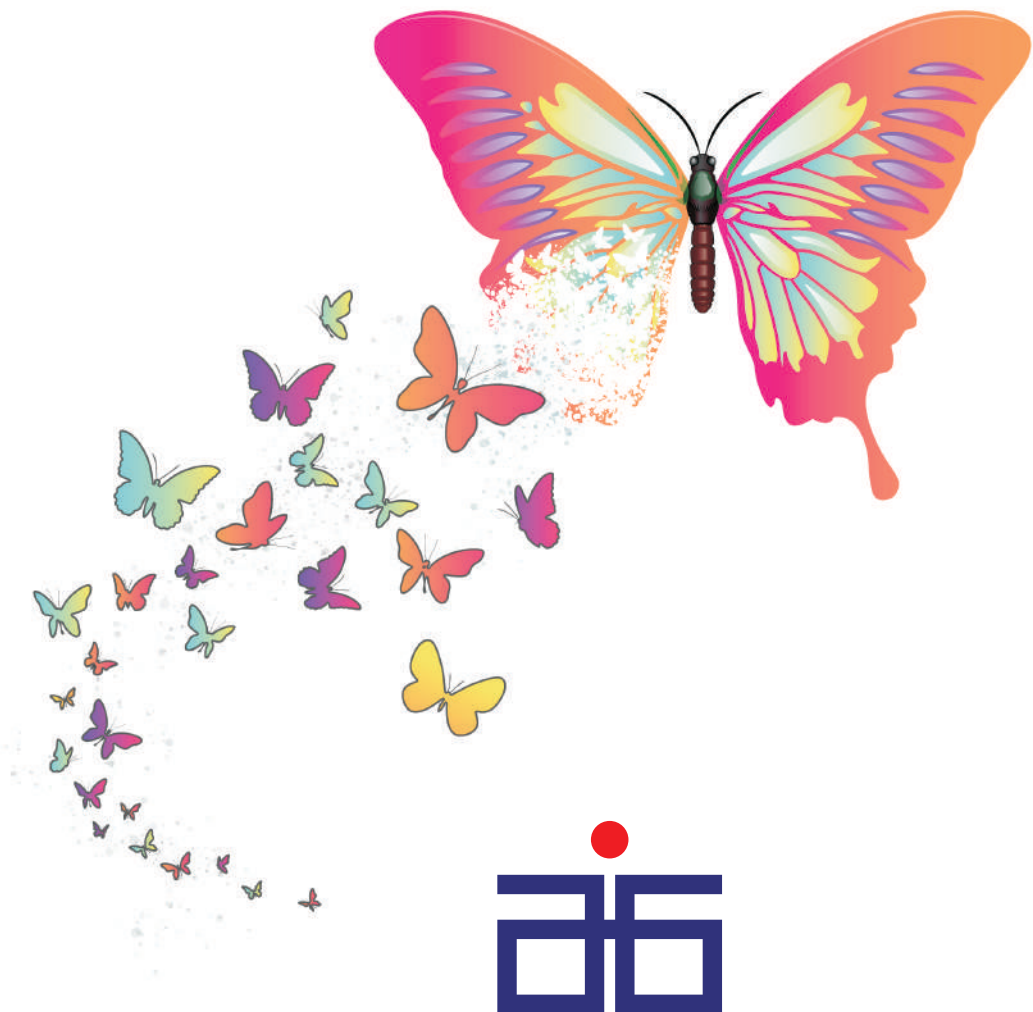


27th

Annual Report
2018-19



Ashok Alco-Chem Limited



Ashok Alco-Chem Limited

Board of Directors

Mr. Purab Shah (DIN : 07490952)	Executive Director & CEO
Mr. Manoj Ganatra (DIN : 00568914)	Independent Director
Mr. Sunil Shah (DIN : 03567415)	Non - Executive Director
Mrs. Neeta Shah (DIN : 07134947)	Non - Executive Director (Resigned w.e.f. May 29, 2019)
Mr. Shekhaar Shetty (DIN : 07824778)	Independent Director
Mrs. Hina Shah (DIN : 08335130)	Independent Director (Appointed w.e.f. February 12, 2019)

Chief Financial Officer

Mr. Vaize Ahmed Kampli
(appointed w.e.f. August 14, 2018)

Company Secretary & Compliance Officer

Ms. Seema Gangawat

Auditors

R. A. Maru & Associates
Chartered Accountants, Mumbai

Registered Office

104, Venkatesh Chambers, 1st Floor,
GhanshyamTalwatkar Marg, Fort, Mumbai – 400 001.
CIN: L24110MH1992PLC069615
Tel. No.: 022-61446900 / 01
Email: secretarial@ashokalcochem.com
Website : <http://www.ashokalcochem.com>

Plant

Plot No. A-22/2/1, Mahad Industrial Area,
Village Kamble, Mahad - 402 301.
Dist : Raigad, Maharashtra.

Registrar & Share Transfer Agent

LINK INTIME INDIA PVT. LTD.
C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400 083
Tel No: +91 22 49186000 Fax: +91 22 49186060
Email: rnt.helpdesk@linkintime.co.in

Bankers

IDBI Bank Ltd.

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NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Members of Ashok Alco-Chem Limited will be held on Saturday, September 28, 2019 at 11.00 a.m. at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Oricon House, 6th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400 001, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2019 together with the Reports of the Board of Directors and the Auditors' thereon.
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 together with the Reports of the Auditors' thereon.
2. To declare a dividend of Re. 1/- per equity share for the financial year ended March 31, 2019.
3. To appoint a Director in place of Mr. Sunil Shah (DIN:03567415) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Re-appointment of Mr. Purab Shah (DIN: 07490952) as an Executive Director & CEO

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other consents and permissions, as may be required under law, the consent of the Members of the Company be and is hereby accorded to re-appoint Mr. Purab Shah (DIN: 07490952) as an Executive Director and Chief Executive Officer (hereinafter” Executive Director & CEO”) of the Company for further period of one year w.e.f. April 19, 2019 on such terms and conditions, including remuneration, as set out under the agreement executed by and between the Company and Mr. Purab Shah.

RESOLVED FURTHER THAT the remuneration payable to Mr. Purab Shah, including annual performance increments/incentives, as set out under the aforesaid agreement shall be within the limits as prescribed under Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits during the currency of tenure of Mr. Purab Shah as Executive Director & CEO of the Company, the remuneration be paid to Mr. Purab Shah as per the terms of the agreement shall be minimum remuneration, subject to requisite approval, if any.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and to settle any question, difficulty or doubt that may arise in this regards, as the Board in its absolute discretion may deem necessary or desirable for giving effect to this Resolution.”

5. Re-appointment of Mr. Manoj Ganatra (DIN : 00568914) as an Independent Director

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule IV of the Act, the Companies (Appointment and Qualifications of Directors) Rules,

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2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, Mr. Manoj Ganatra (DIN: 00568914), who was appointed as an Independent Director at the 22nd Annual General Meeting of the Company to hold office upto September 25, 2019, and who is eligible for re-appointment and has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and whose re-appointment is recommended by the Nomination and Remuneration Committee, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years commencing from September 26, 2019 upto September 25, 2024, not liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

6. Appointment of Mrs. Hina Shah (DIN:08335130) as an Independent Director

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of sections 149, 150 and 152 read with schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. Hina Shah (DIN:08335130) who was appointed as an Additional Director (Category -Non - Executive, Independent) of the Company by the Board of Directors effective February 12, 2019 and whose re-appointment is recommended by the Nomination and Remuneration Committee, be and is hereby appointed as a Non-Executive, Independent Director of the Company, not liable to retire by rotation, for a period of three consecutive years with effect from February 12, 2019.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

7. Re-appointment and Payment of Remuneration to Cost Auditors

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company ratifies the re-appointment of M/s. N. Ritesh & Associates, Cost Accountants (Firm Registration No. R100675), as the Cost Auditors of the Company at the remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) plus applicable taxes and out-of-pocket expenses payable at actual, to conduct the audit of cost records maintained by the Company relating to “Chemical Division” for the financial year 2019-20.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

8. Sale, Transfer or Disposal off Manufacturing Undertaking of the Company

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to other approvals, consents and permissions being obtained from the appropriate statutory/regulatory authorities to the extent applicable and



necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell, transfer, dispose off or otherwise deal with the Chemical Division / Manufacturing Undertaking (whether whole or part) of the Company, including the (i) Plant situated at Plot No. A-22/2/1, Mahad Industrial Area, Village Kamble, Mahad, Dist. Raigad, Maharashtra (Plant), together with all identified movable and immovable assets, *inter alia*, comprises of land & building, plant & machinery, capital work-in-progress, laboratory equipment's, computers and printers, furniture & fixtures, office equipment's, engineering stores spares inventory along with transfer of all licenses in relation to the plant but excluding its brand name and liabilities and (ii) Residential colony situated at plot no BH-34 in the residential zone of Mahad Industrial Area, Mahad, Maharashtra (collectively, (i) and (ii) will be referred to as the "Identified Assets"), by way of asset transfer on 'as is where is basis' to M/s Yellowstone Chemicals Private Limited ("Buyer") for a total consideration of Rs. 18,00,00,000/- (Rupees Eighteen Crores only) plus applicable taxes, and on such terms and conditions stated under the Asset Purchase Agreement dated August 14, 2019 executed by and between the Company and the said Buyer and on such further terms and conditions as may be agreed to by the Board, in its absolute discretion, deem fit and appropriate.

RESOLVED FURTHER THAT in the event that the proposed sale does not materialize, the Board be and is hereby authorized to enter into negotiation with any other buyer(s) and sell, transfer, dispose off or otherwise deal with the Identified Assets by way of asset transfer or slump sale as a going concern or on 'as is where is basis' or in any other manner as the Board may deem fit to one or more transferees in single or multiple transactions, for such consideration, and in such manner, and on such other terms and conditions, as the Board may in its absolute discretion deem fit and appropriate in the best interest of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolutions including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale, transfer and disposal off the Undertaking as they may in their absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors or Key Managerial Personnel of the Company with power to delegate to any Officers of the Company, with authorities as required, affixing the Common Seal of the Company on agreements/ documents, arranging delivery and execution of contracts, deeds, agreements and instruments.”

9. Alteration in Object Clause of the Memorandum of Association of the Company

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of sections 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), and subject to necessary approval(s), consent(s), permissions and sanctions, if any, from the Registrar of Companies, Mumbai, Maharashtra and/or any other appropriate authority(ies), the approval of the Company be and is hereby accorded for effecting the following modifications, additions, deletion or amendments in the existing Memorandum of Association of the Company:-

(I) Addition of sub-clause (1A) after the existing sub-clause (1) in the Clause III(A) of the Memorandum of Association:

(1A) To purchase, buy, sell, lease, acquire, hire, rent, hold or exploit mines, mining lease, mining license, mining rights, mining claims and metaliferrous lands and to explore, search, work, exercise, develop, treat, fine and turn to account ores, all sorts of major and minor minerals and all kinds of minerals, mineral extract, processed minerals, mineral derivatives, subsoil minerals, by products and similar other products and to crush, quarry, smelt, calcine, refine, process, dress, preserve, amalgamate, manufacture, manage, manipulate and prepare for market ore, metal and mineral substances of all kinds and to carry on metallurgical operations in all its branches and to trade, import, export, buy, sell and deal in all kinds of minerals and ores.

(II) To alter the title of Clause III(B) of the Memorandum of Association to : “MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE:-”

(III) To Delete the Clause III(C) i.e. Other Objects containing sub-clause (27) to (38) (both inclusive) of the Memorandum of Association:

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RESOLVED FURTHER THAT Mr. Purab Shah, Executive Director & CEO and/or Mr. Sunil Shah, Director and / or Ms. Seema Gangawat, Company Secretary & Compliance Officer of the Company be and is hereby authorized to sign and file necessary Form MGT-14 with the Registrar of Companies, Mumbai, Maharashtra and to submit the altered copy of the Memorandum of Association with the Stock Exchange and any other authority(ies) and to do all such acts, deeds or things as may be deemed necessary to give effect to this resolution.”

For and on behalf of the Board

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer

Place: Mumbai

Date: August 14, 2019

Registered Office:

CIN: L24110MH1992PLC069615

104, Venkatesh Chambers,

1st Floor, Ghanshyam Talwatkar Marg,

Fort, Mumbai – 400 001.

Tel: 022-61446900/01

Email: secretarial@ashokalcochem.com

Website: www.ashokalcochem.com

NOTES:

- 1) The explanatory statement pursuant to section 102 of the Companies Act, 2013 (“the Act”) with respect to aforementioned item nos. 4 to 9 forms part of this Notice.

The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting (“AGM”) are annexed as “**Annexure-1**”.

- 2) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY (IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Members are requested to note that a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

The instrument appointing the proxy, in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the AGM.

- 3) Corporate Members intending to send their authorized representatives to attend the meeting pursuant to section 113 of the Act, are requested to send to the Company, a certified copy of the relevant board resolution together with the specimen signature(s) of the representative(s) who are authorized to attend and vote on their behalf at the AGM.
- 4) In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- 5) The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, September 25, 2019 to Saturday, September 28, 2019.



- 6) The dividend, if declared, at the AGM, will be paid on or after Saturday, September 28, 2019:-
 - to those Members holding shares in physical form, whose names appear on the Register of Members of the Company on close of business hours on Saturday, September 21, 2019 (“Record Date”);
 - in respect of the shares held in dematerialized form, the dividend will be paid to the Members whose names are furnished by the National Securities Depository Limited and the Central Depository Services (India) Limited as the beneficial owners as at the close of business hours on Saturday, September 21, 2019 (“Record Date”).
- 7) The Company will disburse the dividend vide ECS/NECS to those shareholders whose requisite particulars are available and to other shareholders vide dividend warrants. The intimation of dividend payout/dispatch will be sent within the statutory period.
- 8) In accordance with SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 & BSE Circular No LIST/COMP/15/2018-19 dated July 5, 2018, the Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, permanent account number (PAN), bank mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their respective Depository Participants (DP) in case the shares are held by them in Demat form and to the Company's Registrars and Transfer Agents (“RTA”) viz. Link Intime India Pvt. Ltd in case the shares are held by them in physical form.

The address of Company's RTA is as follows:

M/s. Link Intime India Pvt. Ltd.,

C-101, 247 Park,

L. B. S. Marg, Vikhroli (West),

Mumbai-400 083.

Phone: Tel – 022-49186000 Fax- 022-49186060

E-mail: rnt.helpdesk@linkintime.co.in

- 9) SEBI has mandated the transfer of securities to be carried out only in dematerialised form (except in case of transmission or transposition of securities) effective from April 1, 2019. Accordingly, requests for physical transfer of securities of listed entities shall not be processed from April 1, 2019 onwards. In view of such amendment and in order to eliminate the risks associated with physical holding of shares, Members who are holding shares in physical form are hereby requested to dematerialise their holdings.
- 10) Members, Proxies and Authorized Representatives are requested to bring, the attendance slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID/Folio No., along with their copy of the Annual Report at the time of attending the meeting. Please note that Annual Report copies shall not be available/distributed at the AGM venue.
- 11) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA - Link Intime India Pvt. Ltd, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- 12) Members desirous of seeking any information with regard to the accounts and operations of the Company, are requested to address their queries to the Company at least seven days in advance of the Meeting so that the information required can be readily available at the Meeting.
- 13) Pursuant to SEBI Circular No. D&CC/FITTC/CIR-15/2002 dated 27.12.2002 all the work related to share registry in terms of both physical and electronic are being done by the Company's RTA - M/s. Link Intime India Pvt. Ltd. Therefore, Members are requested to send their communication directly to them in future.

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- 14) Relevant documents referred to in the accompanying Notice and in the Explanatory Statement are open for inspection by the Members at the registered office of the Company on all working days between 11 a.m. to 4.00 p.m. except Saturday, Sunday and public holidays upto the date of the AGM.
- 15) The Notice of the 27th AGM along with the Annual Report 2018-19 are being sent through the electronic mode to Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the Annual Report. For Members, who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may also note that Annual Report for the financial year ended March 31, 2019 including Notice of the 27th AGM is also available on the Company's website at <http://www.ashokalcochem.com/InvestorUpdate.html>
- 16) To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Company's RTA - Link Intime India Pvt. Ltd. in case the shares are held by them in physical form.
- 17) As per the provisions of section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members holding shares in physical form may submit the same to the Company's RTA - M/s. Link Intime India Pvt. Ltd., Members holding shares in electronic form may submit the same to their respective DP.
- 18) Unclaimed Dividend – details are available on website - <http://www.ashokalcochem.com/InvestorUpdate.html>
- 19) The route map showing directions to reach the venue of the 27th AGM is annexed to this Notice.
- 20) Voting through electronic means:
 - I. In compliance with provisions of section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and the provisions of Regulation 44 of SEBI LODR Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depository Limited (“NSDL”) on all resolutions set forth in this notice, through remote e-voting. The instructions for e-voting are given herein below.
 - II. The facility for voting through ballot paper shall be made available at the venue of the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The Board of Directors has appointed M/s. Jay Mehta & Associates, Company Secretaries (Certificate of Practice No. 8694) as the Scrutinizer to scrutinize the remote e-voting process as well as voting at AGM in a fair and transparent manner.
 - V. The details of the process and manner for remote e-voting are explained herein below:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.



Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

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7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jaymehtaandassociates@gmail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Other Instructions

- i) The remote e-voting period commences on Wednesday, September 25, 2019 (9:00 am) and ends on Friday, September 27, 2019 (5:00 pm). During this period, Members holding shares either in physical form or in dematerialized form, as on Saturday, September 21, 2019, i.e. cut-off date, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- (ii) The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper
- (iii) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the cut-off, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing user ID and password for casting the vote.



- (iv) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (v) The Results declared alongwith the Scrutinizer's Report shall be placed on the website of the Company at www.ashokalcochem.com and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE ACT, IS GIVEN BELOW:

Item No. 4:

Pursuant to the provisions of sections 196, 197, 203 read with Schedule V and other relevant provisions of the Act, the Board of Directors of the Company had re-appointed Mr. Purab Shah as an Executive Director & CEO of the Company for a period of one year effective April 19, 2018 upto April 19, 2019, which was subsequently approved by the Members at the 26th AGM of Company held on September 24, 2018.

The term of Mr. Purab Shah as Executive Director & CEO was getting over on April 18, 2019, however, considering the current affairs of the Company, valuable contribution provided by him during his tenure and his expertise, rich experience and business insight, the Board of Directors of the Company, on recommendation of Nomination and Remuneration Committee, re-appointed Mr. Purab Shah as an Executive Director & CEO of the Company at its meeting held on February 12, 2019 for a further period of one year with effect from April 19, 2019.

Brief Profile

Mr. Purab Shah holds a degree in M.Sc. (Chemistry) from Mumbai University along with an MBA. He started his career as an Entrepreneur - Chemical Manufacturer with a successful Chemical Business and has around 22 years of extensive experience and expertise in chemical business along with Manufacturing, R & D, Project and New Business Developments.

Brief resume of Mr. Purab Shah, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, as required under Regulation 36 of the SEBI LODR Regulations and Secretarial Standards are as below:

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Name of Director	Mr. Purab Shah
Director Identification Number (DIN)	07490952
Date of Birth (Age)	September 14, 1977 (42 years)
Nationality	Indian
Date of first appointment	April 19, 2016
Qualifications	M.Sc. & MBA
Expertise in specific functional areas	Extensive experience and expertise in chemical business along with manufacturing, R&D, project and new business development
Terms and conditions of re-appointment	As per the agreement executed by and between the Company and Mr. Purab Shah.
Number of Meetings of the Board attended during the year ended March 31, 2019	Five
Relationship with other Directors / Managers / Key Managerial Personnel	Not Applicable
Shareholding in Ashok Alco-Chem Limited	Nil
Directorships held in other Companies (excluding foreign, private and section 8 Companies)	Nil
Chairman/ Member of the Committee of the Board of Directors of other companies in which he is a Director	Nil
Remuneration details	Rs. 32,26,632 p.a.*

*Terms of re-appointment including Remuneration:

1. He shall be entitled to encashment of earned leave at the end of his tenure as per Company's Rules/Policies, from time to time.
2. Additionally, he shall be entitled to annual/performance increments/incentives as shall be approved by the Board of Directors of the Company and which shall be within the limits as prescribed under Schedule V and other applicable provisions, if any, of the Act.
3. He shall not be paid any fees for attending meetings of the Board of Directors and/or any Committee thereof.
4. He shall not be liable to retire by rotation.

The terms and conditions of the appointment of Mr. Purab Shah as Executive Director & CEO shall be as stated in the agreement executed by and between the Company and Mr. Purab Shah. The copy of the agreement is available for inspection at the registered office of the Company, on all working days between 11.00 a.m. to 4.00 p.m., except Saturday, Sunday and Public holidays upto the date of the AGM.

Mr. Purab Shah, is not disqualified from being re-appointed as a Director in terms of section 164 of the Act and has given his consent to act as an Executive Director & CEO of the Company.

It is proposed to seek the Member's approval for the re-appointment and payment of remuneration to Mr. Purab Shah as an Executive Director & CEO, in terms of the applicable provisions of the Act and the relevant Rules made thereunder.

Except Mr. Purab Shah, being the appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives, are concerned or interested financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution as set out at Item No. 4 for approval of the Members.

Item No. 5:

The Ministry of Corporate Affairs notified Section 149 of the Act and related Rules effective April 1, 2014. Pursuant to the provisions of Section 149 of the Companies Act, 2013 and related rules thereof, the Shareholders of the Company at the 22nd Annual



General Meeting held on September 26, 2014 had appointed Mr. Manoj Ganatra as an Independent Director of the Company for a period of five years with effect from September 26, 2014 up to September 25, 2019.

Mr. Manoj Ganatra is a practicing Chartered Accountant and a Managing Partner of one of the oldest Accounting Firm of the Country, M/s SANGHAVI & Co. since 1989. Audits, System Analysis and Evaluation, Company Law matters, Business Restructuring and Advice and Investment and Tax Planning are the main areas of his interest in which he is practicing. He is a Past Chairman of the Bhavnagar Branch of the WIRC of the Institute of Chartered Accountants of India and a Past President of the Bhavnagar Chartered Accountants' Association and Vice President of Income Tax Bar Association – Bhavnagar. He is a trustee of several charitable organizations and a member and past editor of the Rotary Club of Bhavnagar. He has been associated with SNTD Women's' University and Sikkim Manipal University as a visiting faculty for BBA and MBA students. He is also on the Board of couple of companies.

