note No. 3)	33.08	27.53
TOTAL	2,026.28	1,817.16

21. Other Expenses

Particulars	Year Ended Mar	rch 31, 2019	Year Ended M	arch 31, 2018
Stores Consumed		123.90		104.56
Packing cost		976.30		1,064.24
Power and Fuel		4,189.58		3,848.59
Water Charges		111.67		89.62
Rent		177.75		178.53
Rates and Taxes		165.17		121.40
Insurance		155.96		141.74
Repairs to Buildings		126.77		140.10
Repairs to Machinery		992.26		916.48
Repairs to Others		234.54		205.41
Job Charges		89.65		75.44
Freight & Forwarding		2,162.26		2,226.70
Commission and Discount		435.35		451.00
Travelling		311.13		283.70
Legal & Professional		392.36		336.51
Provision for Doubtful Debts		2.68		1.97
Service Charges		215.19		220.46
Loss on sale/discard of Property, Plant & Equipment (Net)		333.46		130.88
Net Loss on Foreign Currency Translations and Transactions		131.82		145.03
Net Loss on Foreign Currency Forward Contracts		-		99.94
Bad Advances / Debts	209.71		55.73	
Less:-Provision for Doubtful Debts Written Back	148.50	61.21	20.02	35.71
Donations (Includes for CSR Activities ₹148.53 lakhs				
(Previous Year ₹134.20 lakhs)) (Refer Note No. 22)		148.53		134.67
Directors' Commission & Fees		99.04		82.40
Executive Director's Commission		19.75		-
Auditor's Remuneration [Refer Note No. 21(a)]		38.81		34.19
Cost Auditor Fees		1.30		1.30
Miscellaneous		847.27		846.67
		12,543.71		11,917.24
Less: Transfer to Capital Work-in-Progress / Capitalised		188.49		57.88
TOTAL		12,355.22		11,859.36

a. Auditors' Remuneration

		(₹ in lakhs)
Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Audit Fees	28.45	24.54
Certificates & other matters	3.85	3.80
For Tax Audit	5.33	4.50
Reimbursement of expenses	1.18	1.35
TOTAL	38.81	34.19

22. Amount Spent on CSR Activities

(₹ in lakhs)

		(111141113)
Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
a) Gross amount required to be spent by the Company during the year	146.08	134.20
b) Amount spent during the year :		
Health, Hygiene and Sanitation	40.71	6.00
Education, Skill Development Programme and Livelihood enhancement	103.63	122.04
Training and capacity building of CSR team and administrative expenses	4.19	6.16
TOTAL	148.53	134.20

23. Income Tax Expenses

a) Income tax recognised in Profit and Loss

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Current tax expense		
Current tax on profits for the year	2,239.47	1,713.91
Less: Taxation Adjustment in respect of earlier years (Net)	25.80	-
Less: MAT Credit Entitlement (Net)	105.68	21.72
	2,107.99	1,692.19
Deferred tax expense		
Origination and reversal of temporary differences	807.53	596.11
Income tax charged to profit and loss	2,915.52	2,288.30

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

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Remeasurement on defined Benefit Plans	3.03	(5.28)
FVTOCI Non Current Investments	(29.33)	(14.37)
Income tax charged to OCI	(26.30)	(19.65)

24. Research and Development Expenses

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

a) Revenue Expenditure

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Employee Benefit Expenses		
Salaries, Wages and Bonus	70.92	62.92
Contributions to Provident & Other Funds	2.95	2.68
Employee welfare Expenses.	4.16	6.59
TOTAL	78.03	72.19
Consumption of Consumables	4.72	2.40
Repair to Machinery	5.15	3.59
Repair to Others	0.28	_
Job Charges	-	1.48
Insurance Charges	-	0.01
Auditor's Remuneration	0.30	0.20
Travelling and Conveyance	0.35	0.50
Miscellaneous Expenses	6.86	8.07
TOTAL	17.66	16.25
Depreciation		
Depreciation	12.30	7.77
TOTAL	12.30	7.77
Total Expenditure Allowed	107.99	96.21

24. Research and Development Expenses (contd.)

b) Capital expenditure

(₹ in lakhs)

Description	March 31, 2018	Additions during the Year	March 31, 2019
Buildings	-	-	-
Equipments and Others	78.36	50.73	129.09
TOTAL	78.36	50.73	129.09

25. Earnings per Share

(₹ in lakhe)