He is Chairman of the Audit and Nomination and Remuneration Committees of the Board of Directors of the Company.

The Company and the Board immensely benefitted from his vast experience and knowledge. Considering his deliberation of the meetings and the valuable guidance and advice rendered by him, the Board felt that it will be in the interest of the Company to re-appoint Mr. Manoj Ganatra as an Independent Director of the Company.

The Board of Directors of the Company, on the proposed basis of the report of the performance evaluation and on the recommendation of the Nomination and Remuneration Committee, proposed the re-appointment of Mr. Manoj Gantara as Independent Director of the Company, not liable to retire by rotation, for a second term effective September 26, 2019 up to September 25, 2024.

The Company has received from Mr. Manoj Ganatra (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations') and (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

In the opinion of the Board, Mr. Manoj Ganatra fulfills the conditions specified under the Act and the Listing Regulations for re-appointment as an Independent Director.

In terms of Section 149, 152 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, and in terms of the applicable provisions of the Listing Regulations, each as amended, the re-appointment of Mr. Manoj Ganatra as an Independent Director of the Company for a second term of 5 (five) years commencing from September 26, 2019 to September 25, 2024 is being placed before the Shareholders for their approval by way of a Special Resolution. Mr Manoj Ganatra, once appointed, will not be liable to retire by rotation.

A copy of the draft letter of re-appointment to be issued to Mr. Manoj Ganatra upon his re-appointment as an Independent Director setting out the terms and conditions of re-appointment would be available for inspection by the Members at the Registered Office of the Company, on all working days between 11.00 a.m. to 4.00 p.m., except Saturday, Sunday and Public holidays up to the date of the AGM.

Mr. Manoj Ganatra is not disqualified from being re-appointed as a Director in terms of Section 164 of the Act and has given his consent to act as an Independent Director of the Company.

The profile and specific areas of expertise of Mr. Manoj Ganatra are provided as annexure to this Notice.

Except Mr. Manoj Ganatra, being the appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives, are concerned or interested financially or otherwise, in the proposed resolution.

The Board recommends the Special Resolution set forth in Item No. 5 for the approval of the Members.

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Item No. 6:

In terms of the provision of Section 161 of the Companies Act, 2013, the Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mrs. Hina Shah (DIN:08335130) as an Additional Director (Category – Non-Executive, Independent) of the Company with effect from February 12, 2019 for a period of three years, not liable to retire by rotation.

The Board noted that Mrs. Hina Shah is a graduate in Interior designing from JJ School of Arts, Mumbai. She has rich work experience in the field of Architecture and has worked with the known names like Architect Hafeez Contractor. She is well versed with business management and development.

The Company has received from Mrs. Hina Shah (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164(2) of the Act (iii) Declaration to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations') and (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that she has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

A copy of the draft letter of appointment to be issued to Mrs. Hina Shah upon her appointment as an Independent Director setting out the terms and conditions of appointment would be available for inspection by the Members at the Registered Office of the Company, on all working days between 11.00 a.m. to 4.00 p.m., except Saturday, Sunday and Public holidays up to the date of the AGM.

Mrs. Hina Shah is not disqualified from being appointed as a Director in terms of section 164 of the Act and has given her consent to act as an Independent Director of the Company.

The profile and specific areas of expertise of Mrs. Hina Shah are provided as annexure to this Notice.

Except Mrs. Hina Shah, being the appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives, are concerned or interested financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution set forth in Item No. 6 for the approval of the Members.

Item No. 7:

In terms of the provisions of section 148 of the Act, the Company is required to have its cost records pertaining to “Chemical Division” audited by cost accountant in practice.

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the re-appointment of M/s. N. Ritesh & Associates, Cost Accountants, as Cost Auditors of the Company to conduct audit of the cost records maintained by the Company relating to “Chemicals Division” for the financial year 2019-20, at remuneration of Rs. 50,000 plus applicable taxes and out-of-pocket expenses incurred by them in connection with the aforesaid audit.

M/s. N. Ritesh & Associates, Cost Accountants, have consented to the said appointment and have furnished a certificate regarding their eligibility for re-appointment as Cost Auditors of the Company.

In terms of the provisions of Section 148(3) of the Act read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the re-appointment of M/s N. Ritesh & Associates, Cost Auditors and payment of remuneration for the financial year 2019-20.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution as set out at Item No. 7 for approval of the Members.



Item No. 8:

Presently your Company is operating two segments viz. Manufacturing Division and Trading Division.

Your Company has been manufacturing mainly two chemical industrial solvents viz. Ethyl Acetate and Acetaldehyde.

For a considerable period of time, your Company has witnessed a tepid business environment and tapering in the margins of the industrial solvents industry as a whole. Despite the Company's best efforts, the constrictive strategic profile of the industry has offered no avenues for enhancement of the quality or quantity of revenues or margins. The volatilities in both the finished products and the raw materials are largely driven by global factors which have increased the risk profile of the business; furthermore, even capital-intensive products up the value chain are not entirely insulated by such volatilities.

In view of the above, the Board of Directors of the Company have concurred that:

- (i) It would not be feasible for the Company to continue block its resources in the solvents manufacturing business wherein risk have increased without concomitant returns to the Shareholders of the Company.
- (ii) Given the Company's experience in trading industrial minerals coupled with its nous in marketing; it's human and financial resources would be better employed in concentrating on the mineral trading business and to explore mineral processing business.
- (iii) A focus on the mineral trading and processing business would allow the Company to achieve the requisite critical mass in volumes and achieve economies of scale for higher sustainable margins.

In the interest of all the stakeholders of the Company, the Board is of opinion that the sale of Manufacturing Undertaking / Chemical Division would be the best possible solution to safeguard the net worth of the Company and to continue with trading business of the Company and to explore mineral processing business.

In view of the same, it is proposed to sell, transfer, dispose off or otherwise deal with Chemical Division / Manufacturing Undertaking (whether whole or part) of the Company on "as is where is basis", including the:

- (i) Plant situated at Plot No. A-22/2/1, Mahad Industrial Area, Village Kamble, Mahad, Dist. Raigad, Maharashtra (Plant), together with all identified movable and immovable assets, *inter alia*, comprises of land & building, plant & machinery, capital work-in-progress, laboratory equipment's, computers and printers, furniture & fixtures, office equipment's, engineering stores spares inventory along with transfer of all licenses in relation to the plant but excluding its brand name and liabilities and
- (ii) Residential colony situated at plot no. BH-34 in the residential zone of Mahad Industrial Area, Mahad, Maharashtra

(collectively, (i) and (ii) will be referred to as the "Identified Assets").

In accordance with the provisions of section 180(1)(a) of the Companies Act, 2013 read with the Rules made thereunder, the Chemical Division comprises of the whole of the undertaking of the Company and accordingly, approval of the members is required to sell / transfer / dispose off the same.

Further, it is proposed to authorize the Board of Directors of the Company to finalize and execute necessary documents including but not limited to Agreements, deeds of assignment / conveyance and other ancillary documents and to register with the Sub-Registrar or any other government authority(ies) and to do all such acts, deeds, matters and things as they may deem necessary and/or expedient for sale of the said Manufacturing Undertaking.

Future plans & Utilisation of Net Proceed: The Board of Directors proposes to continue with the trading business and to explore both greenfield and brownfield avenues of mineral processing business. The net proceeds received from the sale of the Undertaking will be utilized to repay the existing loan availed by the Company and for expansion of Trading Business of the Company.

A copy of the Assets Purchase Agreement would be available for inspection by the Members at the Registered Office of the Company, on all working days between 11.00 a.m. to 4.00 p.m., except Saturday, Sunday and Public holidays up to the date of the AGM.

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None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the proposed resolution.

The Board recommends the Special Resolution as set out at Item No. 8 of the Notice for approval by the members.

Item No. 9:

The existing Memorandum of Association (“MOA”) of the Company was framed in terms of the provisions of the Companies Act, 1956. As per the Companies Act, 2013, a Company can have only following objects clause in its MOA:

1. The objects to be pursued by the company on its incorporation i.e. main objects.
2. Matters which are necessary for furtherance of the main objects.

Presently, the object relating to Mineral processing and trading business, duly approved by the members vide Postal Ballot dated May 25, 2009 for undertaking as business of the Company, appears under sub clause 38 of Clause III (C) – Other Object.

The Board of Directors (“the Board”) wish to continue with trading business of the Company and to explore Mineral processing business and accordingly proposed the following amendments to the Objects Clause of the Company in lines with the provisions of the Act:

- a) Addition of sub-clause (1A) after the existing sub-clause (1) in the Clause III(A) of the MOA, as stated in the Special Resolution.
- b) To alter the title of Clause III(B) of the MOA to: “MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE:-”
- c) To Delete the clause III(C) i.e. Other Objects containing sub-clause (27) to (38) (both inclusive) of the MOA.

The Board at its meeting held on August 14, 2019 had approved, subject to the approval of members, the aforementioned proposed amendments in the MOA of the Company.

Pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Act, read with applicable Rules and Regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), alteration of the Object Clause of the MOA of the Company requires the approval of the members by way of a Special Resolution.

A copy of the existing and proposed amended MOA would be available for inspection by the Members at the Registered Office of the Company, on all working days between 11.00 a.m. to 4.00 p.m., except Saturday, Sunday and Public holidays upto the date of the AGM.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the proposed resolution.

The Board recommends the Special Resolution as set out at Item No. 9 of the Notice for approval by the members.

For and on behalf of the Board

Sd/-

Seema Gangawat

Company Secretary & Compliance Officer

Place: Mumbai

Date: August 14, 2019

Registered Office:

CIN: L24110MH1992PLC069615

104, Venkatesh Chambers, 1st Floor, Ghanshyam Talwatkar Marg,

Fort, Mumbai – 400 001.

Tel: 022-61446900/01

Email: secretarial@ashokalcochem.com

Website: www.ashokalcochem.com



Annexure 1 – Pursuant to Regulation 36 of SEBI LODR Regulations, the details of Director(s) seeking appointment /re-appointment at the AGM are given herein below:

Particulars	Mr. Sunil Shah	Mr. Manoj Ganatra	Mrs. Hina Shah
Director Identification Number (DIN)	03567415	00568914	08335130
Date of Birth (Age)	November 7, 1962 (57 years)	November 21, 1962 (57 years)	June 17, 1962 (57 years)
Nationality	Indian	Indian	Indian
Date of First Appointment	February 8, 2013	September 26, 2014	February 12, 2019
Qualifications	DME, AIME, (Mechanical Engineer)	B.Com, LLB & FCA	Graduate in Interior Designing
Expertise in specific functional areas	Project Management & Marketing	Accounts, Finance & Taxation	Business management and development
Terms and conditions of appointment or re-appointment	Mr. Sunil Shah retires by rotation at the ensuing AGM and being eligible, seeks re-appointment.	Being re-appointed for a second term of 5 (five) consecutive years commencing from September 26, 2019 upto September 25, 2024, not liable to retire by rotation.	Being appointed as a Non-Executive, Independent Director of the Company, not liable to retire by rotation, for a period of three consecutive years with effect from February 12, 2019.
Number of Meetings of the Board attended during the year ended March 31, 2019	5 (five)	5 (five)	1 (one)
Relationship with other Directors/ Mangers / Key Managerial Personnel	NA	NA	NA
Shareholding in Ashok Alco-Chem Limited	1000 Equity Shares	Nil	Nil
Directorships held in other Companies (excluding foreign, private and section 8 Companies)	Nil	Nil	Nil
Chairman/ Member of the Committee of the Board of Directors of other companies in which he is a Director	Nil	Nil	Nil
Remuneration details	NA	NA	NA

ASHOK ALCO-CHEM LIMITED - ROUTE MAP FOR THE 27TH AGM



Prominent Land Mark : Rhythm House, Kala Ghoda

ASHOK ALCO-CHEM LIMITED

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BOARD'S REPORT

The Members,
Ashok Alco-Chem Limited

Your Directors are pleased to present their 27th Annual Report together with the Audited Financial Statements of your Company for the year ended March 31, 2019. The section on the Management Discussion and Analysis (MD&A) forms a part of this report.

FINANCIAL RESULTS

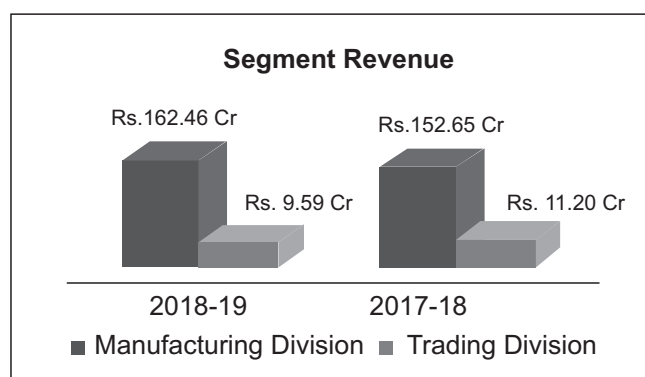
The following figures summaries the financial performance of your Company during the year under review:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Income from Operations	17,042.95	15,931.23	17,155.90	16,074.39
Other Income	161.83	454.23	163.01	451.56
Total Income	17,204.78	16,385.46	17,318.91	16,525.95
Less : Total Expenditure	17,255.15	15,646.20	17,362.47	15,849.29
Profit/(Loss) before Interest, Depreciation and Tax	(50.37)	739.26	(43.56)	676.66
Less : Interest	113.68	97.94	113.68	98.08
Profit/(Loss) before Depreciation and Tax	(164.05)	641.32	(157.24)	578.58
Less : Depreciation	117.05	111.88	118.40	113.93
Profit/(Loss) before Tax	(281.10)	529.44	(275.64)	464.65
<u>Less : Tax Expenses</u>				
Current Tax	1.25	(200.00)	0.25	(200.00)
Deferred Tax	78.61	25.28	79.05	25.07
Tax adjustment earlier year	(95.95)	-	(92.56)	(0.14)
Profit/(Loss) for the year	(297.19)	354.72	(288.90)	289.58
Add: Other Comprehensive Income	-	-	-	-
i. Re-measurement gain/(loss) on the Defined Benefit Plans	4.80	1.46	4.80	1.46
ii. Income tax on (i) above	(1.25)	(0.51)	(1.25)	(0.51)
Total Comprehensive Income for the year	(293.64)	355.67	(285.35)	290.53

OVERVIEW OF THE FINANCIAL PERFORMANCE

The turnover of the Manufacturing Division of your Company has increased by 6.43% in its revenue and has seen the decline in the production figures by 4.57% vis a vis previous year 2017-18. The rise in topline was mainly due to relatively increase in average pricing of the finished product during the year vis a vis previous year 2017-18.

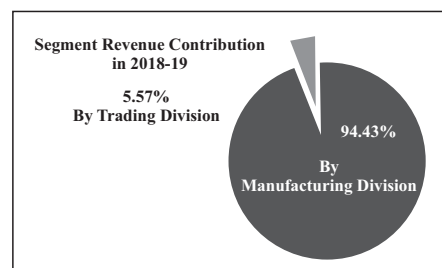




The performance of the Trading Division has shown the decay of 14.41% as compared to previous year 2017-18. The merchant trade has gone down due to decrease in the end product prices. The increasing number of suppliers and traders globally has enhanced the level of competition resulting in very low margins in chemical merchant trade.

The Manufacturing Division has contributed up to 94.43% to total revenue during 2018 -19 as compared to 93.16% during previous year 2017-18.

The Trading Division has contributed up to 5.57% to total revenue during 2018 -19 as compared to 6.84% during previous year 2017-18.



STATE OF COMPANY'S AFFAIRS

The performance of the Manufacturing Division of your Company was good till 3rd quarter of FY 18-19 {i.e EBITDA Rs. 508.56 Lakhs} which is remarkably better when compared with FY 17-18 nine months results {i.e EBITDA Rs. 378.02 Lakhs}, but the negative impact started from January 2019 onwards which has wiped out your Company's nine months efforts and turndown the bottom line from positive to negative as compared till 3rd quarter YTD results {i.e EBITDA Rs. 508.56 Lakhs} and 4th quarter results of FY 18-19 {i.e EBITDA Rs. (397.89) Lakhs}, the YTD EBITDA of Manufacturing Division is Rs. 110.67 Lakhs for the FY 18-19. The contribution given by the Trading Division has leads to the net negative impact on annual performance of your Company as EBITDA Rs. (50.36) Lakhs.

Considering the various strategies adopted by the management to operate the business under profits, the volatile nature of the business has always been a challenge to achieve the desired results. It is a volume base business which requires infusing more working capital. The hardcore fluctuation in the prices of both raw material and finished goods are not in the control of your Company, rather which is mainly driven by the prevailing market forces including the global factors.

In addition to the above, the continued struggle to maintain the profits of your Company, the efforts of your Company's management has gone at toss by the fluctuating prices of the raw material and the finished products, which has resulted in operating loss during the year under review as elaborated under Segment-wise Performance.

Subsequent to the year under review, the Board considered the proposal received by the Company for sale of its manufacturing facility along with the residential colony situated at Mahad, Maharashtra. The proposal is being considered and evaluated by a team nominated by the Board of Directors.

HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES AND THEIR CONTRIBUTION TO OVERALL PERFORMANCE OF THE COMPANY

The revenue from subsidiary of your Company has declined by 20.28% as compared to FY 2017-18. It has contributed Rs. 5.46 Lakhs towards Profit Before Tax during the year as compared to Rs. 64.77 Lakhs Loss Before Tax during FY 17-18. The subsidiary of your Company has contributed positively to the extent of 1.98% to the Loss Before Tax in the consolidated profit and loss account.

DIVIDEND

Though your Company's performance is negative during FY 2018-19, considering the previous year's performance and to appropriately reward the Members, your Directors propose to pay dividend out of the surplus available under the Reserves & Surplus Account of the Company.

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Your Directors are pleased to recommend a dividend of Re. 1/- (i.e. 10%) per equity share of Rs. 10/- each for the financial year ended March 31, 2019 amounting to Rs. 55.37 Lakhs (inclusive of dividend distribution tax of Rs. 9.37 Lakhs) out of accumulated profits of past years. This dividend is subject to the approval of the Members at the forthcoming AGM and if approved, Members whose names appear on the Register of Members on record date i.e. September 21, 2019 will be entitled to dividend.

In the previous year the Company paid a dividend of Re. 1/- per equity share (i.e.10%) of Rs. 10/- each of the Company.

TRANSFER TO GENERAL RESERVES

Considering the loss incurred during the year under review, your Directors propose not to transfer any sum to the general reserves.

SHARE CAPITAL

During the financial year 2018-19, there is no change in the authorized, issued, subscribed and paid-up share capital of the Company. As on March 31, 2019, the Company is having authorized share capital of Rs.7,00,00,000/- comprising of 50,00,000 equity shares of Rs 10/- each and 20,00,000 11% preference shares of Rs 10/- each.

The issued, subscribed and paid-up equity share capital of the Company as on March 31, 2019 is Rs. 4,60,03,430/- comprising of 46,00,343 equity shares of Rs. 10/- each.

During the year under review, the Company has not issued shares with differential rights as to dividend, voting or otherwise or bought back any of its securities. The Company has not issued any sweat equity/bonus shares/employee stock option plan, under any scheme.

HOLDING COMPANY

Aura Alkalies and Chemicals Private Limited continues to be Holding Company of the Company by holding 25,18,632 Equity Shares of the Company i.e. 54.75%, at the end of the financial year March 31, 2019.

SUBSIDIARY / JOINT VENTURE / ASSOCIATE COMPANY

Your Company continues to be Holding Company of Ashwa Minerals Private Limited as on March 31, 2019.

Your Company does not have any Associate or Joint Venture Companies within the meaning of Section 2(6) of the Act.

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiary in Form AOC-1 is attached to the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Act, the audited standalone and consolidated financial statements and other relevant documents and audited accounts of the said subsidiary company, are available on the website of the Company at <http://www.ashokalcochem.com/InvestorUpdate.html>

PROMOTERS

There has been no change in the shares of the Company under the “Promoter and Promoter Group”. The present promoters of the Company are:



Sr. No.	Name	No. of Shares held	% to total paid up capital
1.	Aura Alkalies and Chemicals Private Limited	25,18,632	54.75
2.	Mr. Sunil Shah	1,000	0.02
3.	HK Dealers Private Limited	1,000	0.02
	Total Promoters' holding	25,20,632	54.79

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment/Re-appointment

- 1) During the year under review, Mrs. Hina Shah was appointed as an additional director (Category – Non – Executive / Independent) of the Company w.e.f. February 12, 2019 for a period of three years, subject to approval of Members at the 27th AGM of the Company.
- 2) Subsequent to the year under review, Mr. Purab Shah Executive Director & Chief Executive Officer (“Executive Director & CEO”) of the Company was re-appointed for a further period of one year effective from April 19, 2019. The Members' approval is being sought for the said re-appointment which forms part of notice convening 27th AGM.
- 3) The Members had appointed Mr. Manoj Ganatra as an Independent Director of the Company to hold office for five consecutive years from September 26, 2014 up to September 25, 2019. Pursuant to the provisions of the Act and based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board recommends for the approval of the Members through a Special Resolution, the re-appointment of Mr. Manoj Ganatra as an Independent Director of the Company for a second term of five consecutive years from September 26, 2019 to September 25, 2024.
- 4) Pursuant to the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Sunil Shah, Non-Executive Director of the Company, retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment.

Resignation

Subsequent to the year under review, Mrs. Neeta Shah, Non-Executive Director, resigned from the Board of the Company w.e.f. May 29, 2019. Your Directors takes this opportunity to express their appreciation for the valuable contribution made by Mrs. Neeta Shah during her tenure as Director of the Company.

Independent Directors

The following Non-Executive Directors are Independent Directors in terms of the provisions of section 149(6) of the Act read with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”).