		(\langle III laki is)
Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
a) Net Profit/loss from Continuing Operations for Basic & Diluted EPS	7,513.15	5,680.19
b) Net Profit/loss from Continuing & Discontinued Operations for Basic &		
Diluted EPS	7,513.15	5,682.40
c) Weighted Average Number of Equity Shares for Basic & Diluted EPS	10229106	10296062
d) Earning Per Share - Basic & Diluted from continuing operations (₹)	73.45	55.17
e) Earning Per Share - Basic & Diluted from continuing & discontinued		
operations (₹)	73.45	55.19
f) Face value per share (₹)	10.00	10.00

26. Capital Commitment

(₹ in lakhe)

		(< III laki is)
Particulars	As at March 31, 2019	As at March 31, 2018
Estimated Amount of Capital Commitments outstanding and not provided for		
(Gross) (Advance paid ₹39.13 lakhs (Previous year ₹13.84 lakhs))	439.34	592.64

27. Contingent Liabilities

(₹ in lakhs)

Particulars	Λc Λt March 31 2010	As At March 31, 2018
	AS AL March 31, 2019	A3 At March 31, 2016
(i) a. Claims against the Company not acknowledged as debt*;		
Income Tax (Deposited ₹ Nil; Previous year ₹10.35 lakhs;) (Gross)	32.30	51.57
Excise Duty (Deposited ₹ Nil ; Previous year Nil) (Gross)	35.64	35.64
Other matters, including claims relating to third parties etc. (Deposited ₹ Nil;		
Previous year ₹12.00 lakhs) (Gross)	-	22.69
b. Guarantees excluding financial guarantees;		
Bank Guarantees given to various Govt authorities/ others (Gross)	50.70	58.89
(Margin Money / Short Term Deposits ₹5.72 lakhs; Previous year 6.20 lakhs)		
c. Subsidiary Company's Statutory Bonus Liabilities for the Financial year 2014-15		
persuant to the retrospective amendments in the Bonus Act, 1965.	30.36	30.36

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

(ii) In Case of Subsidiary Company, the Tube Valve product line was continuously incurring cash losses and the same was not commercially viable, hence the operations of the said product line were closed on 31st May, 2016. Consequently, the Subsidiary Company had retrenched 57 workmen and provided a liability of ₹34.29 lakhs towards the settlment of the dues. The labour union has approached the Hon'ble High Court, Bombay against closure of the tube valve product line and the matter is pending. The Subsidiary Company presently does not expect any additional liability in this regard. However, further adjustments, if any, shall be made on the final outcome of the above matter which is sub judice.

28. The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

In case of Holding Company there were no outstanding dues to Micro, Small and Medium Enterprises to the extent information available with the Holding Company and the payments in respect of such suppliers are made with in the appointed day. Hence no amount of Interest paid by the Holding Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.

In case of Subsidiary Company, it has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows: (₹ in lakha)

			(₹ in lakhs)
Pa	rticulars	2018-2019	2017-2018
a)	Principal amount and the interest due remaining unpaid at the end of the accounting year		
	- Principal	123.08	60.66
	- Interest due there on	-	0.06
b)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium		
	Enterprises Development Act, 2006, along with the amount of the payment made to the supplier		
	beyond the appointed day during each accounting year	-	=
	-Financial Year 2018-19	-	1.61
	-Financial Year 2017-18	-	1.65
C)	The amount of interest due and payable for the period of delay in making payment (which		
	have been paid but beyond the appointed day during the year) but without adding the interest		
	specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year		
	-Financial Year 2018-19	-	-
	-Financial Year 2017-18	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until		
	such date when the interest dues above are actually paid to the small enterprise, for the purpose		
	of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium		
	Enterprises Development Act, 2006	-	_

The above information regarding Micro and Small Enterprises has been determined on the basis of information available with the Subsidiary Company.