- a) Mr. Manoj Ganatra
- b) Mr. Shekhaer Shetty
- c) Mrs. Hina Shah

The said Independent Directors are not liable to retire by rotation. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations and are independent from the management and there has been no change in the circumstances which may affect their status as independent director during the year.

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Non-Executive Directors

The Non-Executive Directors were not paid any remuneration other than the sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

Key Managerial Personnel (KMP)

In terms of the provisions of Section 2(51) and Section 203 of the Act, the following are the KMP of the Company:

- a) Mr. Purab Shah - Executive Director & CEO
- b) Ms. Seema Gangawat - Company Secretary & Compliance Officer
- c) Mr. Vaize Ahmed Kampli - Chief Financial Officer

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors of the Company met five times during the financial year 2018-19 viz. on May 24, 2018, August 14, 2018, November 02, 2018, February 12, 2019 and March 19, 2019. The details of attendance of respective Directors is given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Act and Regulation 17 of the Listing Regulations.

BOARD COMMITTEES

As per the applicable provisions of the Act and the Listing Regulations, the Company has formed the following statutory committees.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Stakeholders Relationship Committee.

Detailed information of all the Committees and relevant information for the year under review are set out in the Corporate Governance Report.

NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of the Act and the Part D of Schedule II of Listing Regulations, the Company has formed and implemented Nomination and Remuneration Policy and the same is available on the Company's website at www.ashokalcochem.com/InvestorUpdate.html

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The familiarisation programme seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes.

The policy on Company's familiarisation programme for Independent Directors is posted on the Company's website at www.ashokalcochem.com/InvestorUpdate.html



BOARD EVALUATION

Pursuant to the provisions of the Act and the Listing Regulations, annual performance evaluation of the Board, its Committee and of individual Directors has been made.

The manner, in which the evaluation has been carried out, forms part of the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134(3)(c) and section 134(5) of the Act, your Company's Directors, based on the representations received from the management, confirm that:

- a. the applicable Accounting Standards have been followed in the preparation of the annual accounts along with the proper explanation relating to material departures, if any;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit and loss of the Company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Cautionary Statement

Statements made under this section describing the Company's projections, estimates and expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Important factors that could make a difference to the Company operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in government regulations, tax laws and other statutes and incidental factors. The information provided in Economy Outlook and Industry Scenario Outlook section is based on our internal study, which is not prejudice.

Although the expectations are based on reasonable assumptions, the actual results might differ.

Economy Outlook

A G-20 surveillance note expects India's economy to grow 7.3% in 2019 and 7.5% in 2020. The International Monetary Fund (IMF) lowered the growth estimate for India by 30 basis points (100 basis points means 1 percentage point) for the current as well as the next financial year.

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“India's economy is set to grow at 7 per cent in 2019, picking up to 7.2 per cent in 2020. The downward revision of 0.3 percentage point for both years reflects a weaker-than-expected outlook for domestic demand”, the multilateral agency said in its update on “World Economic Outlook” (WEO). The revision is relative to the April 2019 WEO.

However, despite the revision, India's growth rate will still be the fastest in the world followed by China. The WEO update says that in China, the negative effects of escalating tariffs and weakening external demand have added pressure to an economy already in the midst of a structural slowdown.

With policy stimulus expected to support activity in the face of the adverse external shock, China's growth is forecast at 6.2 per cent in 2019 and 6.0 per cent in 2020, which is 10 basis points lower each year relative to the April 2019 WEO projection.

Industry Scenario Outlook

Chemicals industry in India is highly diversified, covering more than 80,000 commercial products. The Indian chemical industry is ranked 6th largest in the world, in terms of output. The chemical companies in India support a sizable and highly diversified industry that includes commodities, specialties, polymers, agrochemicals and a range of other groups. India is steadily moving up the ranks as a global economic power and a business magnet for investment.

The country is also the largest consumer of its own products accounting for around 33% of its output. By 2025, the Indian chemical industry is projected to reach US\$ 403 billion. Demand of chemical products is expected to grow at approximately 9% p.a. over the next 5 years. The capacity utilization surged to over 85 per cent in fiscal 2019, compared with 75 per cent in fiscal 2017.

Furthermore, the chemical industry is one of the major factors driving our country's GDP. It accounts for nearly 15-18% of the manufacturing sector in GDP and the government aims to expand it to 25% by 2025. Utilization rates of new capacities coming up will remain high over the medium term because of improving environmental compliance and cost competitiveness. As a result, the share of Indian specialty chemicals in global supply chain is seen rising 100 basis points to 5.2 per cent in fiscal 2022, from 4.2 per cent last fiscal.

The agency noted that Indian players are also benefiting because of the closure or shifting of capacities in 50 chemicals manufacturing clusters in China, which has about 20 per cent share of global specialty chemicals revenue.

Segment-wise Performance

The Government has imposed the new policies for importing of Ethanol on one hand and on the other the scarcity of Ethanol in domestic market due to the Government encouraging program for oil blending of Absolute Alcohol for petroleum industry, has increased the Ethanol prices in domestic market.

Due to the US-China trade war the prices of Glacial Acetic Acid has a Roller Coaster effect on the cost of inventories of your Company in-turn which has left direct increasing cost impact on the cost of production. The raw material prices have increased during the year, as a result, the cost of material consumed on a percentage of sales of products has increased to 81.41% for the year as compared to 78.99% for the previous year 17-18.

During the FY 18-19 the exports of Ethyl Acetate has declined from India which has forced other players in the industry to dump their material in domestic market. In addition to the above, globally two new manufacturing units of Ethyl Acetate has started in Europe and Middle East at a very large scale of production capacity, putting pressure in export market by creating a stiff competition for Indian origin Ethyl Acetate which also has resulted in dumping of the quantities by the other players in domestic market. The more supply against the demand has resulted in the reduction of the selling prices particularly during the fourth quarter of FY 18-19.



In addition to the above the condition of the Plant & Machinery of your Company requires more and more ware and tare towards its maintenance, which has resulted in the increase of the plant maintenance expenses during the year under review.

The overall Profits Before Interest and Tax of your Company has declined by 126.68% as compared to previous financial year 17-18. In this PBIT decline 54.81% was contributed by the Manufacturing Segment and 45.19% by Trading Segment. Your Company's overall Loss After Tax for financial year 2018-19 was Rs. 297.19 Lakhs against Rs. 354.72 Lakhs in financial year 2017-18. The Total Comprehensive Income of your Company for FY 2018-19 was Rs. (293.64) Lakhs against Rs. 355.67 Lakhs in financial year 2017-18.

Opportunities, Threats, Risks and Concerns

The manufacturing industry and the demand thereof are influenced by general economic conditions, including, among other things, rates of economic growth, credit availability, Infrastructure spending, interest rates, environmental and tax policies, safety regulations, freight rates and fuel and commodity prices. Negative trends in any of these factors impacting the regions where the Company operates could materially and adversely affect the results of operations and scalability of the Company's business financially. Your Company recognizes that every business have its inherent risks and what is required is a proactive approach to identify and mitigate them in time, so that they do not impact the business negatively. We endeavor to regularly scan the internal and external environment to identify risks and decide on possible mitigation measures and costs for overcoming them and incorporate them in Company's strategic, business and operational plans. The Company has developed systems and processes to map the risks across segments, products and geographies and respond effectively to counter them and achieve the organizational goals. Sustained action is taken to further strengthen the system.

Financial Performance

Financial performance achieved by your Company, during the year under review, is as disclosed in this Report under the head “Financial Results” and “Overview of the Financial Performance”.

Internal Control Systems and Adequacy

Your Company has a well-placed, suitable and adequate internal control system, commensurate with the size, scale and complexity of its operations which ensure;

- Reliable and accurate financial reporting
- Keeping constant check on cost structure
- Prevention and detection of the frauds and errors
- Assurance of orderly and efficient conduct of operations
- Safeguarding of assets

The Company is committed to good corporate governance practices and facilitate timely detection of any irregularities and early remedial steps against factors such as loss from unauthorized use and disposition. Company policies, guidelines and procedures provide for adequate checks and balances which are meant to ensure that all transactions are authorized, recorded and reported correctly. The internal controls are continuously assessed and improved/modified to meet changes in business conditions, statutory and accounting requirements.

Statutory Auditors of the Company has audited the financial statements included in this annual report and has issued report on our internal control over financial reporting (as defined in section 143 of the Act).

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The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the Internal Auditors reports, the process owners undertake corrective actions in their respective areas and strengthen the area of controls.

Every quarter the Audit Committee of the Board of Directors oversight the activities which mainly include:

- Reviewing the significant audit observations, the corrective steps recommended and their implementation status.
- Reviewing of financial reports and other financial information, and communicating with the regulators.
- Reviewing the internal financial controls system and procedure, governance and risk management.

Human Resource and Industrial Relations

As on March 31, 2019, the Company had a total head count of 127. The Directors wish to place on record their appreciation for the contributions made by the employees to the Company during the year under review at all levels.

During the year under review, industrial relations in the factory/plant were cordial and pro-active and all employees and the Union supported productivity and process improvement measures undertaken at all the functions of the Company.

The Company has in place Health, Safety and Environment policy for Mahad operations.

Details of Significant Changes in Key Financial Ratios:

Particulars	FY 18-19	FY 17-18
Debtors Turnover Ratio (Number of Days)	4.01	3.77
Inventory Turnover Ratio (Number of Days)	7.92	7.01
Interest Coverage Ratio	(1.47)	6.41
Current Ratio	1.44	1.57
Debt Equity Ratio	-	0.03
Operating Profit Margin (in %)	(0.98%)	3.94%
Net Profit Margin (in %)	(1.74%)	2.23%
Return on Net Worth (in %)	(3.86%)	13.37%

Credit Rating

The Company enjoys a decent status for its complete financial management and the ability to meets its financial obligation. During the year under review, Acuite Rating & Research, a reputed rating agency, has assigned BBB- (stable) rating for long-term and A3 rating for short-term. Subsequent to the year under review, the aforementioned rating agency has assigned BB+ (stable) rating for long-term and A4+ rating for short-term.

PARTICULARS OF EMPLOYEES

Information as per section 197 of the Act read with the Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, forms part of this report as “**Annexure A**”.

Further, none of the employees of the Company were in receipt of remuneration in excess of the limits as set out under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.



AUDITORS

Statutory Auditors and Auditors Report

M/s. RA Maru & Associates, Chartered Accountants (Firm Registration No. 141914W) were appointed as statutory auditors of the Company at the 25th AGM held on September 22, 2017, for a period of five years from the conclusion of the 25th AGM until the conclusion of the 30th AGM.

However, pursuant to notification issued by the Ministry of Corporate Affairs on May 7, 2018 amending section 139 of the Act and the rules framed thereunder, the mandatory requirement for ratification of appointment of auditors by the Members at every AGM has been omitted and accordingly, the Company is not proposing ratification of appointment of auditors at this AGM.

The Audit Report for the financial year 2018-19 does not contain any qualification, reservation or adverse remarks.

Cost Auditors and Cost Audit Report

The Board of Directors, on recommendation of the audit committee, has re-appointed M/s. N. Ritesh & Associates, Cost Accountants (Firm Registration No. R100675) as Cost Auditors of the Company, for the financial year 2019-20, for conducting the audit of Cost Records maintained by the Company relating to “Chemical Division” at remuneration as mentioned in the notice convening the AGM of the Company.

A resolution seeking Members’ ratification for the remuneration payable to the Cost Auditors for the financial year 2019-20 forms part of the notice of the 27th AGM of the Company and the same is recommended for your consideration and approval.

The Cost Audit Report for the financial year ended March 31, 2018 issued by M/s. N. Ritesh & Associates, Cost Accountants, was filed on September 12, 2018 by the Company. The Cost Audit Report for the financial year ended March 31, 2019 will be filed in due course.

As per the requirements of Section 148(1) of the Act, the Cost Accounts and Records of the Company are duly made and maintained during the financial year 2018-19.

Secretarial Auditors and Secretarial Audit Report

M/s. Jay Mehta & Associates, Company Secretaries were re-appointed as secretarial auditors to conduct the secretarial audit of the Company, for the financial year 2018-19.

The Secretarial Audit Report in Form MR-3 is annexed to this report as “**Annexure B**”.

The Secretarial Audit Report for the financial year 2018-19, contains the following qualification, reservation or adverse remarks:

- (a) *The composition of the Board of Directors of the Company was not in accordance with the provisions of Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period from 1st April 2018 till 11th February 2019. The Company has complied with the Regulation 17(1)(b) by appointment of Mrs. Hina Rakesh Shah as an Independent Director w.e.f. 12th February 2019.*

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Board's Explanation / Comments on above remarks:

During the year under review, the Board of Directors, on the recommendation of Nomination and Remuneration Committee appointed Mrs. Hina Rakesh Shah as an Additional Director (Category–Non-Executive, Independent) of the Company with effect from February 12, 2019 for a period of three years, subject to approval of the Members at the ensuing AGM of the Company.

- (b) *The Chief Financial Officer had resigned w.e.f. 1st May 2017. In accordance with the provisions of section 203(4) of the Companies Act, 2013, the said vacancy was required to be filled by the Board within a period of six months from the date of such vacancy. However, the Company has not filled the said vacancy within the time period prescribed under section 203(4) of the Companies Act, 2013.*

Board's Explanation / Comments on above remarks:

During the year under review, the Board of Directors, on the recommendation of Nomination and Remuneration Committee and Audit Committee appointed Mr. Vaize Ahmed Kampli as Chief Financial Officer of the Company w.e.f. August 14, 2018. Accordingly, the Company has complied with the provisions of section 203 of the Act.

Internal Auditors and Internal Audit Report

M/s. N. P. Patwa & Co, Chartered Accountants, were re-appointed as Internal Auditors of the Company for the Financial Year 2018-19. The Audit Committee reviews the findings made by the Internal Auditors in their Report on quarterly basis and makes necessary recommendations to the management.

REPORTING OF FRAUDS

During the year under review, the Statutory Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee / Central Government under Section 143(12) of the Act, read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

In accordance with the provisions of Section 177(9) of the Act read with Regulation 22 of Listing Regulations, the Company has formulated and adopted Vigil Mechanism / Whistle Blower policy to enable the Directors and employees to report about unethical behavior and instances of fraud or mismanagement, if any. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

The policy can be accessed at the website of the Company at www.ashokalcochem.com/InvestorUpdate.html

During the year under review, no complaint has been received under the Whistle Blower Policy (Vigil Mechanism).

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 forms part of the notes to the financial statements provided in this annual report.



RELATED PARTY TRANSACTIONS

The Company has formulated a policy on Related Party Transactions for the purpose of identification and monitoring of such transactions. The said policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at www.ashokalcochem.com/InvestorUpdate.html

During the year under review, the Company has entered into a transaction with related party which is not materially significant and does not have a potential conflict with the interest of the Company at large. Hence, the disclosure in the requisite Form AOC-2 is not required. However, the details relating to Related Party Transaction is provided in the Note No. 37 of Standalone Financial Statements.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with the provisions of section 135 of the Act, the Board of Directors of the Company has formed a Corporate Social Responsibility (CSR) Committee and has also framed a CSR Policy.

The terms of reference, details of meetings held during the year, attendance of Members and details pertaining to composition of CSR Committee are included in Corporate Governance Report, which forms part of this Report.

The detailed report about CSR activities undertaken during the year is annexed as “**Annexure - C**”, as required under the Companies (Corporate Social Responsibilities Policy) Rules, 2014.

The CSR policy can be accessed at the website of the Company at www.ashokalcochem.com/InvestorUpdate.html

RISK MANAGEMENT POLICY

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. In line with corporate best practices, the Company assesses the risks in the internal and external environment which will monitor, evaluate and execute all mitigation actions in this regards and takes all measures necessary to effectively deal with incidences of risk. Adequate risk management framework capable of addressing the risks is in place.

ANNUAL RETURN

The extract of the Annual Return as provided under section 92(3) of the Act and prescribed in Form No. MGT- 9 of the Companies (Management and Administration) Rules, 2014, is annexed as “**Annexure - D**” to this Report.

Further, in accordance with the provisions of section 92(3) of the Act, the copy of Annual Return of the Company is available on its website <http://www.ashokalcochem.com/InvestorUpdate.html>

CORPORATE GOVERNANCE

Your Company observes high standards of corporate governance in all areas of its functioning with strong emphasis on transparency, integrity and accountability. As required under the Listing Regulations, a detailed report on corporate governance along with the auditors' certificate thereon forms part of this report as “**Annexure – E**”.

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MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TILL THE DATE OF THE REPORT

There have been no material changes and commitments which have occurred between the end of financial year till the date of this report affecting the financial position of the Company.

PUBLIC DEPOSITS

The Company has not accepted any deposit, within the meaning of Section 73 and 74 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the operations of the Company.

DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

The Company does not have Demat Suspense Account / Unclaimed Suspense Account. Accordingly, the disclosure required to be made as per Schedule V (F) of Listing Regulations is not applicable.

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

In accordance with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has put in place a Policy on Prevention of Sexual Harassment at Workplace, which provides for protection against sexual harassment of women employees at workplace and for prevention and redressal of such complaints. The Company has constituted Internal Complaints Committee (ICC) and has 5 members in the ICC.

Disclosure for complaints received / disposed of by ICC for FY 2018-19:

- a. number of complaints filed during the financial year: Nil
- b. number of complaints disposed of during the financial year: Nil
- c. number of complaints pending as on end of the financial year: Nil

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of Rule 8 (3) of the Companies (Accounts) Rules, 2014, the required details are as below:

Conservation of energy:

(i) The steps taken or impact on conservation of energy

Your Company is committed to ensure a clean & green, pollution free environment as well a safe and healthy work place at all locations of the Company. Your Company has made all efforts to optimize the use of energy and minimize its wastage. To ensure minimum consumption of energy for a given level of production, operating parameters of production have been standardized. The Key Initiatives towards conservation of Energy were:

- Change of few of the efficient power serving motors.
- Maintaining the proper servicing of the MCC Panel for the improvement of power factor.



- Change of CFL to LED at plant.
- Installation of VFD for few of the Motor Power Control.

(ii) The steps taken by the Company for utilising alternate sources of energy

Major energy conservation initiatives in the past few years has been successfully continued for the steam saving which has helped the Company to reduce the Coal consumption which in turn resulted in to reduction of emission of CO2 in atmosphere.

(iii) The capital investment on energy conservation equipment – Nil

Technology absorption:

The Company is constantly trying to provide its customers with products that incorporate latest available materials and technology are preferred, efforts are being made, wherever possible, to make use of best contemporary technology.

- (i) Efforts made towards Technology Absorption: The efforts made in the past for the development of the new technology with the help of engineering modification has successfully helped the Company to continue its production with the consumption of the imported alcohol as a raw material.

The Company's R & D department is making constant efforts in absorbing and updating themselves with the technological advancements in the product portfolio of the Company.

- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: The efforts made in the past for the import of raw material and the plant modification, we are able to improve the product quality with the yield of finished product.

- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

- (a) the details of technology imported - NA
- (b) the year of import - NA
- (c) whether the technology been fully absorbed - NA
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof – NA

- (iv) The expenditure incurred on Research and Development –Rs. 1,42,904/-

Foreign exchange earnings and outgo

(Amount in Rs.)

Particulars	2018-2019	2017-2018
i. Foreign Exchange used	8,43,002	4,26,742
ii. Foreign Exchange earned	25,88,81,707	25,67,50,488

ACKNOWLEDGMENT

The Board take this opportunity to express and place on record their appreciation for the continued support, cooperation, trust and assistance extended by shareholders, employees, customers, principals, vendors, agents, bankers, financial institutions, suppliers, distributors and other stakeholders of the Company.

For and on behalf of the Board

Place: Mumbai
Date: August 13, 2019

Sd/-
Purab Shah
Executive Director & CEO

Sd/-
Sunil Shah
Director

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“Annexure A”

Particulars of Employees:

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year

Name of Director	Ratio to median Remuneration
Mr. Purab Shah, Executive Director & CEO	9.24

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Name	% increase in remuneration in the financial year
Mr. Purab Shah, Executive Director & CEO	8.47
Ms. Seema Gangawat, Company Secretary	10.20
Mr. Vaize Ahmed Kampli, Chief Financial Officer	26.31

c. The percentage increase in the median remuneration of employees in the financial year:7.45%

d. The number of permanent employees on the rolls of Company: 127

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

During the course of year, the total increment pegged approximately at 7.47% after accounting for promotion and other event based compensation revisions.

Increase in the managerial remuneration for the year was 8.47%

f. Affirmation that the remuneration is as per the remuneration policy of the Company:

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

The information required under Section 197 of the Act read with rule 5 sub rule (2) & sub rule (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, are given below:



A) Top Ten Employees of the Company (in terms of remuneration drawn):

Sr. No	Name of Employee	Designation	Remuneration Received	Nature of employment (Contractual or otherwise)	Date of commencement of employment	age of employee	the last employment held by such employee	% of equity shares held	Whether relative of any director / manager of the Company
1	Mr. Purab D. Shah	Executive Director & CEO	32,26,632	Payroll	09-07-2013	42	Business	0	NO
2	Mr. Shivanand S. Kalgi#	AGM-Plant	22,19,688	Payroll	03-02-2014	41	Eternis (erstwhile HPFL)	0	NO
3	Mr. Parshuram M. Chavan	Sr. Manager QC/QA	13,60,344	Payroll	01-01-2015	53	BEC Chemicals	0	NO
4	Mr. Vaize Ahmed Kampli	Chief Financial Officer	13,32,612	Payroll	21-11-2016	39	Middle East Mining Resources DMCC	0	NO
5	Mr. Prasad V. Alpe	R & D - Sr. Manager	11,84,352	Payroll	21-11-2013	48	Aarti Industries Ltd.	0	NO
6	Ms. Seema Gangawat	Company-Secretary	11,80,596	Payroll	01-04-2013	39	Kingfisher Airlines Limited	0	NO
7	Mr. Kishor P. Joshi	Production Manager	11,78,916	Payroll	27-11-2006	41	Satyam Petrochem	0	NO
8	Mr. Rahul Wani	Manager - Purchase	11,31,360	Payroll	01-11-2017	43	Asahi India Ltd.	0	NO
9	Dr. Dattaraya Dalvi*	Sr Manager Technical	9,20,592	Payroll	20-08-2018	52	Prathamesh Organics	0	NO
10	Mr. Kartikprasad M. Prajapati **	Manager Marketing	8,81,573	Payroll	13-05-2018	39	Porpure Chem Pvt. Ltd.	0	NO

Resigned w.e.f. 31/03/2019

* Joined w.e.f. 20/08/2018

** Joined w.e.f. 13/05/2018

B) Employees drawing remuneration above specified limits – NA

For and on behalf of the Board

Place: Mumbai
Date: August 13, 2019

Sd/-
Purab Shah
Executive Director & CEO

Sd/-
Sunil Shah
Director

"Annexure - B"

Form No. MR-3

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

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**

To,
The Members,
ASHOK ALCO-CHEM LIMITED,
104, Venkatesh Chambers, 1st Floor,
Ghanshyam Talwatkar Marg, Fort,
Mumbai - 400001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ashok Alco-Chem Limited** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 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 have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit period)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the Audit period)



- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) License for Manufacturing from the Ministry of Commerce & Industry, Secretariat for Industrial Assistance and other Sector specific Act/Rules/Regulations, as applicable to the Company, as per the representations made by the Management.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited.

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

- a) *The composition of the Board of Directors of the Company was not in accordance with the provisions of Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period from 1st April 2018 till 11th February 2019. The Company has complied with the Regulation 17(1)(b) by appointment of Mrs. Hina Rakesh Shah as an Independent Director w.e.f. 12th February 2019.*
- b) *The Chief Financial Officer had resigned w.e.f. 1st May 2017. In accordance with the provisions of section 203(4) of the Companies Act, 2013, the said vacancy was required to be filled by the Board within a period of six months from the date of such vacancy. However, the Company has filled the said vacancy vide appointment of Mr. Vaize Kampli as Chief Financial Officer w.e.f. 14th August 2018.*

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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.

We further report that during the audit period there was no event/action which has major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. referred to above.

For **Jay Mehta & Associates**
Company Secretaries

Jay Mehta
Proprietor

FCS No.: 8672
C.P.No.: 8694
UDIN : F008672A000003361

Date : 13th August, 2019
Place : Mumbai

"ANNEXURE C"
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY
{Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014}

1.	<p>A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs</p>	<p>Your Company is committed to behave responsibly towards people, society and the environment for inclusive growth of the society where we operate, to conserve natural resources and to develop sustainable products.</p> <p>The CSR Commitment of your Company is centered around three areas viz. Women Empowerment, Promoting Education and Promoting Healthcare.</p> <p>The CSR Policy of the Company is available on the Company's website at http://www.ashokalcochem.com/InvestorUpdate.html</p> <p>Brief overview of CSR projects/programmes</p> <p>Some of the key CSR projects/programmes of Ashok Alco-Chem Limited during 2018-19 are as follows:</p> <p>Women Empowerment: The Company's CSR projects/programmes on Women Empowerment are intended to equip women with skills and providing livelihood for a secure future.</p> <p>Education: The Company's CSR projects/programmes on Education are intended to support promoting and providing access to basic education for underprivileged children. The Company's CSR projects/programmes included expenditure for installation of computers with printers.</p> <p>Healthcare: The Company's CSR projects/programmes on Education are intended to promote better health by providing medical assistance to under privilege civilization.</p>
2.	<p>The Composition of the CSR Committee</p>	<p>The Company has a CSR Committee of directors comprising of:</p> <ul style="list-style-type: none"> • Mr. Purab Shah* - Chairman • Mr. Sunil Shah - Member • Mr. Manoj Ganatra - Member • Ms. Hina Shah# - Member <p>* designated as chairman w.e.f. February 12, 2019 # appointed as member w.e.f. February 12, 2019</p>
3.	<p>Average net profit of the Company for last three financial year</p>	<p>Rs.9,39,29,223</p>
4.	<p>Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)</p>	<p>Rs.18,78,584</p>
5.	<p>Details of CSR Spend during the financial year</p>	
	<p>a) Total amount to be spent for the financial year</p>	<p>Rs. 18,78,584</p>
	<p>b) Total amount spent during the year</p>	<p>Rs.18,80,688</p>
	<p>c) Amount unspent, if any</p>	<p>Not Applicable</p>



Manner in which the amount was spent during the financial year is detailed below

(1) Sl. No.	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs (1)Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or Programs Subheads: (1)Direct expenditure on projects or programs. (2) Overheads:	(7) Cumulative expenditure upto to the reporting period	(8) Amount spent: Direct or through imple- menting agency
1.	Promoting Education	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Mahad, Maharashtra	1,36,000	1,36,204	1,36,204	Direct & Through Implementing Agency
			Bhuj- Kutch, Gujarat	6,00,000	6,00,000	6,00,000	
2.	Promoting Health care	Eradicating hunger, p o v e r t y a n d malnutrition, promoting health care including preventive health care and sanitation Including contribution to the Swach Bharat Kosh set- up by the central government for the promotion of sanitation and making available safe drinking water.	Mahad, Maharashtra	5,50,000	5,50,000	5,50,000	Through Implementing Agency
			Bhuj -Kutch, Gujarat	44,000	44,120	44,120	
3.	Women Empowerment	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Mahad, Maharashtra	53,000	53,500	53,500	Through Implementing Agency
			Bhuj - Kutch, Gujarat	3,90,000	3,90,000	3,90,000	
			Gujarat	1,06,000	1,06,864	1,06,864	
		Total.		18,79,000	18,80,688	18,80,688	

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- 6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report - NA**
- 7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.**

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

Place: Mumbai
Date: August 13, 2019

sd/-
Purab Shah
Chairman of
CSR Committee

sd/-
Sunil Shah
Director



"Annexure -D"

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

As on financial year ended on 31st March, 2019

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L24110MH1992PLC069615
2.	Registration Date	18/11/1992
3.	Name of the Company	Ashok Alco-Chem Limited
4.	Category/Sub-category of the Company	Company limited by Shares/ Indian Non-Government Company
5.	Address of the Registered office & contact details	104, Venkatesh Chambers, 1st Floor, Ghanshyam Talwatkar Marg, Fort, Mumbai-400001 Phone: 022-61446900 E-mail: secretarial@ashokalcochem.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai- 400083 Phone: 022-49186000 Fax- 022-49186060 E-mail: rnt.helpdesk@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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Chemical Manufacturing	2411	94.53

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Aura Alkalies and Chemicals Pvt. Ltd.	U24299MH2008PTC188070	Holding Company	54.75	2(46)
2.	Ashwa Minerals Private Limited	U14290MH2011PTC219386	Subsidiary Company	100.00	2(87)

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

A) Category-wise Share Holding

Category Code	Category of Shareholders	Number of shares held at the beginning of the year April 1, 2018				Number of shares held at the end of the year March 31, 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoters									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	1000	0	1000	0.02	1000	0	1000	0.02	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
(e)	Bodies Corporate	2519632	0	2519632	54.77	2519632	0	2519632	54.77	0.00
	Sub Total (A)(1)	2520632	0	2520632	54.79	2520632	0	2520632	54.79	0.00
[2]	Foreign									
(a)	NRI's Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	2520632	0	2520632	54.79	2520632	0	2520632	54.79	0.00



Category Code	Category of Shareholders	Number of shares held at the beginning of the year April 1, 2018				Number of shares held at the end of the year March 31, 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	100	100	0.00	0	100	100	0.00	0.00
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investor	44515	0	44515	0.97	49515	0	49515	1.08	0.11
(f)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (Specify)									
	Sub Total (B)(1)	44515	100	44615	0.97	49515	100	49615	1.08	0.11
[2]	Central Govt./ State Govt./ President of India	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
[3]	Non - Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	1060262	180500	1240762	26.97	1032578	167900	1200478	26.10	(0.88)
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	408161	0	408161	8.87	385989	0	385989	8.39	(0.48)

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Category Code	Category of Shareholders	Number of shares held at the beginning of the year April 1, 2018				Number of shares held at the end of the year March 31, 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Hindu Undivided Family	52248	0	52248	1.14	66217	0	66217	1.44	0.30
	Non Resident Indians (Non Repat)	10512	5400	15912	0.35	9174	5400	14574	0.32	(0.03)
	Non Resident Indians (Repat)	15532	0	15532	0.34	12511	0	12511	0.27	(0.07)
	Clearing Member	24624	0	24624	0.54	16120	0	16120	0.35	(0.18)
	Bodies Corporate	277057	800	277857	6.04	333407	800	334207	7.26	1.22
	Sub Total (B)(3)	1848396	186700	2035096	44.24	1855996	174100	2030096	44.13	(0.11)
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	1892911	186800	2079711	45.21	1905511	174200	2079711	45.21	0.00
	Total (A)+(B)	4413543	186800	4600343	100.00	4426143	174200	4600343	100.00	0.00
(C)	Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A)+(B)+(C)	4413543	186800	4600343	100.00	4426143	174200	4600343	100.00	0.00



B) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2018)			Shareholding at the end of the year (As on 31.03.2019)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Aura Alkalies and Chemicals Pvt. Ltd	2,518,632	54.75	0	2,518,632	54.75	0	0
2	HK Dealers Pvt. Ltd.	1,000	0.02	0	1,000	0.02	0	0
3	Mr. Sunil Shah	1,000	0.02	0	1,000	0.02	0	0
	Total	2,520,632	54.79	0	2,520,632	54.79	0	0

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year.	
		No. of Shares	% of total shares of Company	No. of Shares	% of total shares of Company
1	Aura Alkalies and Chemicals Pvt. Ltd. At the beginning of the year (01.04.2018) Changes during the year At the end of the year (31.03.2019)	NO CHANGE			
2	HK Dealers Pvt. Ltd. At the beginning of the year (01.04.2018) Changes during the year At the end of the year (31.03.2019)				
3	Mr. Sunil Shah At the beginning of the year (01.04.2018) Changes during the year At the end of the year (31.03.2019)				

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

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Kodai Investment and Trading Co. Pvt. Ltd.				
	At the beginning of the year (01.04.2018)	217109	4.72	217109	4.72
	Transferred on 21.09.2018	(5000)	-	212109	4.61
	Acquired on 05.10.2018	28000	-	240109	5.22
	At the end of the year (31.03.2019)			240109	5.22
2	Subramanian P				
	At the beginning of the year (01.04.2018)	139295			
	Acquired on 06.04.2018	1175	3.03	140470	3.05
	25.05.2018	413	-	140883	3.06
	01.06.2018	667	-	141550	3.08
	03.08.2018	1800	-	143350	3.12
	19.10.2018	1800	-	145150	3.16
	16.11.2018	540	-	145690	3.17
	23.11.2018	1800	-	147490	3.21
	14.12.2018	3060	-	150550	3.27
	15.02.2019	1440	-	151990	3.30
	22.02.2019	9200	-	161190	3.50
	01.03.2019	7180	-	168370	3.66
08.03.2019	990	-	169360	3.68	
At the end of the year (31.03.2019)			169360	3.68	
3	Shobhna Anil Kadakia				
	At the beginning of the year (01.04.2018)	113404	2.47		
	Transferred on 20.04.2018	(414)	-	112990	2.46
	27.04.2018	(860)	-	112130	2.44
	07.09.2018	(2000)	-	110130	2.39
	14.09.2018	(4891)	-	105239	2.29
	21.09.2018	(271)	-	104968	2.28
	26.10.2018	(2000)	-	102968	2.24
	02.11.2018	(2553)	-	100415	2.18
	At the end of the year (31.03.2019)			100415	2.18



Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	Anil Manilal Kadakia				
	At the beginning of the year (01.04.2018)	43099	0.94		
	Transferred on 13.04.2018	(2000)	-	41099	0.89
	26.10.2018	(2000)	-	39099	0.85
	Acquired on 04.01.2019	1600	-	40699	0.88
	At the end of the year (31.03.2019)			40699	0.88
5	Shri Parasram Holdings Private Limited				
	At the beginning of the year (01.04.2018)	14536	0.32		
	Acquired on 06.04.2018	2626	-	17162	0.37
	11.05.2018	50	-	17162	0.37
	01.06.2018	204	-	16916	0.37
	30.06.2018	389	-	17005	0.37
	24.08.2018	39	-	16655	0.36
	02.11.2018	202	-	16857	0.36
	09.11.2018	45	-	16902	0.37
	28.12.2018	100	-	16755	0.36
	15.02.2019	5100	-	21755	0.47
	22.02.2019	2655	-	24410	0.53
	08.03.2019	6017	-	30311	0.66
	15.03.2019	3017	-	33328	0.72
	22.03.2019	83	-	33411	0.73
	Transferred on 27.04.2018	(50)	-	17112	0.37
	18.05.2018	(450)	-	16712	0.36
	22.06.2018	(300)	-	16616	0.36
	06.07.2018	(6)	-	16999	0.37
	13.07.2018	(383)	-	16616	0.37
	16.11.2018	(45)	-	16857	0.37
	23.11.2018	(202)	-	16655	0.36
11.01.2019	(100)	-	16655	0.36	
01.03.2019	(116)	-	24294	0.53	
29.03.2019	(100)	-	33311	0.72	
	At the end of the year (31.03.2019)			33311	0.72
6	India Max Investment Fund Limited				
	At the beginning of the year (01.04.2018)	25000	0.54		
	Acquired on 07.09.2018	5000	-	30000	0.65
	At the end of the year (31.03.2019)			30000	0.65

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Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	John M T				
	At the beginning of the year (01.04.2018)	7451	0.16		
	Acquired on 08.06.2018	226	-	7287	0.16
	06.07.2018	1095	-	8382	0.18
	27.07.2018	940	-	9322	0.20
	30.11.2018	2742	-	11064	0.24
	07.12.2018	278	-	11342	0.25
	14.12.2018	2459	-	13801	0.30
	21.12.2018	304	-	14105	0.31
	04.01.2019	166	-	14271	0.31
	11.01.2019	500	-	14771	0.32
	01.02.2019	1230	-	16001	0.35
	08.02.2019	2300	-	18301	0.40
	15.02.2019	274	-	18575	0.40
	22.02.2019	1077	-	19652	0.43
	29.03.2019	10	-	19662	0.43
	Transferred on 27.04.2018	(390)	-	7061	0.15
14.09.2018	(500)	-	8822	0.19	
29.09.2018	(500)	-	8322	0.18	
At the end of the year (31.03.2019)			19662	0.43	
8	GROVSNOR INVESTMENT FUND LTD				
	At the beginning of the year (01.04.2018)	9515	0.42		
	Changes during the year	-	-	19515	0.42
At the end of the year (31.03.2019)			19515	0.42	
9	Sangeetha S				
	At the beginning of the year (01.04.2018)	7450	0.16		
	Acquired on 06.04.2018	900	-	8350	0.18
	13.04.2018	1890	-	10240	0.22
	20.04.2018	990	-	11230	0.24
	27.04.2018	279	-	11509	0.25
	04.05.2018	254	-	11763	0.26
	08.06.2018	1627	-	13390	0.29
	15.06.2018	1192	-	14582	0.32
	22.06.2018	2318	-	16900	0.37
	30.06.2018	835	-	17735	0.39
	13.07.2018	39	-	17774	0.39
	At the end of the year (31.03.2019)			17774	0.39



Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10	Sejal Sanjay Dalal				
	At the beginning of the year (01.04.2018)	16000	0.35		
	Changes during the year	-	-	16000	0.35
	At the end of the year (31.03.2019)			16000	0.35

Note:

- 1) Date of Transfer and Acquisition has been considered as the date on which details was provided by the Registrar and Transfer Agent to your Company.
- 2) The details of holding has been clubbed based on PAN.

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (i.e. 01.04.2018)		Cumulative Shareholding during the year (i.e. 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Purab Shah	NIL	NIL	NIL	NIL
2.	Mr. Manoj Ganatra	NIL	NIL	NIL	NIL
3.	Mr. Sunil Shah*	1,000	0.02	1,000	0.02
4.	Mrs. Neeta Shah	Nil	Nil	Nil	Nil
5.	Mrs. Hina Shah	NIL	NIL	NIL	NIL
6.	Mr. Shekhaar Shetty	NIL	NIL	NIL	NIL
7.	Mrs. Seema Gangawat*	1	0.00	1	0.00
8.	Mr. Vaize Ahmed Kampli	NIL	NIL	NIL	NIL

* No change during the year 2018-19

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
Indebtedness at the beginning of the financial year				
i)Principal Amount	8,24,27,428	-	-	8,24,27,428
ii)Interest due but not paid	4,14,255	-	-	4,14,255
iii)Interest accrued but not paid	-	-	-	-
Total (i+ii+iii)	8,28,41,683	-	-	8,28,41,683
Change in Indebtedness during the financial year				
*Addition	8,05,52,632	-	-	8,05,52,632
*Reduction	-	-	-	-
Net Change	8,05,52,632	-	-	8,05,52,632
Indebtedness at the end of the financial year				
i) Principal Amount	8,09,66,887	-	-	8,09,66,887
ii) Interest due but not paid	8,29,410	-	-	8,29,410
iii)Interest accrued but not paid	-	-	-	-
Total (i+ii+iii)	8,17,96,297	-	-	8,17,96,297

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:****(Amount in ₹)**

Sr. No.	Particulars of Remuneration	Mr. Purab Shah Executive Director & CEO	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	32,65,840	32,65,840
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(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	2,59,458	2,59,458
	Total (A)	35,25,298*	35,25,298*
	Ceiling as per the Act	Within the limits of Schedule V of the Act	

* Executive Director & CEO's salary includes Leave Encashment of Rs.2,59,458/-.


B. Remuneration to other directors

(Amount in ₹)

Sr. No	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Manoj Ganatra	Mr. Shekhaar Shetty	Mr. Sunil Shah	Mrs. Neeta Shah	Mrs. Hina Shah	
1	Independent Directors			NA	NA	30,000	6,40,000
	Fee for attending board committee meetings	3,10,000	3,00,000	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	30,000	6,40,000
	Total (1)	3,10,000	3,00,000	-	-	-	
2	Other Non-Executive Directors	NA	NA		-	-	
	Fee for attending board committee meetings	-	-	3,10,000	1,50,000	-	4,60,000
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	3,10,000	1,50,000	-	4,60,000
	Total (B)=(1+2)	3,10,000	3,00,000	3,10,000	1,50,000	30,000	11,00,000
	Total Managerial Remuneration	NA	NA	NA	NA	NA	NA
	Overall Ceiling as per the Act	NA	NA	NA	NA	NA	NA

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

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Ms Seema Gangawat (CS)	Mr Vaize Ahmed Kampli (CFO)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,93,846	13,43,395	24,37,241
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(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	86,750	64,133	1,50,883
	Total	11,80,596	14,07,528*	25,88,124

* CFO's salary includes Leave Encashment of Rs. 52,476/-

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VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: None

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



“ANNEXURE - E”
CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Governance

Your Company follows the Corporate Governance guidelines and best practices in tune with the guidelines recommended by Securities and Exchange Board of India (SEBI). Your Company considers its responsibility to disclose timely and accurate information regarding its financials, operations, performance as well as governance of the Company.

Your Company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large and strives to serve their interests, resulting in creation of value and wealth for its stakeholders without compromising in any way on compliance with the extant laws and regulations. Integrity, transparency, fairness, accountability and compliance are embedded in the Company's business practices. Our endeavor is to follow good governance both in letter as well as in spirit.

2. Board of Directors

Size and Composition of the Board

The Board of Directors (“the Board”) has an optimum combination of Executive, Non-Executive and Women Director as required under the Companies Act, 2013 (“the Act”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”).

The Composition of the Board of Directors of the Company as on March 31, 2019, is as below:

Sr. No.	Director Identification No. (DIN)	Name of Director	Designation
1	07490952	Mr. Purab Shah	Executive Director & CEO
2	00568914	Mr. Manoj Ganatra	Non-Executive Independent Director
3	03567415	Mr. Sunil Shah	Non-Executive Director
4	07134947	Mrs. Neeta Shah*	Non-Executive Director
5	07824778	Mr. Shekhaar Shetty	Non-Executive Independent Director
6	08335130	Mrs. Hina Shah	Non-Executive Independent Director

* Mrs. Neeta Shah ceased to be director of the Company w.e.f. May 29, 2019.

The maximum tenure of Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of Independence as mentioned under the provisions of Listing Regulations read with the relevant provisions of the Act.

The Profiles of the Directors can be found on http://www.ashokalcochem.com/about_us.html#2

Directors' Attendance and Directorships held

The details of the number of Board Meetings and Annual General Meeting (“AGM”) attended by each director during the year under review and Directorship and/or Membership / Chairmanship of the Committees of Board held by each of them as on March 31, 2019, are given below:

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Sr. No.	Name of Directors	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM held on September 24, 2018	No. of other Directorship held (Other than your Company)	No. of Committee (Other than your Company) in which Chairman / Member	Name of other Listed company in which Director holds Directorship
1.	Mr. Purab Shah	Executive Director & CEO	5 of 5	Yes	-	-	-
2.	Mr. Manoj Ganatra	Non-Executive Independent Director	5 of 5	Yes	2	-	-
3.	Mr. Sunil Shah	Non-Executive Director	5 of 5	Yes	2	-	-
4.	Mrs. Neeta Shah*	Non-Executive Director	5 of 5	Yes	-	-	-
5.	Mr. Shekhaar Shetty	Non-Executive Independent Director	5 of 5	Yes	-	-	-
6.	Mrs. Hina Shah [#]	Non-Executive Independent Director	1 of 5	NA	-	-	-

* Mrs. Neeta Shah ceased to be director of the Company w.e.f. May 29, 2019.

Mrs. Hina Shah has been appointed as an Additional Director (category - Non-Executive, Independent) of the Company w.e.f. February 12, 2019 for a period of three years.

None of the Directors were related to each other except Mr. Sunil Shah and Mrs. Neeta Shah. Mrs. Neeta Shah is a spouse of Mr. Sunil Shah.

Number of Board Meetings

The Board met five (5) times during FY 2018-19.