29. Financial Instruments

Financial instruments - Fair values and risk management

A. Financial instruments by category

Particulars	Fair Value	N	March 31, 2019			March 31, 2018		
	Hierarchy	FVTPL	FVTOCI	Amortised	FVTPL	FVTOCI	Amortised	
				Cost			Cost	
Financial Assets								
Non-current Assets								
Loans	Level 3	-	-	29.51	-	-	35.32	
Investments others	Level 2	-	974.36	-	-	848.46	_	
Others	Level 3	-	-	693.23	-	-	593.40	
Current Assets								
Investments	Level 1	8,352.83	-	-	5,279.34	-	-	
Trade receivables	Level 3	-	-	8,916.57	-	-	8,100.36	
Cash and cash Equivalents	Level 3	-	-	377.37	-	-	963.94	
Bank balances other than cash and cash	Level 3	-	-	198.24	-	-	191.61	
equivalents								
Loans	Level 3	-	-	63.61	-	-	52.44	
Other Current Assets	Level 3	-	-	213.90	-	-	70.72	
TOTAL		8,352.83	974.36	10,492.43	5,279.34	848.46	10,007.79	

29. Financial Instruments (contd.)

(₹ in lakhs)

Particulars	Fair Value	N	March 31, 2019			March 31, 2018		
	Hierarchy	FVTPL	FVTOCI	Amortised	FVTPL	FVTOCI	Amortised	
				Cost			Cost	
Financial Liabilities								
Non-current Liabilities								
Borrowings	Level 3	-	-	7,168.28	-	-	6,873.65	
Other financial Liabilities	Level 3	-	-	34.62	-	-	41.01	
Current liabilities								
Borrowings	Level 3	-	-	3,728.65	-	-	3,375.31	
Trade payables	Level 3	-	-	2,243.48	-	-	2,510.15	
Other financial liabilities	Level 3	-	-	4,137.27	-	-	3,806.32	
TOTAL		-	-	17,312.30	-	-	16,606.44	

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

Fair value hierarchy

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

- Level 1 This includes financial instruments measured using quoted prices.
- **Level 2** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.
- **Level 3** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. There are no transfers between level 1, level 2 and level 3 during the year.

Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

The use of quoted market prices

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

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

30. Financial Risk Management Objectives and Policies

A Financial risk factors

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

i. Credit risk

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

Ageing Analysis of Trade Receivables

Ageing	As at March 31, 2019	As at March 31, 2018
Not due	7,884.30	6,179.90
Upto Six months	1,024.92	1,927.29
Six to Twelve Months	4.49	29.33
Above Twelve Months	5.54	112.34
Gross Carrying Amount	8,919.25	8,248.86
Expected Credited Losses (Provision for Doubtful Debts)	(2.68)	(148.50)
Net Carrying Amount	8,916.57	8,100.36

30. Financial Risk Management Objectives and Policies (contd.)

Market Risk

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

a) Foreign Currency risk

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

The following table analyses foreign currency risk from financial instruments as of March 31, 2019:

(Foreign Currency and Indian Currency in Jakhs)

(Foreign Carrelley and Indian Carrelley Inhak							
Particulars	INR	USD	Euro	GBP	JPY		
Financial Assets							
Cash and cash equivalents	16.66	0.24	-	-	-		
Trade receivables	2,987.92	16.33	23.42	0.42	-		
Other Financial Assets	2.78	-	-	-	4.44		
Total	3,007.36	16.57	23.42	0.42	4.44		
Financial liabilities							
Trade payables	173.10	2.23	0.13	-	14.01		
Borrowings	3,855.28	35.61	-	-	2,226.74		
Other Liabilities	58.85	0.03	0.73	-	-		
Total	4,087.23	37.87	0.86	-	2,240.75		

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

Particulars	INR	USD	Euro	GBP	JPY
Financial Assets					
Cash and cash equivalents	0.56	0.01	-	-	-
Trade receivables	4,130.33	28.95	27.21	0.58	-
Other Financial Assets	6.24	0.08	-	-	1.59
Total	4,137.13	29.04	27.21	0.58	1.59
Financial liabilities					
Trade payables	149.90	1.87	0.35	-	-
Borrowings	3,571.19	33.84	-	-	2,226.45
Other Liabilities	159.18	0.89	1.25	-	-
Total	3,880.27	36.60	1.60	-	2,226.45

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

INR	Year End Spot Rate As At			
INIT	March 31, 2019	March 31, 2018		
USD	69.1713	65.0441		
Euro	77.7024	80.6222		
GBP	90.4756	92.2846		
JPY(100)	62.5200	61.5400		

Sensitivity Analysis

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

30. Financial Risk Management Objectives and Policies (contd.)

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

(₹ in lakhs)

Particulars	2018-	2019	2017-2018	
	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
USD Sensitivity	(14.73)	14.73	(4.92)	4.92
Euro Sensitivity	17.53	(17.53)	20.65	(20.65)
GBP Sensitivity	0.38	(0.38)	0.54	(0.54)
JPY (100) Sensitivity	(13.98)	13.98	(13.69)	13.69

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

(Foreign Currency and Indian Currency in lakhs)

Currency	Cross	As at Marc	h 31, 2019	As at March 31, 2018	
	Currency	Foreign	INR	Foreign	INR
		Currency		Currency	
Financial Assets		·			
USD *	INR	55.00	3,804.42	63.00	4,097.78
EURO *	INR	35.00	2,719.58	39.50	3,184.58
EURO	USD	-	-	2.00	161.24
			6,524.01		7,443.60
Financial Liabilities					
USD @	INR	34.88	2,412.72	34.42	2,238.76
JPY	INR	870.00	543.92	-	-
JPY	USD	200.00	125.04	-	-
			3081.68		2238.76

Includes USD/INR 38.95 lakhs (Previous year 38.03 lakhs) and EURO/INR 15.08 lakhs (Previous year 22.98 lakhs) against Sales Orders.

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

(Foreign Currency and Indian Currency in lakhs)

(i oreign currency and indian currency in laking)							
Currency	Cross	As at March 31, 2019		As at March 31, 2018			
	Currency	Foreign	INR	Foreign	INR		
		Currency		Currency			
Financial Assets							
USD	INR	0.52	36.28	0.39	25.22		
EURO	INR	3.50	272.18	5.71	460.04		
GBP	INR	0.42	38.13	0.58	53.70		
JPY	INR	4.44	2.78	1.59	0.98		
			349.37		539.94		
Financial Liabilities							
USD	INR	7.61	526.20	6.78	441.11		
EURO	INR	0.86	66.35	1.60	129.46		
JPY	INR	668.87	418.18	1,726.45	1,062.46		
			1,010.73		1,633.03		

b) Interest Rate Risk and Sensitivity

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

Interest Rate Risk Exposure

Particulars	As at March	h 31, 2019	As at March 31, 2018	
	₹ in lakhs	% of Total	₹ in lakhs	% of Total
Fixed Rate Borrowings	390.81	2.96%	495.21	4.06%
Variable Rate Borrowings	12,793.63	97.04%	11,716.56	95.94%
Total Borrowings	13,184.44	100.00%	12,211.77	100.00%

Includes JPY/USD 501.88 lakhs equivalent to USD/INR 4.61 lakhs (Previous year JPY/USD 500.00 lakhs equivalent to USD/INR 4.60 lakhs)

30. Financial Risk Management Objectives and Policies (contd.)

Sensitivity on Variable Rate Borrowings

(₹ in lakhs)

Particulars	Impact on Profit	: & Loss Account	t Impact on Equity	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Interest Rate Increase by 25 bp	(31.98)	(29.29)	(31.98)	(29.29)
Interest Rate Decrease by 25 bp	31.98	29.29	31.98	29.29

iii Liquidity risk

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

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2019:

Particulars	Carrying	Less than	1-5 Years	Total
	Amount	1 Year		
Borrowings - Current	3,728.65	3,728.65	-	3,728.65
Borrowings - Non-Current and Current Maturities	9,455.79	2,287.51	7,168.28	9,455.79
Trade payables	2,243.48	2,243.48	-	2,243.48
Other financial liabilities - Current (Exclusive of Current Maturities)	1,849.76	1,849.76	-	1,849.76
Other financial liabilities - Non-Current				
Interest accrued but not due on deposits	20.45	-	20.45	20.45
Trade Deposits	14.17	-	14.17	14.17

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

Particulars	Carrying	Less than	1-5 Years	Total
	Amount	1 Year		
Borrowings - Current	3,375.31	3,375.31	-	3,375.31
Borrowings - Non-Current and Current Maturities	8,836.46	1,962.81	6,873.65	8,836.46
Trade payables	2,510.15	2,510.15	-	2,510.15
Other financial liabilities - Current (Exclusive of Current Maturities)	1,843.51	1,843.51	-	1,843.51
Other financial liabilities - Non-Current				
Interest accrued but not due on deposits	26.73	-	26.73	26.73
Trade Deposits	14.28	-	14.28	14.28

Capital Risk Management

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

Particulars As	s at March 31, 2019	As at March 31, 2018
Borrowings	13,184.44	12,211.77
Less: Cash and Cash Equivalents including bank balances	575.61	1,155.55
Less: Current Investments	8,352.83	5,279.34
Net Debt	4,256.00	5,776.88
Equity	41,818.36	38,975.93
Capital and Net Debt	46,074.36	44,752.81
Gearing Ratio	9%	13%

31. Segment Reporting

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group.