The time gap between two consecutive meetings did not exceed one hundred and twenty days at any point in time. The necessary quorum was present for all the meetings. The attendance of the directors at the meeting is stated below:

Name of Director	Category	Attendance at the meeting held on					No. of Meetings attended
		May 24, 2018	August 14, 2018	November 2, 2018	February 12, 2019	March 19, 2019	
Mr. Purab Shah	Executive Director & CEO	YES	YES	YES	YES	YES	5
Mr. Sunil Shah	Non-Executive Director	YES	YES	YES	YES	YES	5
Mr. Manoj Ganatra	Non-Executive Independent Director	YES	YES	YES	YES	YES	5
Mrs. Neeta Shah*	Non-Executive Director	YES	YES	YES	YES	YES	5
Mr. Shekhaar Shetty	Non-Executive Independent Director	YES	YES	YES	YES	YES	5
Mrs. Hina Shah [#]	Non-Executive Independent Director	Not Applicable				YES	1

* Mrs. Neeta Shah ceased to be director of the Company w.e.f. May 29, 2019.

Mrs. Hina Shah has been appointed as an Additional Director (category - Non-Executive, Independent) of the Company w.e.f. February 12, 2019 for a period of three years.



Number of shares held by Non-Executive Directors

As on March 31, 2019, except Mr. Sunil Shah, who is holding 1000 Equity Shares of the Company, no other Director is holding any shares in the Company. The Company has not issued any convertible instruments.

CORE SKILLS / EXPERTISE / COMPETENCIES AVAILABLE WITH THE BOARD

The Board comprises highly qualified members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees.

The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Business Strategy
- Industry Experience
- General Management
- Accounting / Auditing
- Corporate Finance
- Legal / Secretarial / Compliance
- Marketing
- Human Resources Management
- Risk Management

Independent Directors

Independent Directors play a vital role in the governance process of the Board. With their expertise in various fields, they enrich the decision making process at the Board.

The Company has received a declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

In the opinion of the Board, the Independent Directors fulfill the conditions of independence specified in the Act and the Listing Regulations and are independent of the management.

All the Independent Directors of the Company have been appointed as per the provisions of the Act and the Listing Regulations. Formal letters of appointment were duly issued to the Independent Directors. As required by Regulation 46 of the Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at <http://www.ashokalcochem.com/InvestorUpdate.html>

None of the Directors on the Board serve as an Independent Director in more than seven listed companies. The Executive Director of the Company does not serve as an Independent Director in any listed company.

During the year 2018-19, the Independent Directors met on February 12, 2019, *inter-alia*;

- To evaluate the performance of non-independent directors and the Board as a whole.
- To assess the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board members to effectively and reasonably perform their duties.
- Other related matters.

Further, none of the Independent Director of the Company has, during the financial year, resigned before the expiry of his tenure as such.

Familiarization Programmes for Independent Directors

The Familiarization Programme is an ongoing process. The Company has familiarized its Independent Directors with the

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Company's business, industry, environment in which it functions and the regulatory environment applicable to it, their roles, rights, responsibilities in the Company etc.

The Independent Directors are provided with necessary information, documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

The familiarization programme for Independent Directors is disclosed on the Company's website <http://www.ashokalcochem.com/InvestorUpdate.html>

Performance Evaluation of the Board and Individual Directors

In terms of the applicable provisions of the Act, read with Rules made thereunder and the provisions of Listing Regulations, the annual evaluation of the Board, its Committee and of individual Directors has been made.

The evaluation framework for assessing the performance of Directors, *inter alia*, comprises of the following key areas:

- i. Expertise;
- ii. Objectivity and Independence
- iii. Guidance and support in context of the Company's operations;
- iv. Understanding of the Company's business;
- v. Understanding and commitment to duties and responsibilities;
- vi. Willingness to devote the time needed for effective contribution to Company;
- vii. Participation in discussions in effective and constructive manner at the Meetings;
- viii. Responsiveness in approach;
- ix. Ability to encourage and motivate the Management for continued performance and success.

Confirmation by the Board of Directors on Acceptance of Recommendation of Committees

The Board of Directors confirms that during the financial year, it has accepted all the recommendations received from its committees.

3. Committees of the Board

A. Audit Committee

Terms of Reference

The Audit Committee of the Company oversees the financial reporting process of the Company. The powers and role of the Audit Committee are in accordance with the Listing Regulations and the Act. The Audit Committee is governed by the charter / terms of reference which is in line with the regulatory requirements of the Act and the Listing Regulations.

The terms of reference of the Audit Committee, *inter alia*, includes the following:

- the recommendation for appointment, remuneration and terms of appointment of auditors viz Statutory Auditors, Internal Auditors and Cost Auditors of the Company;
- discussion and review the quarterly, half yearly and annual financial results of the Company before submission to the Board;
- review and monitor the auditor's independence and performance and effectiveness of audit process;
- examination of the financial statement and the auditors' report thereon;
- 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;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matters;
- review of Cost Audit Report;



- to hold periodic discussions with Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, Internal Control System, scope of the audit and observations of the Auditors / Internal Auditors;
- in addition, the powers and role of the Audit Committee are as laid down under Listing Regulations and the Act and rules made thereunder;
- any other matter referred to by the Board of Directors.

Composition and Attendance at Meeting

The Audit Committee of the Board of Directors of the Company comprises of Four Directors out of which three are Independent Directors. The members of the Committee are well versed in finance matters, accounts, company law and general business practices. The Composition of the Committee is in conformity with Section 177 of the Act and Regulation 18(1) of the Listing Regulations.

The Audit Committee met four (4) times during FY 2018-19.

The time gap between two consecutive meetings did not exceed one hundred and twenty days at any point in time. The necessary quorum was present for all the meetings. The attendance of the members at the meeting is stated below:

Name of Director	Category	Attendance at the meeting held on				No. of Meetings attended
		May 24, 2018	August 14, 2018	November 2, 2018	February 12, 2019	
Mr. Manoj Ganatra	Non-Executive Independent Director	YES	YES	YES	YES	4
Mr. Sunil Shah	Non-Executive Director	YES	YES	YES	YES	4
Mr. Shekhaar Shetty	Non-Executive Independent Director	YES	YES	YES	YES	4
Mrs. Hina Shah*	Non-Executive Independent Director	Not Applicable				NA

*Mrs. Hina Shah appointed as an additional director and consequently a member of this Committee w.e.f. February 12, 2019.

The representative of Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee Meetings.

Mr. Manoj Ganatra, Chairman of the Audit Committee, was present at the 26th AGM of the Company held on September 24, 2018. All the recommendations made by the Audit Committee during the year were accepted by the Board.

The Company Secretary acts as the secretary to the Audit Committee.

B. Nomination and Remuneration Committee

Terms of Reference

The Nomination and Remuneration Committee (NRC) of the Board of Directors of the Company is duly constituted in line with the provisions of Regulation 19 of Listing Regulations read with Section 178 of the Act.

During the year under review, the terms of reference of the NRC with amendments to the Listing Regulations, which, *inter alia*, includes the following:

- i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- ii. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iii. devising a policy on diversity of board of directors;
- iv. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

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- v. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- vi. To recommend to the board, all remuneration, in whatever form, payable to senior management.
- vii. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- viii. To perform such other functions as may be necessary or appropriate for the performance of its duties.

Composition and other details

The composition of the Committee meets the requirements of Section 178 of the Act and the Listing Regulations.

The Committee met two (2) times during FY 2018-19. The attendance of the members at the meeting is stated below:

Name of Director	Category	Attendance at the meeting held on		No. of Meetings attended
		August 14, 2018	February 12, 2019	
Mr. Manoj Ganatra	Non-Executive Independent Director	YES	YES	2
Mr. Sunil Shah	Non-Executive Director	YES	YES	2
Mr. Shekhaar Shetty	Non-Executive Independent Director	YES	YES	2

Mr. Manoj Ganatra, Chairman of the Committee, was present at the 26th AGM of the Company held on September 24, 2018 to answer the queries of shareholders.

Performance Evaluation criteria for Independent Directors

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. The performance evaluation was carried out based on the factors viz. attendance and participation by a director, expertise of and knowledge shared by director, maintenance of confidentiality & code of conduct of the Company, duties and responsibilities, maintenance of independence etc.

C. Stakeholders Relationship Committee

Terms of Reference

The Stakeholders Relationship Committee (SRC) of the Board of Directors of the Company is duly constituted in line with the provisions of Regulation 20 of Listing Regulations read with Section 178 of the Act.

During the year under review, the terms of reference of the SRC with amendments to the Listing Regulations, which, *inter alia*, includes the following:

- i. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- ii. Review of measures taken for effective exercise of voting rights by shareholders. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- iii. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The Company has appointed Link Intime India Private Limited as its Registrar and Share Transfer Agent (RTA).



Composition and other details

The composition of the Committee meets the requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations.

The Committee met five (5) times during FY 2018-19. The attendance of the members at the meeting is stated below:

Name of Director	Category	Attendance at the meeting held on					No. of Meetings attended
		May 24, 2018	August 14, 2018	November 2, 2018	February 12, 2019	March 19, 2019	
Mr. Shekhaar Shetty*	Non-Executive Independent Director	YES	YES	YES	YES	YES	5
Mr. Sunil Shah	Non-Executive Director	YES	YES	YES	YES	YES	5
Mr. Manoj Ganatra	Non-Executive Independent Director	YES	YES	YES	YES	YES	5

* Mr. Shekhaar Shetty has been designated as Chairman of SRC and Mr. Manoj Ganatra continues to remain as member of the Committee w.e.f. February 12, 2019.

Mr. Manoj Ganatra, the then Chairman of the SRC, was present at the 26th AGM of the Company held on September 24, 2018 to answer the queries of shareholders.

The Company Secretary acts as the secretary to SRC.

Name, designation & Address of Compliance Officer:

Ms. Seema Gangawat
Company Secretary & Compliance Officer
104, Venkatesh Chambers, 1st Floor,
Ghanshyam Talwatkar Marg,
Fort, Mumbai – 400 001.

Details of investor complaints received and resolved during the financial year 2018-19 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	5	5	Nil

There were no pending transfers/grievances as on March 31, 2019.

D. Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company is duly constituted in line with the provisions of Section 135 of the Act.

Terms of Reference

The terms of reference of the Committee, *inter alia*, includes the following:

- 1) Recommend the amount of expenditure to be incurred on the CSR activities;
- 2) Monitor, implementation and adherence to the CSR Policy of the Company from time to time;
- 3) Prepare a transparent monitoring mechanism for ensuring implementation of the projects/programmes/activities proposed to be undertaken by the Company; and
- 4) Such other activities as the Board may determine from time to time.

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Composition and other details

The Chairman of the Committee is Mr. Purab Shah. The other members are Mr. Sunil Shah, Mr. Manoj Ganatra and Mrs. Hina Shah. During the year under review, Mr. Purab Shah designated as Chairman and Mrs. Hina Shah appointed as member of CSR Committee w.e.f. February 12, 2019.

The Company Secretary is the Secretary of the Committee.

During the year ended March 31, 2019, the Committee met once on July 11, 2018. All the members were present at the meeting.

4. Remuneration of Directors

I) Non-Executive Directors & Independent Directors

The Company has no pecuniary relationship or transaction with its Non-Executive Directors & Independent Directors other than payment of sitting fees for attending the meetings of the Board and its Committees.

Sitting fees paid to Non-Executive Directors & Independent Directors are within the limits as provided in the Act.

The details of sitting fees paid to Non- Executive Directors & Independent Directors for the year ended March 31, 2019 are as under:

Name of Director(s)	Sittings fees paid for attending Board/Committee Meetings (Rs.)
Mr. Manoj Ganatra	3,10,000
Mr. Sunil Shah	3,10,000
Mrs. Neeta Shah	1,50,000
Mr. Shekhaar Shetty	3,00,000
Mrs. Hina Shah	30,000
Total	11,00,000

Criteria of making payments to Non-Executive Director

While fixing the remuneration for Directors, the Company shall consider industry benchmarks and the competence of the persons and ensure that the level and composition of the remuneration is reasonable and sufficient to attract, retain and motivate them.

II) Executive Director

The remuneration paid to Mr. Purab Shah, Executive Director & CEO, was approved by the Board and shareholders are within the overall limit fixed under the law and in compliance with Schedule V of the Act.

Presently, the Company do not have stock option scheme for its employees/directors.

The details of Remuneration paid to Executive Director for the year ended March 31, 2019 are as under:

Name of the Director(s)	Salaries & Perquisites including allowance (p.a.)		Tenure as per agreement upto	Notice Period
Mr. Purab Shah (designated as Executive Director & CEO)	Salary:	Rs. 26,72,028.00	Re-appointed for a further period of one year w.e.f. April 19, 2019.	The Agreement can be terminated by either party by giving three months' notice in writing.
	Perquisites & Allowance:	Rs. 5,54,604.00		
	Total *	<u>Rs. 32,26,632.00</u>		



*** Terms of re-appointment including Remuneration:**

1. He shall be entitled to encashment of earned leave at the end of his tenure as per Company's Rules/Policies, from time to time.
2. Additionally, he shall be entitled to annual/performance increments/incentives as shall be approved by the Board of Directors of the Company and which shall be within the limits as prescribed under Schedule V and other applicable provisions, if any, of the Act.
3. He shall not be paid any fees for attending meetings of the Board of Directors and/or any Committee thereof.
4. He shall not be liable to retire by rotation.

5. General Body Meetings

Particulars of Annual General Meetings held and Special Resolution passed during the last three years:

Financial Year	Date	Time	Venue	Special Resolution passed
2015-16	22.09.2016	11.00 am	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Orion House, 6 th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400001.	No Special Resolution passed in this Annual General Meeting.
2016-17	22.09.2017			No Special Resolution passed in this Annual General Meeting.
2017-18	24.09.2018			No Special Resolution passed in this Annual General Meeting.

All the resolutions as set out in the notices were passed unanimously/by requisite majority by the members of the Company.

Postal Ballot

During the year under review, your Company has not conducted any postal ballot for passing any resolution.

Resolutions, if any, to be passed through Postal Ballot during the financial year 2018-19 will be taken up as and when necessary.

6. Means of Communication

A) Publication of quarterly results

The Quarterly, Half Yearly and Annual Financial Results of the Company are published in Free Press Journal (English) and Navshakti (Marathi) newspapers as required under Regulation 47 of the Listing Regulations and also posted on the website of the Company.

B) Website

The Company's website contains a separate dedicated section for “Investor Update” which provides comprehensive information for Members like copies of the Annual Report, quarterly, half yearly and annual financial results, Stock Exchange filings, corporate governance policies and descriptions about the Company, the Board of Directors and Management. Members may visit the website at <http://www.ashokalcochem.com/InvestorUpdate.html>

C) Filing with Stock Exchange

All price sensitive information and matters that are material to shareholders are disclosed to BSE Limited through electronic online system.

All periodical compliances required to be filed with the stock exchanges, such as the Corporate Governance Report, Shareholding Pattern and other corporate announcements, are filed electronically with the BSE Limited.

D) Presentations(s) to Analysts and Institutional Investors

The Company has not made any presentation to any institutional investor or to any analyst during the year under review.

7. Other Disclosures**a) Related Party Transaction**

In terms of the Regulation 23(1) of the Listing Regulations, the Board has approved a policy for related party transactions which has been uploaded on the Company's website <http://www.ashokalcochem.com/InvestorUpdate.html>

During the year under review, the Company has not entered into any transaction with its related parties. Refer to Note No. 37 to the Standalone Financial Statements for disclosure of related parties.

b) Non-compliance/Strictures/Penalties/Imposed

Your Company has complied with all the statutory requirements comprised in the Listing Agreement/ Regulations / Guidelines / Rules of the Stock Exchanges / SEBI except for the following:

The composition of the Board of Directors of the Company was not in accordance with the provisions of Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period from 1st April 2018 till 11th February 2019. The Company has complied with the Regulation 17(1)(b) by appointment of Mrs. Hina Rakesh Shah as an Independent Director w.e.f. 12th February 2019.

The Board's reply to the above non-compliance has been duly mentioned in the Board's Report.

There were no instances of non-compliance by your Company nor have any penalties, strictures have been imposed by stock exchanges or SEBI or any statutory authorities, on any matter related to capital markets, during the last three years.

c) Vigil Mechanism and Whistle Blower Policy

Pursuant to the provisions of Section 177 of the Act and Regulation 22 of Listing Regulations, the Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The mechanism provides for adequate safeguard against victimization of Director(s)/employee(s) who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases. We affirm that no employee / personnel of the Company were denied access to the Chairman of the audit committee. The said policy is available on the Company's website at <http://www.ashokalcochem.com/InvestorUpdate.html>

d) Details of Compliance with Mandatory requirements and adoption of Non Mandatory Requirements

The Company has complied with all the applicable mandatory requirements except as stated above.

The status of adoption of Non-mandatory requirement provided under Schedule II Part (E) of the Listing Regulations is as below:

i. The Board

The Company does not have regular Chairperson of the Board.

ii. Shareholder Rights

The Company publishes its quarterly/half yearly and annual financial results in English and Marathi newspapers. The financial results and significant events, if any, are communicated by the Company to the Stock Exchange and are also uploaded on its website i.e. <http://www.ashokalcochem.com/InvestorUpdate.html>



iii. Modified opinion(s) in audit report

The Company's financial statements for the financial year 2018-19 do not contain any modified audit opinion.

iv. Reporting of Internal Auditor

The internal Auditor reports directly to the Audit Committee and attends the Audit Committee meetings and interacts directly with the Audit Committee members.

e) The Company has adopted policy on Determination of Material Events and Policy for preservation of Documents.

The said policy can be accessed at <http://www.ashokalcochem.com/InvestorUpdate.html>

f) Subsidiary Company

The Company has a policy on Material Subsidiary and the same is available on the website <http://www.ashokalcochem.com/InvestorUpdate.html>

The Audit Committee reviews the consolidated financial statements of the Company and the investment made by its unlisted subsidiary Company. The minutes of the Board Meetings of the subsidiary company are periodically placed before the Board Meeting of the Company.

The Company does not have any material subsidiary.

g) Preferential Allotment or Qualified Institutions Placement

The Company has not raised funds through preferential allotment or qualified institutions placement.

h) Certificate for Non Disqualification of Directors

In terms of the provisions of the Listing Regulations, the Company has obtained Certificate from Jay Mehta & Associates, Practising Company Secretaries, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as a director by the Securities and Exchange Board of India (SEBI)/Ministry of Corporate Affairs or any such statutory authority. The certificate is appended as an “Annexure - F” to the Board’s report.

i) Code of Conduct

The members of the board and senior management personnel have affirmed the compliance with Code of conduct applicable to them during the year ended March 31, 2019. The Certificate is annexed and forms part of this Annual Report.

j) CEO/CFO Certification

As required under Regulation 17(8) of Listing Regulations, the CEO/CFO certificate for the financial year ended March 31, 2019, signed by the Executive Director & CEO and the Chief Financial Officer of the Company, is annexed and forms part of this report.

k) Compliance with Corporate Governance

- i) Except otherwise stated, the Company confirms with the Compliance of Corporate Governance requirements specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations. The Practising Company Secretary’s Certificate on Corporate Governance is annexed to this report.
- ii) Except otherwise stated, the Company confirms with the compliance of Corporate Governance Report specified in sub-paras (2) to (10) of Para (C) of Schedule V to the Listing Regulations.

l) Disclosures Under Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

The details of the complaints filed, disposed off and pending during the financial year under the Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, related to sexual harassment has been disclosed in the Directors Report forming part of this Annual Report.

ASHOK ALCO-CHEM LIMITED

Annual Report 2018-2019

m) Credit Rating obtained by the Company

The credit rating given by Acuite Rating & Research has been disclosed in the Board's Report forming part of this Annual Report.

n) Fees Paid To Statutory Auditors

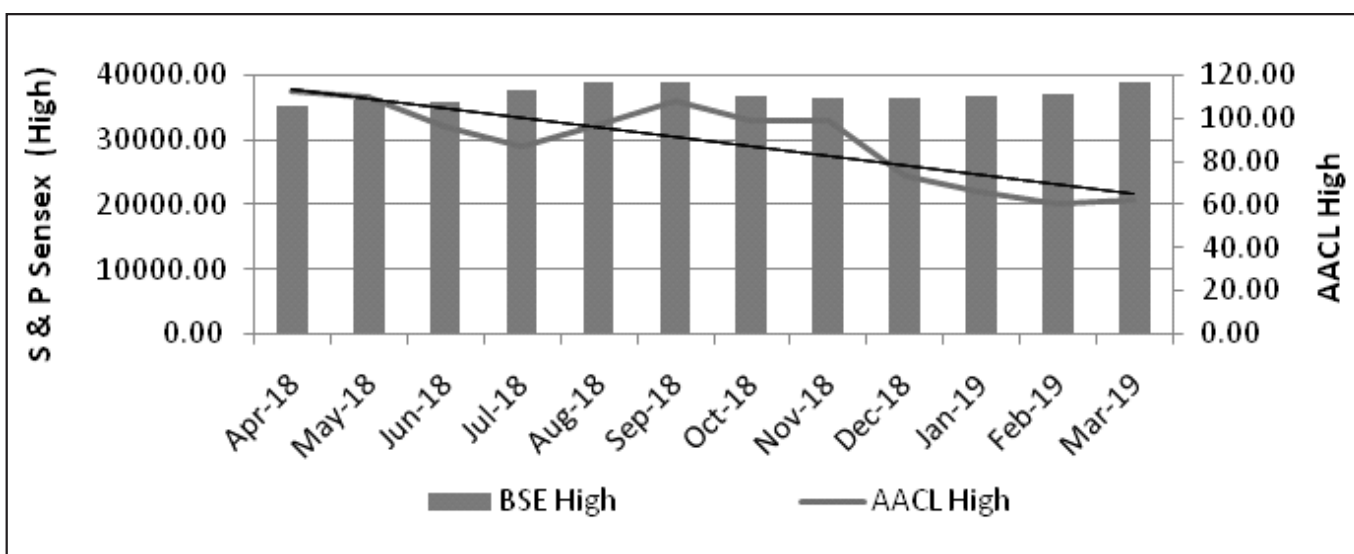
The details of fees paid by the Company to the statutory auditor is mentioned in Note No. 32 of Standalone Financials Statements. The statutory auditor of the Company does not provide any service to subsidiary company of the Company.