As part of Secondary reporting, revenues are attributed to Geographic areas based on the location of the customers.

The following tables present the Revenue, Profit, Assets and Liabilities information relating to the Business/Geographical segment for the year ended 31.03.2019

31. Segment Reporting (contd.)

Information about Business Segment - Primary

(₹ in lakhs)

Reportable Segments	Chem	nicals	General Er Prod	ngineering lucts	Tot	tal
,	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018
Revenue	38,763.86	33,202.51	4,436.91	4,173.58	43,200.77	37,376.09
Total Revenue from operations	38,763.86	33,202.51	4,436.91	4,173.58	43,200.77	37,376.09
Result						
Segment Result	10,810.59	8,531.27	386.73	83.33	11,197.32	8,614.60
Less: Interest					873.79	879.87
Less : Other unallocable expenditure net off						
unallocable income					(244.07)	(238.94)
Profit before Tax					10,567.60	7,973.67
Less: Provision for Taxation(Including Deferred Tax)					2,915.52	2,288.30
Profit for the period from Continuing Operations					7,652.08	5,685.37
Profit / (Loss) from Discontinued Operations					-	4.41
Profit for the period					7,652.08	5,689.78
Profit for the period attributable to:						
Owners of the Parent					7,513.15	5,682.40
Non-Controlling Interest					138.93	7.38
Other Comprehensive Income (Net of Tax)					83.48	55.43
Other Comprehensive Income for the Period						
attributable to:						
Owners of the Parent					87.19	56.59
Non-Controlling Interest					(3.71)	(1.16)
Total Comprehensive income for the period					7,735.56	5,745.21
Total Comprehensive income for the period						
attributable to:					7,600.34	5,738.99
Owners of the Parent					135.22	6.22
Non-Controlling Interest						
Other Information						
Segment Assets	50,215.01	49,055.74	3,367.97	3,427.75	53,582.98	52,483.49
Unallocated Corporate Assets					9,538.32	6,409.48
Total Assets	50,215.01	49,055.74	3,367.97	3,427.75	63,121.30	58,892.97
Segment Liabilities	4,148.14	4,374.60	868.13	994.95	5,016.27	5,369.55
Unallocated Corporate Liabilities					16,286.67	14,547.49
Total Liabilities	4,148.14	4,374.60	868.13	994.95	21,302.94	19,917.04

Secondary Segment - Geographical by location of customers

Reportable Segments	Dome	estic	Exp	ort	Tot	al
reportable segments	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Revenue	20,362.50	17,028.53	22,838.27	20,347.56	43,200.77	37,376.09
Carrying amount of Trade Receivables	4,154.31	3,175.01	4,762.26	4,925.35	8,916.57	8,100.36
Finished Goods Stock	1,230.29	463.49	1,553.00	1,626.01	2,783.29	2,089.50

Other Information:

The Company has common assets for producing goods for domestic market and overseas market.

Notes:

- (i) The Group is organised into two main business segments, namely;
 - Chemicals
 - General Engineering Products

Segments have been identified and reported taking into account, the nature of products, the differing risks and returns, the organisation structure, and the internal financial reporting systems.

- (ii) The segment revenue in the geographical segments considered for disclosure are as follows:
 - (a) Revenue within India includes sales to customers located within India and earnings in India.
 - (b) Revenue outside India includes sales to customers located outside India and earnings outside India and export incentives/benefits.
- (iii) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

32. Related Party Disclosures

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

I. Nature of Related Party relationship

Duncan International (India) Limited : Enterprise over which relative of key management personnel is having significant influence.

(b) Cosmopolitan Investments Ltd. : Enterprise over which key management personnel is having significant influence.

(c) Haldia Investments Ltd. : Subsidiary of Cosmopolitan Investments Ltd. (d) Disciplined Investments Ltd. : Subsidiary of Cosmopolitan Investments Ltd.

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

(a) Key Management Personnel

(i) Mr. J.P. Goenka - Chairman of Holding Company & Subsidiary Company Chairman and Relative of Key · Management Personnel *

Mr. Arvind Goenka - Managing Director of Holding Company & Director of Subsidiary Company : Key Management Personnel

(iii) Mr. Akshat Goenka - Joint Managing Director of Holding Company &

Managing Director of Subsidiary Company" : Key Management Personnel

(iv) Mr. S.J. Khaitan - Director : Non-Executive Director * (v) Mr. O.P. Dubey - Director of Holding Company & Subsidiary Company : Non-Executive Director *

(vi) Mr. B.B. Tandon - Director of Holding Company & Subsidiary Company : Non-Executive Director *

(vii) Mr. K. Raghuraman - Director : Non-Executive Director *

(viii) Mr. H.S. Shashikumar - Nominee of Life Insurance Corporation of India : Non-Executive Director *

(ix) Mrs. Runa Mukherjee - Director : Non-Executive Director * (x) Mr. Anurag Jain - Chief Financial Officer : Key Management Personnel

(xi) Mr. Pranab Kumar Maity - Company Secretary : Key Management Personnel

(b) Relatives of Key Management Personnel

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

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

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

^{*} Director's Fees and Commission paid

32. Related Party Disclosures (contd.,

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

State Control of the control of																													(₹ in lakhs)
Particular Par	articulars	Enter, over w relative manage person having s	orise Ahich of key ement nel is signifi- uence	Ente over v key m ment p nel is h signir	rprise which anage- person- having ficant		sidiary pany of opolitan tments td.			Chairn and Rela of Key N ageme Person	ative Aan- Pent nel	Key Mar agemen Personn		Key Mal agemer Personn	_	Director		Key Man agement Personne		ey Man gement ersonne		Relative of Key nagemer ersonnel		tive of Man- ment onnel	Trus Which Managa perso are Tru	t in h Key ement onnel ustees	Trust Which Manag men person are Trus		Trust in Which Ke Aanageme personne are Truste
2018 3014 2018 3014 2018 3014 2018 3014 2018 3014 2018 3014 3014 3018 3014 <th< th=""><th></th><th>(Refer</th><th>I (a))</th><th>(Refe</th><th>r I (b))</th><th></th><th>er I (c))</th><th>(Refer</th><th></th><th>(Refer II</th><th>a(i)) (F</th><th>efer II a</th><th>ii)) (R</th><th>Refer II a</th><th></th><th>Refer II a(to ix))</th><th></th><th>Refer II a(x</th><th>k)) (Re</th><th>fer II a(x</th><th>i)) (Ref</th><th>er II (b (i)</th><th>)) (Ref</th><th>er II (b)</th><th></th><th></th><th>(Refer II</th><th>(iii) II</th><th>Refer III (ii</th></th<>		(Refer	I (a))	(Refe	r I (b))		er I (c))	(Refer		(Refer II	a(i)) (F	efer II a	ii)) (R	Refer II a		Refer II a(to ix))		Refer II a(x	k)) (Re	fer II a(x	i)) (Ref	er II (b (i))) (Ref	er II (b)			(Refer II	(iii) II	Refer III (ii
Legical Parameters of the control of			2017- 18	2018-	2017-	2018-	2017-	8 6	2017-	2018- 2 19	017- 20 18	118- 20 19 1				18- 20 9 1	17- 20 8 1	18- 201 9 1	7- 201 8 19	8- 20	7- 201	8- 2017 18	7- 2018 19	2017- 18	2018- 19	2017- 18	2018- 2	2017- <mark>2</mark> 18	
The prediction of solid	Loans & Advances given (Net)	1	'	'				'	'	1	1	'	'	'	'	1	1	1	1	'	'	'		,	'	'	'	'	'
This Caracter This This Caracter This T	(b) Interest received on Loans & Advances		'					'	1	1	1	1	1	1	1	1	1	1	1	1	1	1			'	'	1	'	'
Rent paid 4.18 (5.30) 6.70 6.80 -		76.00	72.00	1	Ĺ			'	1	'	1	'	1	1	1	1	1	'	,	1	1	1		Ċ	'	'	'	1	1
Expenses Raimbursed / (Net) (4.18) (5.39) (6.70) (5.31) (6.70) (5.31) (6.70) (5.31) (6.70) (5.31) (6.70) (5.31) (6.70) (5.31) (6.70) (6.31) (6.70) (6.32) (6.70) <td>1) Rent paid</td> <td>'</td> <td>-</td> <td>75.00</td> <td></td> <td></td> <td></td> <td>'</td> <td>1</td> <td>'</td> <td>1</td> <td>'</td> <td>1</td> <td>'</td> <td>,</td> <td>'</td> <td>1</td> <td>'</td> <td>1</td> <td>'</td> <td>1</td> <td>'</td> <td></td> <td></td> <td>'</td> <td>'</td> <td>'</td> <td>1</td> <td>'</td>	1) Rent paid	'	-	75.00				'	1	'	1	'	1	'	,	'	1	'	1	'	1	'			'	'	'	1	'
Purchases of Stories & Sparies 1 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 4 3 3 3 4 3 4 3 4 4 3 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 <th< td=""><td></td><td>(4.18)</td><td>(5.39)</td><td>(6.70)</td><td></td><td></td><td></td><td>'</td><td>1</td><td>1</td><td>1</td><td>1</td><td>1</td><td>1</td><td>1</td><td>1</td><td>1</td><td>'</td><td>1</td><td>1</td><td>1</td><td>1</td><td></td><td></td><td>'</td><td>1</td><td>1</td><td>1</td><td>1</td></th<>		(4.18)	(5.39)	(6.70)				'	1	1	1	1	1	1	1	1	1	'	1	1	1	1			'	1	1	1	1
Remuneation @ 1 2612 1892 26629 172.26 1693 1327 210 1693 1327 210 1693 1327 210 1693 1320 1600			1	1				'	1	1	1	'	1	1	1	1	1	1	1	1	1	1		·	'	1	1	1	1
Dividend Paid 1094 1 9946 2096 2 1904 6 539 59.18 330 3.00	y) Remuneration @	'	1	1	Ė			'	1	1					72.26	'	- 16				.93	'			'	'	'	1	'
Director's Fees & Commission Direct	1) Dividend Paid	109.41	99.46					ω	3.00	'					10.00	1	1	'	1	'			0	- 2:02	'	1	'	'	'
Donations towardS CSR Activities Contribution Contributi		'	'	'				'	'	3.60			0.80	'	6		4.10	'	'	1	1	'			'	'	1	'	'
Contribution		'	'	'				'	'	'	'	'	'	'	1	'	'	'	'	'	'	'	1		34.00		38.80	'	'
Outstanding at the end of Financial year Receivable - 0.16	() Contribution	'	'	'				'	'	1	'	'	'	'	'	'	'	'	'	1		'		·	'	'	'	'	
He - 0.16 2.88 2.96 175.9 56.35 136.07 50.91 78.70 52.25 55.92 38.68 1.89 2.81 5.179																													
- 0.16 2.88 2.96 117.59 56.35 136.07 50.91 78.70 52.25 55.92 38.68 1.89 2.81 51.79	Receivable	'	'	'				'	'	1	'	'	1	'	'	'	'	'	'	'	1	'		Ĺ	'	'	'	'	'
	Payable	'	0.16					'	'	2.88			6.35 13								18.	'				'	'	'	