7. General Shareholder Information

i	27 th Annual General Meeting	
	Date	Saturday, September 28, 2019
	Time	11.00 a.m.
	Venue	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Oricon House, 6 th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai - 400 001.
ii	Financial Year	The financial year covers the period from 1 st April to 31 st March
iii	Date of Book Closure	Wednesday, September 25, 2019 to Saturday, September 28, 2019
iv	Dividend Payment Date	Dividend would be paid on or after September 28, 2019, subject to the approval by shareholders at the ensuing Annual General Meeting.
v	Listing on Stock Exchange	Listed on: BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai -400 001 The requisite listing fee for the financial year 2019-20 has been paid to BSE Limited
vi	Stock Code	524594
vii	ISIN No.	INE994D01010
viii	Scores	The Company is registered with SEBI Scores
ix	Financial Calendar (tentative) for the period April 1, 2019 to March 31, 2020 is as given below:	
	Financial Reporting for the quarter ending June 30, 2019	On or before August 14, 2019
	Financial Reporting for the quarter ending September 30, 2019	On or before November 14, 2019
	Financial Reporting for the quarter ending December 31, 2019	On or before February 14, 2020
	Audited Financial Results for the quarter and year ending on March 31, 2020	On or before May 30, 2020



Months	Rate (Rs.)		Indices (Rs.)	
	High	Low	High	Low
April 2018	112.20	98.55	35213.30	32972.56
May 2018	109.75	86.00	35993.53	34302.89
Jun 2018	95.95	78.05	35877.41	34784.68
Jul 2018	86.50	75.00	37644.59	35106.57
Aug 2018	97.00	72.00	38989.65	37128.99
Sept 2018	107.70	79.00	38934.35	35985.63
Oct 2018	99.00	79.00	36616.64	33291.58
Nov 2018	98.70	68.05	36389.22	34303.38
Dec 2018	72.90	57.60	36554.99	34426.29
Jan 2019	66.00	50.60	36701.03	35375.51
Feb 2019	60.00	40.80	37172.18	35287.16
Mar 2019	62.40	46.10	38748.54	35926.94



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xi	Registrar and Share Transfer Agent:	<p>Link Intime India Pvt. Ltd. C-101, 247 Park, L. B. S. Marg, Vikhroli (West) Mumbai-400 083. Tel No. 022-49186000 Fax No: 022-49186060 Email: rnt.helpdesk@linkintime.co.in</p> <p>For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares, please write to our RTA at the aforesaid address.</p> <p>The e-mail ID. secretarial@ashokalcochem.com has been created for redressal of investor complaints and the same is disclosed on the Company's website.</p>			
xii	Share Transfer System:	<p>Your Company's shares are traded on the stock exchange in Demat Mode as well as in Physical Mode.</p> <p>In Demat Mode: The transfers are effected through NSDL & CDSL. Majority of the Share Transfer takes place in this form.</p> <p>*In Physical Mode: Applications for transfer of shares held in physical form are received at the office of the Registrars & Share Transfer Agents of the Company. All valid transfers are processed and registered within 15 days from the date of receipt.</p> <p>* Note: Pursuant to circulars issued by SEBI, transfer of share in physical form after April 1, 2019 is not allowed. Members holding shares in physical form are requested to dematerialise their holdings at the earliest.</p>			
xiii	<p>Distribution of Shareholding: The distribution of shareholding as on March 31, 2019</p>				
<p>Share Range (from - to)</p>		<p>No. of Shareholders</p>	<p>% of total Shareholders</p>	<p>No. of Shares held</p>	<p>% of Total issued capital</p>
1-500		4316	89.53	5,55,075	12.07
501-1000		271	5.62	2,17,895	4.73
1001-2000		120	2.49	1,73,821	3.78
2001-3000		39	0.81	1,00,676	2.19
3001-4000		22	0.46	77,587	1.69
4001-5000		15	0.31	67,435	1.46
5001-10000		25	0.52	1,80,298	3.92
10001 & above		13	0.26	32,27,556	70.16
Total		4821	100.00	46,00,343	100



xiv	Category Wise Distribution of Shareholdings as on March 31, 2019																											
	Sr. No.	Category	No of Share holders	% of Share Holdings	No of Shares held																							
	1	Promoter and Promoter Group	3	54.79	25,20,632																							
	2	Mutual Funds	1	0	100																							
	3	Bodies Corporate	58	7.26	3,34,207																							
	4	Individual Shareholders	4546	34.49	15,86,467																							
	5	Clearing Member	35	0.35	16,120																							
	6	Hindu Undivided Family	130	1.44	66,217																							
	7	Non Resident Indians	29	0.27	12,511																							
	8	Non Resident Indians (Non Repat)	17	0.32	14,574																							
	9	Foreign Portfolio Investors	2	1.08	49,515																							
		Total	4821	100.00	46,00,343																							
xv	Dematerialization of Shares and liquidity:	<table border="1"> <thead> <tr> <th rowspan="2">Particulars of Equity Holding</th> <th colspan="2">Equity Shares of Rs. 10/-each</th> </tr> <tr> <th>Number</th> <th>% of Total</th> </tr> </thead> <tbody> <tr> <td colspan="3">Dematerialized form:</td> </tr> <tr> <td>NSDL</td> <td>13,42,995</td> <td>29.19</td> </tr> <tr> <td>CDSL</td> <td>30,83,148</td> <td>67.02</td> </tr> <tr> <td>Sub-total</td> <td>44,26,143</td> <td>96.21</td> </tr> <tr> <td>Physical form</td> <td>1,74,200</td> <td>3.79</td> </tr> <tr> <td>Total</td> <td>46,00,343</td> <td>100.00</td> </tr> </tbody> </table>				Particulars of Equity Holding	Equity Shares of Rs. 10/-each		Number	% of Total	Dematerialized form:			NSDL	13,42,995	29.19	CDSL	30,83,148	67.02	Sub-total	44,26,143	96.21	Physical form	1,74,200	3.79	Total	46,00,343	100.00
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Sub-total	44,26,143	96.21																										
Physical form	1,74,200	3.79																										
Total	46,00,343	100.00																										
xvi	Outstanding GDRs/ADRs Warrants / convertible securities:	N.A																										
xvii	Commodity Price Risk or foreign exchange risk and hedging activities	It is the policy of the Company to enter into forward foreign exchange contracts/Options & Derivatives to cover foreign currency payments in USD. The Company enters into contracts with terms upto 90 days. The Company's philosophy does not permit any speculative calls on the currency. It is driven by conservatism which guides that company follow conventional wisdom by use of Forward contracts in respect of Trade transactions																										
xviii	Plant Location	Plot No.A-22/2/1, Mahad Industrial Area, Village.-Kamble, Mahad-402301,Dist. Raigad, Maharashtra.																										
xix	Address for correspondence	Shareholders correspondence should be addressed to your Company's Registrar and Share Transfer Agents: Link Intime India Pvt. Ltd. C-101, 247 Park, L. B. S. Marg, Vikhroli (West) Mumbai - 400 083. Tel No. 022 - 49186000 IFax No: 022 - 49186060 Email: rnt.helpdesk@linkintime.co.in																										

ASHOK ALCO-CHEM LIMITED

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DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. The Code is available on the Company's website www.ashokalcochem.com

I, Purab Shah, Executive Director & CEO of the Company, hereby declare that all the members of Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the financial year 2018-19.

For Ashok Alco-Chem Limited

Place: Mumbai
Date: August 13, 2019

Sd/-
Purab Shah
Executive Director & CEO

CEO/CFO CERTIFICATE

To
The Board of Directors
Ashok Alco-Chem Limited

This is to certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2019 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2019 which is fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiency in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee that:
1. there are no significant changes in Internal Control during the year ended March 31, 2019;
 2. there are no significant changes in accounting policies during the year ended March 31, 2019 and the same have been disclosed in the notes to the financial statement; and
 3. there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Ashok Alco-Chem Limited

Place: Mumbai
Date: May 29, 2019

Sd/-
Purab Shah
Executive Director & CEO

Sd/-
Vaize Ahmed Kampli
Chief Financial Officer



**PRACTISING COMPANY SECRETARY'S
CERTIFICATE ON CORPORATE GOVERNANCE**

To
The Members
Ashok Alco-Chem Limited
104, Venkatesh Chambers, 1st Floor
Ghanshyam Talwatkar Marg, Fort
Mumbai - 400 001

We have examined the compliance of conditions of Corporate Governance by **Ashok Alco-Chem Limited** (the Company) for the year ended on March 31, 2019, as stipulated in Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C to E of Schedule-V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us and the representation by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 of and para C to E of Schedule-V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, except as stated below:

1. *The composition of the Board of Directors of the Company was not in accordance with the provisions of Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period from 1st April 2018 till 11th February 2019. The Company has complied with the Regulation 17(1)(b) by appointment of Mrs. Hina Rakesh Shah as an Independent Director w.e.f. 12th February 2019.*

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

**For Jay Mehta & Associates
Company Secretaries**

Place: Mumbai
Date: August 13, 2019

Sd/-
Jay Mehta
Proprietor
FCS No.: 8672
C.P. No.: 8694
UDIN: F008672A000003359

ASHOK ALCO-CHEM LIMITED

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“ANNEXURE - F”

CERTIFICATE OF NON-DISQUALIFICATION 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 of
Ashok Alco-Chem Limited
104, Venkatesh Chambers,
1st Floor, Ghanshyam Talwatkar Marg,
Fort, Mumbai - 400001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Ashok Alco-Chem Limited having CIN L24110MH1992PLC069615 and having registered office at 104, Venkatesh Chambers, 1st Floor, Ghanshyam Talwatkar Marg, Fort, Mumbai - 400001 (hereinafter referred to as 'the Company'), produced before us 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 our opinion and to the best of 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 us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 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
1.	Mr. Manoj Chimanbhai Ganatra	00568914	8th April 2011
2.	Mr. Sunil Khimji Shah	03567415	8th February 2013
3.	Mr. Purab Dhanvantray Shah	07490952	19th April 2016
4.	Mr. Shekhaar Raju Shetty	07824778	17th May 2017
5.	Mrs. Hina Rakesh Shah	08335130	12th February 2019
6.	Mrs. Neeta Sunil Shah*	07134947	1st April 2015

*Neeta Shah ceased to be Director of the Company w.e.f. 29th May 2019.

Ensuring the eligibility 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 Jay Mehta & Associates
Company Secretaries

Jay Mehta
Proprietor
FCS No.: 8672
C.P.No.: 8694
UDIN: F008672A000003337

Date: August 13, 2019
Place: Mumbai



Independent Auditor's Report

To
The Members of
ASHOKALCO-CHEM LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **ASHOK ALCO-CHEM LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the 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 Standards prescribed u/s. 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2019, the loss 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 (SAs) specified under section 143(10) of the Act. 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 ethical 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 judgement, 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.

Key Audit Matters	How the matter was addressed in our audit
Recoverability of Indirect Tax Receivables Current assets as on March 31, 2019 in respect of Indirect Taxes comprising of Sales Tax, VAT & GST amounting to ₹ 6.52 Crores are recoverable pending action by the department.	Our audit procedures includes verification of various assessment & appellate orders, returns filed, communications with the department and other related documents.

Other Information

The company's management and 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, but does not include the standalone financial statements and our auditor's report thereon.

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.

If based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

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

The company's management and Board of Directors are 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, total comprehensive income, changes in equity and cash flows of the company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 judgements 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 Responsibilities for the Audit of the Standalone Financial Statements

Our objective 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 judgement and maintain professional scepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances under

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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.

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 compiled 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 are 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 Section 143 (11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3), we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
- 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 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii) The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Funds of the Company.

**For RA Maru & Associates
Chartered Accountants
FRN: 141914W**

**Sd/-
Rumeet Anil Maru
Proprietor
M No: 166417**

**Place: Mumbai
Date: 29.05.2019**



“(ANNEXURE - A)” to the Auditor's Report
(Referred to in Paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date)

1. (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 at the year end and no material discrepancies were noticed on such physical verification.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of freehold immovable properties are held in the name of the Company and those taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
2. (a) The stock of Finished Goods, Raw materials, Stores and consumables were physically verified by the Management at each half year end;
(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.
3. The company has not granted unsecured loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year. Accordingly, paragraph 3 (v) of the order is not applicable.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of sales tax including Value Added Tax, Service Tax, Goods & Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues, as applicable, with the appropriate authorities.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Value Added Tax, Service Tax, Goods & Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues, were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.
(c) The particulars of dues of Value Added Tax, Service Tax, Goods & Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues, at 31st March 2019 which have not been deposited on account of dispute, are as follows:

ASHOK ALCO-CHEM LIMITED

Annual Report 2018-2019

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Financial Year/s to which the amount relates	Forum where dispute is pending
Sales Tax	Assessment dues	199.21	1993-1994 to 2004-2005	Commissioner of Sales Tax
Income Tax Act, 1961	Demand U/s 143 (3)	449.39	2006-2007	Income Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Demand U/s 143 (3)	226.50	2010-2011	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand U/s 143 (3)	49.45	2014-2015	Commissioner of Income Tax (Appeals) & Rectification u/s 154 of The I.T. Act, 1961
Income Tax Act, 1961	Demand U/s 143 (3)	51.77	2015-2016	Commissioner of Income Tax (Appeals)

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
9. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the company.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. 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.
13. According to the information and explanation given to us, the Company has entered into transaction with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For R A Maru & Associates
Chartered Accountants
FRN: 141914W

Sd/-
Rumeet Anil Maru
Proprietor
M No: 166417

Place: Mumbai
Date: 29.05.2019



“Annexure –B” to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **ASHOKALCO-CHEM LIMITED** ("the Company") as of 31st March, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 31st March, 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 R A Maru & Associates
Chartered Accountants
FRN: 141914W**

**Sd/-
Rumeet Anil Maru
Proprietor
M No: 166417**

**Place: Mumbai
Date: 29.05.2019**

ASHOK ALCO-CHEM LIMITED

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BALANCE SHEET AS AT MARCH 31, 2019

(₹ in Lakhs)

Sr. No	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I	ASSETS			
1	Non Current Assets			
	(a) Property, Plant & Equipment	3A	1,455.19	1,518.55
	(b) Capital Work in Progress		5.99	5.41
	(c) Other Intangible Assets	3B	0.07	0.17
	(d) Intangible Assets Under Development		18.66	-
	(e) Financial Assets			
	(i) Investments	4	73.10	73.10
	(ii) Other Financial Assets	5	78.68	78.83
	(f) Deferred Tax Assets (Net)	6	8.38	-
	Total Non Current Assets		1,640.07	1,676.06
2	Current Assets			
	(a) Inventories	7	1,909.90	2,395.52
	(b) Financial Assets			
	(i) Trade Receivables	8	2,874.95	2,382.24
	(ii) Cash and Cash Equivalents	9	88.32	581.11
	(iii) Bank Balances other than (ii) above	10	155.94	178.57
	(iv) Loans	11	310.00	284.42
	(v) Other Financial Assets	12	68.73	46.39
	(c) Current Tax Assets	13	1,579.45	1,642.87
	(d) Other Current Assets	14	2,035.67	1,496.82
	Total Current Assets		9,022.96	9,007.94
	TOTAL ASSETS (1 TO 2)		10,663.03	10,684.00
II	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital	15	460.03	460.03
	(b) Other Equity	16	3,881.83	4,230.85
	Total Equity		4,341.86	4,690.88
2	Liabilities			
	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17	-	119.35
	(b) Provisions	18	62.86	59.19
	(c) Deferred Tax Liabilities (Net)	19	-	70.23
	Total Non Current Liabilities		62.86	248.77
3	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	20	840.49	912.08
	(ii) Trade Payables	21	2,362.87	1,566.11
	(iii) Other Financial Liabilities	22	187.67	138.69
	(b) Other Current Liabilities	23	1,213.91	1,328.03
	(c) Provisions	24	9.06	21.68
	(d) Current Tax Liabilities	25	1,644.31	1,777.76
	Total Current Liabilities		6,258.31	5,744.35
	Total Liabilities (2 to 3)		6,321.17	5,993.12
	TOTAL EQUITY AND LIABILITIES (1 TO 3)		10,663.03	10,684.00

See accompanying notes forming part of the financial statements

1 to 48

As per our report of even date
For **RA MARU & ASSOCIATES**
Chartered Accountants
Firm Registration No. 141914W

Sd/-
RA Maru
Proprietor
Membership No. 166417

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board of Directors

Sd/-
Purab Shah
Executive Director & CEO
DIN : 07490952

Sd/-
Vaize Ahmed Kampli
Chief Financial Officer

Sd/-
Sunil K Shah
Director
DIN : 03567415

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lakhs except EPS)

Sr. No.	Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
I	INCOME			
1	Revenue from Operations	26	17,042.95	15,931.23
2	Other Income	27	161.83	454.23
	Total Income (1 to 2)		17,204.78	16,385.46
II	EXPENSES			
1	Cost of Materials Consumed	28	13,149.01	11,470.38
2	Purchases of Stock in Trade		627.22	646.51
3	Changes in Inventories	29	312.38	119.25
4	Excise Duty Expense		-	353.17
5	Employee Benefits Expense	30	642.87	594.86
6	Finance Costs	31	146.70	202.99
7	Depreciation and Amortization		117.05	111.88
8	Other Expenses	32	2,490.65	2,356.98
	Total Expenses (1 to 8)		17,485.88	15,856.02
III	Total (Loss)/Profit Before Exceptional Items and Tax (I - II)		(281.10)	529.44
IV	Exceptional Items		-	-
V	(Loss)/Profit Before Tax (III - IV)		(281.10)	529.44
VI	Tax Expenses			
	Tax Expense - Current Years		1.25	(200.00)
	Tax Expense - Earlier Years		(95.95)	-
	Deferred Tax		78.61	25.28
	Total Tax Expenses		(16.09)	(174.72)
VII	(Loss)/Profit For The Year (V - VI)		(297.19)	354.72
VIII	Other Comprehensive Income			
	A. Items that will not be reclassified subsequently to profit or loss			
	i. Remeasurement gain/(loss) on the Defined Benefit Plans		4.80	1.46
	ii. Income tax on (i) above		(1.25)	(0.51)
	B. Items that will be reclassified subsequently to profit or loss		-	-
	Total Other Comprehensive Income		3.55	0.95
	Total Comprehensive Income For The Year (VII to VIII)		(293.64)	355.67
IX	Earnings per equity share:			
	Basic and Diluted (Face Value ₹ 10 each)		(6.46)	7.71

See accompanying notes forming part of the financial statements

1 to 48

As per our report of even date
For RA MARU & ASSOCIATES
Chartered Accountants
Firm Registration No. 141914W

For and on behalf of the Board of Directors

Sd/-
RA Maru
Proprietor
Membership No. 166417

Sd/-
Purab Shah
Executive Director & CEO
DIN : 07490952

Sd/-
Sunil K Shah
Director
DIN : 03567415

Place : Mumbai
Date : May 29, 2019

Sd/-
Vaize Ahmed Kampli
Chief Financial Officer

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer

ASHOK ALCO-CHEM LIMITED

Annual Report 2018-2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lakhs)

Sr. No.	Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Net (Loss)/Profit before Tax		(281.10)		529.44
	Adjustments for:				
	Depreciation	117.05		111.88	
	Foreign Exchange (Gain) / Loss	(31.24)		(11.08)	
	Sundry Balance w/off/ (w/back)	(8.60)		249.56	
	Interest & Finance Charges	146.70		202.99	
	Interest Received	(72.62)	151.29	(110.39)	442.96
	Operating Profit Before Working Capital Changes		(129.80)		972.40
	Adjustments for changes in working capital				
	Decrease/(Increase) in Receivables	(492.71)		645.88	
	Decrease/(Increase) in Loans	(25.58)		(6.65)	
	Decrease/(Increase) Other Financial assets	(22.34)		16.10	
	Decrease/(Increase) Non current Loans	0.15		(146.39)	
	Decrease/(Increase) in Inventories	485.62		(242.58)	
	Decrease/(Increase) Other Current Assets	(538.85)		1,447.34	
	Increase/(Decrease) in Payables	796.76		(1,718.45)	
	Increase/(Decrease) in Other Current Liabilities	(114.13)		1,100.44	
	Increase/(Decrease) in Other Financial Liabilities	48.98		(1,048.00)	
	Increase/(Decrease) in Provision	(12.63)		0.68	
	Increase/(Decrease) in Long term Provision	3.67		(4.56)	
	Foreign Exchange (Gain)/ Loss	31.24		11.08	
	Sundry Balance w/off/(w/back)	8.60	168.78	(249.56)	(194.67)
	Cash generated from operations		38.98		777.73
	Income Tax Paid		(201.13)		(115.96)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)		(162.15)		661.77
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of Fixed Assets	(88.24)		(82.69)	
	Sale/Adjustments of Fixed Assets	-		0.45	
	Decrease/(Increase) in Investments	-	(88.24)	-	(82.24)
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)		(88.24)		(82.24)
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds / (Repayment) of Short Term Borrowings	(71.59)		69.77	
	Proceeds / (Repayment) of Long Term Borrowings	(119.35)		-	
	Interest Received	72.62		110.39	
	Interest paid	(146.70)	(265.02)	(202.99)	(22.83)
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)		(265.02)		(22.83)
	NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)		(515.42)		556.70
	Cash and Cash equivalents as at 01.04.18		759.67		202.97
	Cash and Cash equivalents as at 31.03.19		244.26		759.67
	Cash & Cash Equivalents		As at		As at
	Cash in Hand		31/03/19		31/03/18
	Cash at Bank		1.35		2.73
	Cash & Cash Equivalents as Stated		242.91		756.94
			244.26		759.67



Note 1

Disclosure in terms of amendment to Ind AS 7 on "Statement of Cash Flows" to evaluate changes in Liabilities arising from financial activities:

Effective April 1, 2017, the Company adopted the amendment to Ind As 7, which require the entities to provide disclosures that enable users of Financial Statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flow and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheets for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the Financial Statements.

(₹ in Lakhs)

Changes in liabilities arising from financing activities	As at March 31, 2018	Cash Flow	Non cash Changes	As at March 31, 2019
Borrowing Non Current	119.35	(119.35)	-	-
Borrowing Current	912.08	(71.59)	-	840.49
Total	1,031.43	(190.94)	-	840.49

Note 2

Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

Note 3

Figures in brackets represent outflows / deductions.

See accompanying notes forming part of the financial statements

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As per our report of even date
For RA MARU & ASSOCIATES
Chartered Accountants
Firm Registration No. 141914W

Sd/-
RA Maru
Proprietor
Membership No. 166417

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board of Directors

Sd/-
Purab Shah
Executive Director & CEO
DIN : 07490952

Sd/-
Vaize Ahmed Kampli
Chief Financial Officer

Sd/-
Sunil K Shah
Director
DIN : 03567415

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer

ASHOK ALCO-CHEM LIMITED

Annual Report 2018-2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019**A. Equity Share Capital**

(₹ in Lakhs)

Particulars	Amount
Balance as at March 31, 2018	460.03
Changes in Equity Share Capital during the year 2018-19	-
Balance as at March 31, 2019	460.03

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves & Surplus			
	Securities Premium	General Reserve	Retained Earnings	Total
Balance as at April 1, 2017	783.79	1,050.00	2,080.03	3,913.82
Profit / (Loss) for the period	-	-	354.72	354.72
Other Comprehensive Income	-	-	0.95	0.95
Dividend Paid (Includes Dividend Distribution Tax)	-	-	(55.37)	(55.37)
Ind AS Other adjustments	-	-	16.74	16.74
Transfer (to) / from Retained Earnings	-	50.00	(50.00)	-
Balance as at March 31, 2018	783.79	1,100.00	2,347.05	4,230.85
Profit / (Loss) for the period	-	-	(297.20)	(297.20)
Other Comprehensive Income	-	-	3.55	3.55
Dividend Paid (Includes Dividend Distribution Tax)	-	-	(55.37)	(55.37)
Balances as at March 31, 2019	783.79	1,100.00	1,998.03	3,881.83

See accompanying notes forming part of the financial statements

1 to 48

As per our report of even date
For **RA MARU & ASSOCIATES**
Chartered Accountants
Firm Registration No. 141914W

Sd/-
RA Maru
Proprietor
Membership No. 166417

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board of Directors

Sd/-
Purab Shah
Executive Director & CEO
DIN : 07490952

Sd/-
Vaize Ahmed Kampli
Chief Financial Officer

Sd/-
Sunil K Shah
Director
DIN : 03567415

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer



Notes Forming Part of The Financial Statements And Other Explanatory Information's For the Year Ended March 31, 2019

Note 1 Corporate Information

Ashok Alco-Chem Limited (“the Company”) is engaged in Manufacturing of Organic Chemicals & Trading in Minerals.

The company is a public limited company incorporated and domiciled in India and has Registered Office at 104, Venkatesh Chambers, 1st Floor, Ghanshyam Talwatkar Marg, Fort, Mumbai 400 001. The Equity shares of the company are listed on Bombay Stock Exchange Limited (BSE).

The financial statements for the year ended March 31, 2019 are approved for issue by the Company's Board of Directors on May 29, 2019.

Note 2 Significant Accounting Policies

Basis of Preparation

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

These financial Statements are prepared on an accrual basis under the historical cost convention or amortised cost, except for the following assets and liabilities, which have been measured at fair value:

- i. Certain financial assets and liabilities (including derivative instruments) that are measured at fair value.
- ii. Defined Benefits Plans- Plan assets measured at fair value.

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency and all amounts are rounded off to the nearest lakhs (INR '00,000) upto two decimals, except when otherwise indicated.

Operating cycle for current and 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 as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.1 Property, Plant and Equipment (PPE)

- PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE (other than Freehold land and Capital Work-in-progress) are stated at cost less accumulated depreciation and impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any. Cost includes qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.
- If significant parts of an item of PPE have different useful lives, then those are accounted as separate items (major components) of PPE.
- Material items such as spare parts, stand-by equipment and service equipment are classified as and when they meet the definition of PPE, as specified in Ind AS 16 on “Property, Plant and Equipment”.
- The carrying amount of an item of PPE is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit and Loss.

Capital Work-In-Progress

Property, Plant and Equipment which are not ready for intended use on the date of balance sheet are disclosed as capital work in-progress. It is carried at cost, such properties are classified and capitalised to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets will be provided on the same basis as other property assets are ready for their intended use.

2.2 Depreciation

Depreciation on Property, Plant and Equipment (other than Freehold Land and Capital Work-in-progress) is provided on the Straight-Line Method in accordance with requirements prescribed under Schedule II to the Companies Act, 2013.

The Company has assessed the estimated useful lives of its PPE and has adopted the useful lives and residual value as prescribed therein.

Land under finance lease is amortised over the period of lease.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

2.3 Intangible Assets and Amortisation

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised at 25% for 4 years on a straight line basis.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.4 Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

An impairment loss is recognised immediately in the Statement of Profit and Loss. When impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognized for that asset or cash generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

2.5 Inventories

- Inventories are valued at lower of cost and net realizable value.
- Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.
- Cost of raw materials, packing materials, including materials in transit, work in process and finished goods are arrived at on the First in first out method of valuation, including manufacturing overheads wherever applicable.
- Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.



2.6 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby net profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash and which are subject to an insignificant risk of changes in value, as reduced by bank overdrafts.

2.7 Segment Reporting

- The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance.
- The accounting policies adopted for segment reporting are in line with the accounting policies of the Company.
- Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue/expenses/ assets/liabilities” respectively.

2.8 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.9 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provision is not recognised for future operating losses.

Provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

Contingent Assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

2.10 Revenue Recognition

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

Sale of Goods

Revenue from sale of goods is recognised upon transfer of significant risks and rewards of ownership of the goods to the customer, while neither continuing managerial involvement nor effective control over the goods sold is retained. Sales include excise duty but exclude Goods and Service Tax (GST). It is measured at fair value of consideration received or receivable, net of returns, rebates and discounts.

Rental Income

Rental Income is accounted as and when accrues.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

Dividends

Dividend Income is accounted for when Company's right to receive income is established.

2.11 Leases

At the inception of an arrangement, it is determined whether the arrangement is or contains a lease and based on the substance of the lease arrangement, it is classified as a finance lease or an operating lease.

Finance Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee.

Assets under finance leases are capitalised at the commencement of lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments and a liability is created for an equivalent amount. Minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Assets given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of the lease so as to yield a constant rate of return on the net investment in the lease.

Operating Leases:

Lease agreements where risk and rewards incidental to ownership of an assets, substantially vests with the Lessor, are classified as operating lease.

2.12 Employee Benefits**(i) Short Term Employee Benefits**

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.



(ii) Long-Term Benefits:

• **Defined Contribution Plan:**

Provident and Family Pension Fund:

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both employees and the Company make monthly contributions at a specified percentage of the employee's eligible salary (currently 12%). The contributions are made to AACL Trust -Provident Fund Trust. Provident Fund classified as Defined Contributions Plans as the Company has no further obligation beyond making the contribution. The Company's contribution is charged to the statement of profit and loss as incurred.

• **Defined Benefit Plan:**

Gratuity:

The Company has an obligation towards gratuity, a defined benefits retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement or death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. The Company makes contribution to AACL Gratuity Fund Trust based thereon.

Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or Loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited taking into account the present value of available refunds and reductions in future contributions to the schemes.

Compensated Absences:

The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is recognized based on number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise.

2.13 Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to

offset current income tax assets against current income tax liabilities and when deferred income tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and Deferred Tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.14 Earnings Per Share

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.15 Foreign Currency Transactions

Transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date.

Non-monetary items that are measured at historical cost denominated in a foreign currency are translated using the exchange rate as at the date of initial transaction. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.16 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.



Amortised Cost:

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Other Comprehensive Income:

A financial asset shall be classified and measured at FVOCI, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of Financial Assets:

The impairment provision for Financial Assets is based on assumptions about risk of default and expected cash loss rates. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Credit Policy approved by the Company for bad debts considering past history of bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Company makes provision for doubtful debts based on specific by Board. The Company will reassess the model periodically and make the necessary adjustments for loss allowance.

Derecognition of Financial Assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial Liabilities and Equity Instruments:

- Classification as debt or equity:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

- Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by a Company are recognised at the proceeds received.

Derecognition of Financial Liabilities:

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

Offsetting:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Derivative Financial Instruments:

The Company enters mainly into foreign exchange forward contracts to mitigate the foreign currency exposure risk.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedge relationship.



2.17 Research and Development:

Revenue expenditure on Research and Development is charged to Statement of Profit and Loss in the year in which it is incurred. Capital expenditure on Research and Development is considered as an addition to Property, Plant and Equipment/ Intangible Assets.

2.18 Critical Accounting Judgments and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key Estimates, Assumptions and Judgements

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Income Taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. Also, Refer Note 34.

Property, Plant and Equipment/Intangible Assets

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

Employee Benefit Plans

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

Impairment of Financial Assets

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

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Fair Value Measurements of Financial Instruments

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

Impairment of Assets

The Company has used certain judgements and estimates to work out future projections and discount rates to compute value in use of cash generating unit and to access impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

Provisions & Contingent Liabilities

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

2.19 Standard Issued But Not Yet Effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the standalone financial statements are disclosed below. The company intends to adopt these standards, if applicable, when they become effective.

The Ministry Of Corporate Affairs (MCA) has issued the companies (Indian Accounting Standards) first and second Amendment Rules, 2019 to amend/insert the following:

Ind AS 116 Leases

Ind AS 116, 'Leases' was notified by Ministry Of Corporate Affairs on March 30, 2019 and it replaced Ind AS 17 including appendices thereto. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single lessee accounting model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemption for lessees-leases for which underlying assets is of low value 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 recognize 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 assets). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation charge 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. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, a lessee shall recognize any remaining amount of the remeasurement in profit or loss.

Ind AS 116 substantially carries forward the lessor accounting requirements as per Ind AS 17.



Effective date for application of Ind AS 116 is annual period beginning on or after April 1, 2019. As the company does not have any material losses, therefore the adoption of this standard is not likely to have a material impact on its Standalone Financial Statements.

Amendment to Ind AS 19- Plan amendments, curtailments and settlements

Amendment to Ind As 19, 'Employee Benefits' was notified by Ministry Of Corporate Affairs on March 30, 2019 in connection with accounting for plan amendments, curtailments and settlements.

The amendment requires an entity:

- To use updated assumption to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The company is currently evaluating the impact of this amendment on its Standalone Financial Statements.

Amendment to Ind AS 12 – accounting for dividend distribution tax

Amendment to Ind AS 12, 'Income Taxes' was notified by Ministry Of Corporate Affairs On March 30, 019. In connection with accounting for dividend distribution tax.

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The company is currently evaluating the impact of this amendment on its Standalone Financial Statements.

Appendix C to Ind AS 12- Uncertainty over income tax treatments

Appendix C to Ind AS 12, 'Income Tax', was notified by Ministry Of Corporate Affairs On March 30, 2019 in connection with accounting for uncertainty over income tax treatments.

The Appendix is to be applied while performing the determination of taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the Appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filling which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition- i) Full retrospective approach- under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 'Accounting Policies, changes in Accounting Estimates and Errors', without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix c recognized by adjusting equity on initial application, without adjusting comparatives.

Effective date for application of Appendix C to Ind AS 12 is annual period beginning on or after April 1, 2019. The company is currently evaluating the impact of the Appendix on the Standalone Financial Statements.

2.20 Disclosure pursuant to Ind-AS 27 “Separate Financial Statements”

Investment in subsidiary company is accounted at cost.

Name of Investee	Principal place of business	Proportionate ownership interest	
		As at March 31, 2019	As at March 31, 2018
a. Particulars of Subsidiaries			
i. Ashwa Minerals Private Limited	India	100%	100%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 3

3A. Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Leasehold Land	Buildings	Plant and Machinery	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Air Conditioner	Total
Gross Block									
As at April 1, 2018	9.25	185.20	1,510.24	4.52	9.06	4.68	2.09	4.11	1,729.15
Additions during the year	-	-	49.98	5.12	3.84	3.82	-	0.83	63.59
Deductions/Adjustments during the year	-	-	(43.48)	-	-	-	-	-	(43.48)
As at March 31, 2019	9.25	185.20	1,516.74	9.64	12.90	8.50	2.09	4.94	1,749.26
Accumulated Depreciation									
As at April 1, 2018	0.25	11.45	190.70	0.80	2.62	2.62	0.74	1.41	210.59
Depreciation for the year	0.11	5.78	105.13	0.54	2.41	1.65	0.32	1.00	116.94
Deductions/Adjustments during the year	-	-	(33.46)	-	-	-	-	-	(33.46)
As at March 31, 2019	0.37	17.23	262.37	1.34	5.03	4.27	1.06	2.41	294.07
Net Block as at March 31, 2019	8.88	167.97	1,254.37	8.30	7.87	4.23	1.03	2.53	1,455.19

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(₹ in Lakhs)

Particulars	Leasehold Land	Buildings	Plant and Machinery	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Air Conditioner	Total
Gross Block									
As at April 1, 2017	9.25	182.01	1,392.02	2.36	5.43	3.32	2.09	3.67	1,600.15
Additions during the year	-	3.19	118.22	2.17	4.11	1.37	-	0.43	129.49
Deductions/Adjustments during the year	-	-	-	-	(0.48)	-	-	-	(0.48)
As at March 31, 2018	9.25	185.20	1,510.24	4.52	9.06	4.68	2.09	4.11	1,729.15
Accumulated Depreciation									
As at April 1, 2017	0.13	5.72	89.68	0.37	1.30	1.39	0.43	0.44	99.44
Depreciation for the year	0.13	5.73	101.03	0.43	1.78	1.23	0.32	0.97	111.62
Deductions/Adjustments during the year	-	-	-	-	(0.45)	-	-	-	(0.45)
As at March 31, 2018	0.25	11.45	190.70	0.80	2.62	2.62	0.74	1.41	210.60
Net Block as at March 31, 2018	9.00	173.75	1,319.54	3.72	6.44	2.06	1.35	2.70	1,518.55


3B Intangible Assets

(₹ in Lakhs)

Particulars	Computer Software
Gross Carrying Value	
As at April 1, 2018	0.71
Additions during the year	-
Deductions / Adjustments during the year	-
As at March 31, 2019	0.71
Accumulated Depreciation	
As at April 1, 2018	0.54
Amortisation for the year	0.10
Deductions/Adjustments during the year	-
As at March 31, 2019	0.64
Net Carrying Value as at March 31, 2019	0.07

3B Intangible Assets

(₹ in Lakhs)

Particulars	Computer Software
Gross Carrying Value	
As at April 1, 2017	0.71
Additions during the year	-
Deductions / Adjustments during the year	-
As at March 31, 2018	0.71
Accumulated Depreciation	
As at April 1, 2017	0.27
Amortisation for the year	0.27
Deductions/Adjustments during the year	-
As at March 31, 2018	0.54
Net Carrying Value as at March 31, 2018	0.17

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Note 4**Non-Current Investments**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Investments Measured at Cost Investments In Equity Shares Unquoted Subsidiaries 10,000 (As at March 31, 2018 - 10,000) Equity Shares of Ashwa Minerals Pvt. Ltd. of Face Value of ₹10/- each fully paid up.	73.10	73.10
Total	73.10	73.10

Aggregate Amount Of Quoted Investments	-	-
Aggregate Amount Of Unquoted Investments	73.10	73.10
Aggregate provision made for diminution in value of Investments	-	-

Note 5**Other Financial Assets**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposits - Considered Good	78.68	78.83
Security Deposits - Considered Doubtful	101.88	101.88
Less: Provision for Doubtful Recovery	(101.88)	(101.88)
Total	78.68	78.83

Note 6**Deferred Tax Assets (Net)**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Assets (Net) (Refer Note No. 34 C)	8.38	-
Total	8.38	-



Note 7
Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Materials	1,361.35	1,376.53
Add : Goods in Transit	2.80	195.93
	1,364.15	1,572.46
Work In Progress	46.85	46.21
Finished Goods	426.46	393.46
Fuel	14.55	12.89
Stores, Spares and Packing Materials	57.89	24.48
Stock-In-Trade (Trading)	-	346.02
Total	1,909.90	2,395.52

Note 8
Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good	2,874.95	2,382.24
Unsecured, Considered Doubtful	190.27	120.88
Less : Provision for Doubtful Debts	(190.27)	(120.88)
Total	2,874.95	2,382.24

Note 9
Cash & Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Banks		
In Current Accounts	86.97	578.37
Cash and Cash Equivalents		
Cash on hand	1.35	2.73
Total	88.32	581.11

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Note 10**Bank Balances other than Cash and Cash Equivalents****(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Other Bank Balances Term deposit with bank to the extent held as Margin Money and Security Against BG and Other Commitments	150.28	174.52
Earmarked Balances Unclaimed Dividend Accounts	5.66	4.05
Total	155.94	178.57

Note 11**Current Loans****(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good Loans to Corporates (Refer Note No. 36)	304.74	276.39
Loans and Advances to Staff	1.78	0.30
Loans and Advances to Others	3.48	7.73
Total	310.00	284.42

Note 12**Other Financial Assets****(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good Interest Accrued on FDR	3.54	-
Other Receivables - LIC Policy Staff Leave Encashment	0.21	5.16
Other Receivables - Gratuity Fund with LIC	64.98	41.23
Total	68.73	46.39

Note 13**Current Tax Assets****(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Advance Income Tax	1,579.45	1,642.87
Total	1,579.45	1,642.87


Note 14
Other Current Assets

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid Expenses	48.39	18.00
Balances with Government Authorities	1,128.00	903.35
Advance to Suppliers	859.28	575.47
Total	2,035.67	1,496.82

Note 15
Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised		
50,00,000 Equity Shares of ₹ 10/- each	500.00	500.00
20,00,000 11% Preference Shares of ₹10/- each	200.00	200.00
Total Authorised Share Capital	700.00	700.00
Issued, Subscribed & Paid Up		
46,00,343 Equity Shares of ₹10/- each fully paid up	460.03	460.03
Total Issued, Subscribed and Paid up Share Capital	460.03	460.03

Terms/Rights attached to Equity Shares

- i The Company has issued only one class of shares referred to as Equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled for one vote per share.
- ii In the Event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

a. Reconciliation of the number of shares outstanding :

(₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amounts in ₹	No. of Shares	Amounts in ₹
Shares at the beginning of the year	46,00,343	460.03	46,00,343	460.03
Add: Share warrants issued during the year	-	-	-	-
Add: Calls in arrears received during the year	-	-	-	-
Less: Shares forfeited during the year	-	-	-	-
Add : Re-issue of forfeited shares	-	-	-	-
Shares at the end of the year	46,00,343	460.03	46,00,343	460.03

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b. Shareholders having more than 5% holding

Name of the Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Aura Alkalies & Chemicals Pvt Ltd.	25,18,632	54.75%	25,18,632	54.75%
Total	25,18,632	54.75%	25,18,632	54.75%

Note 16**Other Equity****(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Securities Premium Reserve		
As per last Balance Sheet	783.79	783.79
Add: Additions during the year	-	-
Less: (Deductions) during the year	-	-
	783.79	783.79
General Reserve		
As per last Balance Sheet	1,100.00	1,050.00
Add: Additions during the year	-	50.00
Less: (Deductions) during the year	-	-
	1,100.00	1,100.00
Retained Earnings		
As per last Balance Sheet	2,347.06	2,080.03
Add: Profit / (Loss) for the Year	(297.20)	354.71
Add: Other Comprehensive Income	3.55	0.95
Less: Transfer to General Reserve	-	(50.00)
Less: Proposed Dividend (including DDT)	(55.37)	(55.37)
Add: Ind AS Adjustments	-	16.74
	1,998.04	2,347.06
Total	3,881.83	4,230.85

Description of the nature and purpose of Other Equity**(a) Securities Premium Reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

(b) General Reserve

The General Reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed /utilised by the Company in accordance with the Companies Act, 2013.

(c) Retained Earnings

Retained earnings are the profits that the Company has earned till date and is net of amount transferred to general reserves such as amount distributed as dividend and adjustments on account of transition to Ind AS.

Note :

The Board of Directors has proposed the dividend of ₹1.00 per fully paid up equity share of ₹10/- each, aggregating ₹ 55.37 Lakhs, including ₹ 9.37 Lakhs as dividend distribution tax for the financial year 2018-19, which is based on relevant share capital as on 31st March, 2019. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date /book closure.



Note 17

Non-Current Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings		
Term Loans :		
From Bank {First and exclusive charges on assets created out of term loan and collaterally secured by equitable mortgage of factory land & building, plant & machinery (both present and future) residential property located at MIDC Mahad & personal guarantee of Director}.	-	119.35
Total	-	119.35

Note 18

Non-Current Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Leave Encashment	0.21	17.96
Provision for Gratuity	62.65	41.23
Total	62.86	59.19

Note 19

Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liabilities (Net) (Refer Note No. 34 C)	-	70.23
Total	-	70.23

Note 20

Current Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans (Repayable on demand from Banks)		
Secured Working Capital Loan from IDBI Bank Ltd. {First and exclusive charge on current assets (present and future) and collaterally secured by equitable mortgage of factory land & building, plant & machinery (both present and future), residential property located at MIDC Mahad & personal guarantee of Director}.	840.49	912.08
Total	840.49	912.08

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Note 21**Trade Payables****(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Due to Micro, Medium and Small Enterprises	68.29	-
Due to Others	2,294.58	1,566.11
Total	2,362.87	1,566.11

Note 22**Other Financial Liabilities (Current)****(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Other Financial Liabilities		
Unpaid Dividend*	5.66	4.05
Provision For Expenses	135.58	93.70
Employee Related Liabilities	46.43	39.68
Derivative Financial Instruments	-	1.27
Total	187.67	138.69

* There are no amounts due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) as on 31st March, 2019. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due.