V. Disclosure required under Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015:

(i) New India Investment Corporation Ltd. : Promotor Entity whose Shareholding is more than 10%

	me following dansactions were camed out in the ordinary course of pushiness.	ie ordinary codrae	of pusitiess.
		2018-19	2017-18
(e)	(a) Service charges paid	38.40	36.00
9	Expenses (Recovered)	(1.87)	(1.85)
Û	(c) Outstanding at the end of Financial year		
	Receivable	1	
	واطونيون		

33 (a) Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary:

Particulars				As at M	arch 31 2019			
	Net Assets i.e.	Total Asset	Share in Profi	it/ (Loss)	Share in Oth	ner	Share in To	tal
	less Total Li	abilities			Comprehensive	Income	Comprehensive	Income
	As % of	Amount	As % of	Amount	As % of	Amount	As % of	Amount
	Consolidated	(₹ in	Consolidated	(₹ in	Consolidated	(₹ in	Consolidated	(₹ in
	Net Assets	lakhs)	Profit/ (Loss)	lakhs)	Other	lakhs)	Total	lakhs)
					Comprehensive		Comprehensive	
					Income		Income	
Parent								
Oriental Carbon &	95.41	39,899.84	96.37	7,374.14	108.91	90.92	96.50	7,465.06
Chemical Limited *								
Subsidiary Company								
Duncan Engineering	4.59	1,918.52	3.63	277.94	(8.91)	(7.44)	3.50	270.50
Limited (Formerly								
Known as Schrader								
Duncan Limited)								
Total	100.00	41,818.36	100.00	7,652.08	100.00	83.48	100.00	7,735.56

Particulars				As at Ma	arch 31 2018			
	Net Assets i.e.	Total Asset	Share in Profi	t/ (Loss)	Share in Otl	ner	Share in To	tal
	less Total Li	abilities			Comprehensive	Income	Comprehensive	Income
	As % of	Amount	As % of	Amount	As % of	Amount	As % of	Amount
	Consolidated	(₹ in	Consolidated	(₹ in	Consolidated	(₹ in	Consolidated	(₹ in
	Net Assets	lakhs)	Profit/ (Loss)	lakhs)	Other	lakhs)	Total	lakhs)
					Comprehensive		Comprehensive	
					Income		Income	
Parent								
Oriental Carbon &	95.77	37,327.91	99.74	5,675.01	104.20	57.76	99.78	5,732.77
Chemical Limited *								
Subsidiary Company								
Duncan Engineering	4.23	1,648.02	0.26	14.77	(4.20)	(2.33)	0.22	12.44
Limited (Formerly								
Known as Schrader								
Duncan Limited)								
Total	100.00	38,975.93	100.00	5,689.78	100.00	55.43	100.00	5,745.21

^{*}after eliminating investment in subsidiary company

(b) Statement containing salient features of the financial statement of Subsidiary Company, Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed form AOC-1 related to Subsidiary Company

Name of the subsidiary : Duncan Engineering Limited (formerly known as Schrader Duncan Limited)

The date since when subsidiary was acquired : April 13, 2012

As at March 31, 2019 Particulars As at March 31, 2018 Reporting period 1st April 2018 to March 1st April 2017 to March 31 2019 31 2018 Reporting currency INR INR Share capital 369.60 369.60 Other Equity 1,548.92 1,278.42 Total assets 3,482,18 3.570.37 Total Liabilities 1,563,66 1.922.35 Revenue from Operations 4,445.59 4,183.90 Profit/ (Loss) before tax from Continuing Operations 310.11 10.36 Tax Expenses for Continuing Operations 32.17 Profit/ (Loss) after tax from Continuing Operations 10.36 277.94 Profit/ (Loss) before tax from Discontinuing Operations 441 Profit/ (Loss) after tax from Discontinuing Operations 4.41 277.94 Profit/(Loss) for the year after taxation 14.77

34. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

As per our Report of even date attached

For and on behalf of the Board of Directors

(7.44)

270.50

50.01%

(₹ in lakhs)

(2.33)

12.44

50.01%

For S S Kothari Mehta & Company

Other Comprehensive Income

Total Comprehensive Income

Percentage of shareholding

Chartered AccountantsArvind GoenkaO.P. DubeyFirm Reg. No. 000756NManaging DirectorDirector

Naveen AggarwalP.K. MaityAnurag JainPartnerCompany SecretaryChief Financial Officer

Place : Noida Date: 10th May, 2019

Membership No. 094380

Corporate Information

DIRECTORS

Mr. J.P. Goenka

Chairman

Mr. Arvind Goenka

Managing Director

Mr. Akshat Goenka

Jt. Managing Director

Mr. S. J. Khaitan

Mr. O. P. Dubey

Mr. B.B. Tandon

Mr. K. Raghuraman

Mr. H.S. Shashikumar

(Nominee of Life Insurance Corporation of India)

Mrs. Runa Mukherjee

CHIEF FINANCIAL OFFICER

Mr. Anurag Jain

COMPANY SECRETARY

Mr. Pranab Kumar Maity

STATUTORY AUDITORS

S S Kothari Mehta & Co.

SECRETARIAL AUDITORS

S Rath & Co.

SOLICITORS

Khaitan & Co.

BANKERS

State Bank of India

Export Import Bank of India

Kotak Mahindra Bank Ltd.

CORPORATE IDENTITY NUMBER (CIN)-

L24297WB1978PLC031539

WEBSITE

http://www.occlindia.com

Investor Relations Email:

investorfeedback@occlindia.com

REGISTERED OFFICE

31, Netaji Subhas Road,

Kolkata - 700 001

PI ANTS

1. Plot 3 & 4. Dharuhera Industrial Estate.

P.O. Dharuhera.

Distt. Rewari - 123 106, Haryana

2. Survey No.141, Paiki of Mouje,

SEZ Mundra, Taluka Mundra,

Distt. Kutch-370 421, Gujarat.

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



Oriental Carbon & Chemicals Limited

Registered Office:

Oriental Carbon & Chemicals Limited Duncan House 31, Netaji Subhas Road Kolkata-700001, India