Note 23**Other Current Liabilities****(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory Dues	215.53	329.66
Claims Payable	998.38	998.38
Total	1,213.91	1,328.03

Note 24**Current Provisions****(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Leave Encashment	9.06	6.81
Provision for Gratuity	-	14.87
Total	9.06	21.68

Note 25**Current Tax Liabilities****(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Income Tax	1,644.31	1,777.76
Total	1,644.31	1,777.76


Note 26
Revenue From Operations

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Sale of Products		
Manufactured Goods		
Local Sales	13,249.70	12,033.72
Export Sales	2,860.65	3,068.22
Traded Goods		
Local Sales	758.19	367.35
Merchant Trade Sales	174.41	461.94
Total	17,042.95	15,931.23

Note 27
Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest Income	72.62	110.39
Sale of Scrap / Wastages	3.63	4.78
Sundry Balances Written Back	-	262.37
Net Gain on Foreign Currency Transactions	31.24	11.08
Miscellaneous Income	54.34	65.61
Total	161.83	454.23

Note 28
Cost of Materials Consumed

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening Stock	1,376.53	1,022.15
Purchases During The Year	13,133.83	11,824.76
Net Opening Stock	14,510.36	12,846.91
Less : Closing Stock	(1,361.35)	(1,376.53)
Total	13,149.01	11,470.38

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Note 29**Changes in Inventories of Finished Goods, WIP and Stock In Trade****(₹ in Lakhs)**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Finished Goods		
Opening Stock of Finished Goods	393.46	389.09
Less : Closing Stock of Finished Goods	(426.46)	(393.46)
	(33.00)	(4.37)
Work-In-Progress		
Opening Stock of Work In Progress	46.21	46.08
Less : Closing Stock of Work In Progress	(46.85)	(46.32)
	(0.64)	(0.24)
Stock In Trade		
Opening Stock of Stock In Trade	346.02	469.88
Less : Closing Stock of Stock In Trade	-	(346.02)
	346.02	123.86
Total	312.38	119.25

Note 30**Employee Benefit Expenses****(₹ in Lakhs)**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and Wages	592.38	543.03
Contribution to Provident and Other Funds	29.17	32.66
Staff Welfare Expenses	21.32	19.17
Total	642.87	594.86

Note 31**Finance Costs****(₹ in Lakhs)**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest Cost	113.68	97.94
Other Finance Costs	33.02	105.05
Total	146.70	202.99


Note 32
Other Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Consumption of Packing Materials	223.97	161.74
Consumption of Stores and Spare Parts	155.95	110.53
Power and Fuel	1,032.17	980.75
Other Manufacturing Expenses	3.79	8.18
Repair and Maintenance		
- Repairs to Buildings	41.42	41.36
- Repairs to Machinery	28.37	4.37
- Repairs to Others	14.35	17.02
Export Freight and Insurance	264.92	243.37
Other Selling Expenses	256.04	375.80
Advertisement and Business promotion	6.77	2.26
Auditors Remuneration (footnote 'i')	4.25	4.25
Bad Debts Written Off	-	12.81
Conveyance and Travelling expenses	42.13	33.09
Corporate Social Responsibility (CSR) Expenses	18.81	30.34
Donation	2.04	0.11
Director's Sitting Fees	11.00	9.80
Insurance	31.89	29.90
Legal and Professional Expenses	40.41	40.40
Loss on Sale of Fixed Assets	4.08	-
MTM Loss	-	1.27
Other Miscellaneous Expenses	171.71	177.16
Doubtful Debts	106.51	55.62
Rent, Rates and Taxes	30.07	16.84
Total	2,490.65	2,356.98

Footnote (i)

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Statutory Audit Fees	4.25	4.25
Total	4.25	4.25

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NOTES TO ACCOUNTS

Note 33

Contingent Liabilities and Commitments (to the extent not provided for)

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
A.	Contingent Liabilities		
	Claims against the Company not acknowledged as debt :		
	i. Income-tax matters under appeal	226.50	271.59
	ii. Sales Tax	-	9.55
	iii Disputed excess service tax refund	2.29	2.29
	Total	228.80	283.43
B.	Bank Guarantee	3.83	10.00
	Total	3.83	10.00

Note : In respect of item (A) & (B) above, it is not possible for the Company to estimate the timings of cash outflow which

- would be determinable only on receipt of judgement pending at various forums/authorities.
- The Company does not expect any reimbursements in respect of the above Contingent Liabilities.

Note 34

Disclosure pursuant to Ind-AS 12 on "Income Taxes"

A. Components of Tax Expenses/(Income)

(₹ in Lakhs)

a. Profit or Loss Section	Year ended March 31, 2019	Year ended March 31, 2018
Current Income Tax	94.71	200.00
Deferred Tax	(78.61)	(25.28)
Income Tax Expense Reported in the Statement of Profit or Loss	16.09	174.72

(₹ in Lakhs)

b. Other Comprehensive Income Section	Year ended March 31, 2019	Year ended March 31, 2018
Tax expenses on remeasurements of defined benefit plans	(1.25)	(0.51)
Income Tax Expense Charged to OCI	(1.25)	(0.51)



B. Reconciliation of Income Tax Expense/(Income) and Accounting Profit multiplied by domestic tax rate applicable in India

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit Before Tax	(281.10)	529.44
Corporate Tax Rate as per Income Tax Act, 1961	26.00%	33.06%
Tax on Accounting Profit	(73.09)	175.05
Tax effect of :		
Income Exempt from Tax	-	-
Expenses Allowed Separately	(48.31)	(78.53)
Tax on Expense not Deductible	74.29	98.53
Chapter VI A Deduction	-	(4.75)
Prior Period Tax	95.95	-
Others	45.86	9.71
Current Tax Provision (A)	94.71	200.01
Deferred Tax Liability Recognised	43.55	11.33
Deferred Tax Asset Recognised	122.15	36.61
Deferred Tax Provision (B)	(78.61)	(25.28)
(A+B)	16.10	174.73
Effective Tax Rate	(5.73%)	33.00%

C. Deferred Tax

FY 2018-19

Components and Reconciliation of Deferred Tax (Assets)/Liabilities

(₹ in Lakhs)

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in other Comprehensive Income	Closing Balance
Property, Plant and Equipment and Intangible Assets	249.32	(200.77)	-	48.55
Provision for Doubtful Debts and Advances	(58.88)	49.47	-	(9.41)
Provision for Security Deposit	(35.26)	(31.38)	-	(66.64)
Accrued Expenses Deductible on Cash Basis	(80.04)	56.96	-	(23.08)
Actuarial Gain/(Loss) on Employee Defined Benefits Obligation	(4.91)	-	-	(4.91)
Income Tax Loss	-	47.10	-	47.10
Total	70.23	(78.61)	-	(8.38)

FY 2017-18

Components and Reconciliation of Deferred Tax (Assets)/Liabilities

(₹ in Lakhs)

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in other Comprehensive Income	Closing Balance
Property, Plant and Equipment and Intangible Assets	243.03	6.29	-	249.32
Provision for Doubtful Debts and Advances	(27.01)	(31.87)	-	(58.88)
Provision for Security Deposit	(35.27)	0.01	-	(35.26)
Accrued Expenses Allowable on Cash Basis	(82.83)	2.79	-	(80.04)
Actuarial Gain/(Loss) on Employee Defined Benefits Obligation	(2.41)	(2.50)	(0.51)	(4.91)
Total	95.51	(25.28)	(0.51)	70.23

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Note 35**Earnings Per Share (EPS)**

(Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
• Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	(2,97,19,046)	3,54,71,558
• Weighted Average number of Equity Shares used as denominator for calculating Basic EPS (No. of Shares)	4600343	4600343
• Face Value per Equity Share (₹)	10	10
• Basic & Diluted Earnings per Share (₹)	(6.46)	7.71

Note 36**Disclosure Pursuant to Section 186 of the Companies Act, 2013**

The loan provided to corporate @ 14% p.a. has been utilised by them for meeting their working capital requirement.

Note 37**Disclosures of transactions with related parties required under Ind AS 24 on "Related Party Disclosures"****A. List of Related Parties****(I) Holding Company**

- Aura Alkalies and Chemicals Private Limited

(II) Parties where control exists

Subsidiary Company	Principal place of Business	Proportionate Ownership Interest	
		As at March 31, 2019	As at March 31, 2018
Ashwa Minerals Private Limited	India	100%	100%

(III) Directors / Key Managerial Personnel (KMP) of the Company

- | | |
|--|------------------------|
| • Independent Director | Mr. Manoj Ganatra |
| • Independent Director | Mr. Shekhaar Shetty |
| • Independent Director (w.e.f. 12th February, 2019) | Mrs. Hina Shah |
| • Non Executive Director | Mr. Sunil Shah |
| • Non Executive Director (up to 28th May, 2019) | Mrs. Neeta Shah |
| • Executive Director & CEO | Mr. Purab Shah |
| • Chief Financial Officer (w.e.f. 14th August, 2018) | Mr. Vaize Ahmed Kampli |
| • Company Secretary & Compliance Officer | Ms. Seema Gangawat |

(IV) Relative of KMP of the Company

- Ms. Khyati Kaji


B. Transactions (In Aggregate) with Related Parties

(₹ in Lakhs)

Sr. No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	Remuneration to Directors / KMP*		
i .	Mr. Purab Shah	32.24	30.29
ii.	Mr. V. Shashidharan (Resigned w.e.f. 1st May, 2017)	-	6.71
iii.	Ms. Seema Gangawat	11.78	10.74
iv.	Mr. Vaize Ahmed Kampli	13.30	10.22
	* Excluding provision for Gratuity and Contribution for Provident Fund.		
	Total	57.32	57.96
	Transaction with Relatives of KMP		
i .	Ms. Khyati Kaji (Car Hire Charges)	1.86	-
	Total	1.86	-
	Sitting Fees paid to Directors		
i	Mr. Manoj Ganatra	3.10	2.85
ii.	Mr. Shekhaar Shetty	3.00	2.70
iii.	Mr. Sunil Shah	3.10	2.85
iv	Mrs. Neeta Shah	1.50	1.40
v.	Mrs. Hina Shah	0.30	-
	Total	11.00	9.80

Note:

During the year, there are no transactions with related parties other than those mentioned herein above.

Note 38
Financial Risk Management and Policies
A. Capital Management

For the purpose of the Company's Capital Management, Capital includes issued Equity Share Capital and all Other Reserves attributable to the Equity shareholders of the Company. The Primary objective of the Company's Capital Management is to maximise the shareholder's value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value. The Company is monitoring Capital using debt equity ratio as its base, which is debt to equity. The Company monitors capital using debt-equity ratio, which is total debt divided by total equity.

Debt Equity Ratio - Total Debt divided by Total Equity

Particulars	As at March 31, 2019	As at March 31, 2018
Total Debt (₹ in Lakhs)	0.00	119.35
Total Equity (₹ in Lakhs)	4,341.86	4,690.88
Debt Equity Ratio	0.00	0.03

B. Financial Risk Management and Policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations in selected instances. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The company is exposed to market risk, credit risk, liquidity risk etc. The objective of the Company's financing policy are to secure solvency, limit financial risks and

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optimise the cost of capital. The Company's capital structure is managed using equity and debt ratios as part of the Company's financial planning.

a. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments. The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The above mentioned risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below:

i. Foreign Currency Risk:

The company is subject to the risk that changes in foreign currency values impact the company export and import.

The company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro.

The company manages currency exposures within prescribed limits, through use of derivative instruments such as Options, Futures and Forward contracts etc. Foreign currency transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point of time.

(₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Amount in Foreign Currency	Amount in ₹	Amount in Foreign Currency	Amount in ₹
USD Exposure				
Receivable	\$ 15,16,857	1,049.23	\$ 5,61,261	365.07
Payable	\$ 5,07,062	352.51	\$ 8,57,516	557.76
Netoff (Receivable & Payable)	\$ 10,09,795	696.72	\$ (2,96,255)	(192.69)
Derivatives to hedge USD Exposure				
Options Contract - USD/INR	\$ 5,07,062	352.51	\$ 7,46,000	485.20
Net Exposure	\$ 15,16,857	1,049.23	\$ 4,49,745	292.51

ii. Foreign Currency Sensitivity:

The following table demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with all other variables held constant 5% increase or decrease in foreign exchange rate will have the following impact on profit before tax.

(₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	5% Increase	5% Decrease	5% Increase	5% Decrease
If INR has (Strengthened)/Weakened against USD				
Net Impact on Profit and Loss	34.84	(34.84)	(9.63)	9.63
Net Impact on Equity	25.78	(25.78)	(6.45)	6.45

iii. Forward foreign exchange contracts/ Options

It is the policy of the Company to enter into forward foreign exchange contracts/Options to cover foreign currency payments in USD. The Company enters into contracts with terms upto 90 days. The Company's philosophy does not permit any speculative calls on the currency. It is driven by conservatism which guides that company follow conventional wisdom by use of Forward contracts in respect of Trade transactions.



The Company will alter its hedge strategy in relation to the prevailing regulatory framework and guidelines that may be issued by RBI, FEDAI or ISDA or other regulatory bodies from time to time. Based on the outstanding details of import payable and exports receivable (on event basis) the net trade exposure is arrived at (i.e. Imports - Exports = Net trade exposures).

Forward cover or options covers is obtained from Banks or Merchant House for each of the aggregated exposures and the Trade deal is booked. The forward cover deals are all backed by actual trade underlines and settlement of these contracts on maturity are by actual delivery of the hedged currency for settling the underline hedged trade transaction.

The open import contract as on 31st March, 2019 for USD 5,07,062/- was covered with buy exchange rate ₹ 69.52/- per dollar.

b. Credit Risk

Credit risk is the risk that counter party will not meet its obligation leading to a financial loss. The Company is exposed to credit risk arising from its operating activities primarily from trade receivables, financing activities and relating to parking of surplus funds as Deposits with Banks. The Company considers probability of default upon initial recognition of assets and where there has been a significant increase in credit risk and on an ongoing basis throughout the reporting period..

The carrying amount of Financial Assets represents the maximum credit exposure:

Financial Instruments and Cash Deposit:

Credit risk from balances with Banks and Financial Institutions is managed by the Company's finance department. Investments of surplus funds are made only with approved counter parties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and thereby mitigate financial loss through counterparty's potential failure to make payments.

Trade Receivables

The Marketing department has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed periodically. Trade Receivables of the Company are typically unsecured, except export receivable which is covered through ECGC and to the extent of the security deposits/advances received from the customers or financial guarantees provided by the market organizers in the business. Credit risk is managed through credit approvals and periodic monitoring of the credit worthiness of customers to whom credit terms in the normal course of business are provided. The allowance for impairment of Trade receivables is created to the extent and as and when required, based on the actual collectability of accounts Receivables. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The Company measures the expected credit loss of trade receivables and loans from customers based on historical trend, industry practises and the business environment in which the entity operates. Loss rates are based on actual credit loss exposure and past trends.

c. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The company maintains a cautious liquidity strategy, with a positive cash balance throughout the year. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

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The below table provides details regarding the remaining contractual maturities of Company's financial liabilities:**(₹ in Lakhs)**

Particulars	Less than 1 Year	1 to 5 years	More than 5 years	Total
As at March 31, 2019				
Non-derivative financial liabilities				
Borrowings	840.49	-	-	840.49
Trade Payables	2,362.87	-	-	2,362.87
Unpaid dividend	5.66	-	-	5.66
Other payables	182.02	-	-	182.02
	3,391.03	-	-	3,391.03
Derivative financial liabilities				
Options	-	-	-	-
	-	-	-	-
As at March 31, 2018				
Non-derivative financial liabilities				
Borrowings	912.08	119.35	-	1,031.43
Trade Payables	1,566.11	-	-	1,566.11
Unclaimed dividend	4.05	-	-	4.05
Other payables	133.38	-	-	133.38
	2,615.61	119.35	-	2,734.96
Derivative financial liabilities				
Options	1.27	-	-	1.27
	1.27	-	-	1.27



Note 39

Information on Segment Reporting as per Ind AS 108 on "Operating Segments"

- i) Operating Segments are those components of business whose operating results are regularly reviewed by the Chief Operating Decision making body in the Company to make decisions for performance assessment and resource allocation.
- ii) The Company has two operating Segments i.e. Organic Chemicals and Traded Goods. Thus the segment revenue, segment results, total carrying value of segment assets and segment liabilities and total amount of charge of depreciation during the year are all reflected in the financial statements as at and for the year ended March 31, 2019 and March 31, 2018.

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
[A] Segment Revenue		
a) Own Manufactured		
Organic Chemicals		
Revenue from Operations	16,110.35	15,101.94
Other Income	135.49	163.08
Total	16,245.84	15,265.02
b) Traded Goods		
Revenue from Operations	932.60	829.29
Other Income	26.33	291.15
Total	958.94	1,120.44
Net Sales/Income from Operations	17,204.78	16,385.46
[B] Segment Results		
Profit/(Loss) before Interest, Exceptional items and tax from each segment		
a) Own Manufactured		
Organic Chemicals		
(Loss)/Profit- Operations	(140.92)	267.16
Other Income	135.49	163.08
Total	(5.42)	430.23
b) Traded Goods		
(Loss)/Profit - Trading	(188.32)	(94.01)
Other Income	26.33	291.15
Total	(161.99)	197.14
Total (a + b)	(167.41)	627.38
Less :		
(i) Interest (Finance Cost)	113.68	97.94
(Loss)/Profit Before Tax	(281.10)	529.44
Current Tax	(94.71)	(200.00)
Deferred Tax	78.61	25.28
Total Tax Expense	(16.09)	(174.72)
(Loss)/Profit After Tax	(297.19)	354.72

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(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
[C] Capital Employed		
Other Information :		
Segment Assets		
a) Organic Chemicals	7,138.20	7,030.50
b) Traded Goods	3,524.83	3,653.50
Total	10,663.03	10,684.00
Segment Liabilities		
a) Organic Chemicals	3,215.18	3,198.57
b) Traded Goods	3,105.99	2,794.55
Total	6,321.17	5,993.12
(Segment Assets -Segment Liabilities)		
a) Organic Chemicals	3,923.02	3,831.93
b) Traded Goods	418.84	858.95
Total	4,341.86	4,690.88
Depreciation during the year		
a) Organic Chemicals	116.10	110.36
b) Traded Goods	0.94	1.52

iii) The Company has one customer who contributed more than 10% of the company's total revenue during the current and previous year.

iv) The Company does not have reportable segment, i.e Geographical Segement in terms of Ind AS 108 on "Operating Segments".

(₹ in Lakhs)

Particulars	India		Rest of The World		Total	
	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018
Segment Revenue	14,169.71	12,855.30	3,035.06	3,530.16	17,204.78	16,385.46
Carrying Cost of Segment Assets	10,663.03	10,684.00	-	-	10,663.03	10,684.00
Net Addition to Fixed Assets and Intangible Assets	69.59	134.90	-	-	69.59	134.90

Note 40

Employee Benefits

The Company has classified various employee benefits as under:

A. Defined Contribution Plans

- a. Provident Fund
- b. State Defined Contribution Plans
- i. Employers Contribution to Employees Pension Scheme 1995

The Provident Fund is operated by the Regional Provident Fund Commissioner and is administered by the LIC of India as applicable for all eligible employees. Under the schemes, the Company is required to contribute a specified percentage of payroll costs to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.



The Company has recognised the following amounts in the Statement of Profit and Loss:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
a. Contribution to Provident Fund	6.06	5.49
b. Contribution to Employees' Pension Scheme	13.63	12.47
Total	19.69	17.96

B. Defined Benefit Plans

a. Gratuity

The Company operates a gratuity plan covering qualifying employees. Under the gratuity plan, the eligible employees are entitled to post retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58, subject to a payment ceiling of ₹ 20 lakhs. The benefit vests upon completion of five years of continuous service as per "The Payment of Gratuity Act" and once vested it is payable to the employee on retirement or on termination of employment. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

Gratuity is defined benefit plan and Company is exposed to following Risks:

Investment risk - The funds are invested by LIC and they provide returns basis the prevalent bond yields, LIC on an annual basis requests for contributions to the fund, while the contribution requested may not be on the same interest rate as the bond yields provided, basis the past experience it is low risk.

Interest Risk - LIC does not provide market value of assets, rather maintains a running statement with interest rates declared annually - The fall in interest rate is not therefore offset by increase in value of Bonds, hence may pose a risk.

Mortality Risk - Since the benefits under the plan is not payable for the life time and payable till retirement age only, plan does not have any longevity risk.

Salary risk - The liability is calculated taking into account the salary increases, basis past experience of the Company's actual salary increases with the assumptions used, they are in line, hence this risk is low risk.

Gratuity Valuation

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

Particulars	Valuations as at	
	March 31, 2019	March 31, 2018
i . Discount Rate (per annum)	7.64%	7.67%
ii. Rate of Increase in Compensation Levels (per annum)	4.00%	4.00%
iii. Mortality Rate During The Employment	Indian Assured Lives Mortality (2006-08)	
iv. Actuarial Valuation Method	Projected Unit Credit Method	
v. Attrition Rate	Upto Age 45: 2%	Upto Age 45: 2%
	46 and above: 1%	46 and above: 1%
vi. Retirement Age	60 Years	60 Years

vii. The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

viii. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

ix. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

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(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
	Gratuity Funded	Gratuity Funded
I. Changes in Present Value of Obligation		
Present value of defined benefit obligation at the beginning of the year	56.10	48.40
Current Service Cost	7.30	6.67
Interest Cost	4.30	3.53
Actuarial (Gains)/Loss		
Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
Actuarial (gains)/ losses arising from changes in financial assumption	0.19	(1.63)
Actuarial (gains)/ losses arising from changes in experience adjustment	(5.24)	0.44
Past Service cost - Vested Benefits	-	-
Benefits Paid	-	(1.31)
Present value of defined benefit obligation at the end of the year	62.65	56.10
ii. Fair Value of Plan Assets		
Fair value of plan assets at the beginning of the year	41.23	33.56
Interest Income	3.93	2.66
Return on Plan Assets excl. interest income	(0.25)	0.27
Adjustment to Opening Fair Value of Plan Asset	-	0.03
Employer's Contributions	20.07	6.02
Benefits Paid	-	(1.31)
Fair value of plan assets at the end of the year	64.98	41.23
iii. Amount to be recognised in the B/S and Statement of P & L Account		
PVO at end of period	62.65	56.10
Fair Value of Plan Assets at end of period	64.98	41.23
Funded Status	2.33	(14.87)
Net Assets/(Liability) recognised in the Balance Sheet	2.33	(14.87)
iv. Net Benefit (Asset) /Liability		
Defined benefit obligation at beginning of period	56.10	48.40
Fair value of plan assets at beginning of period	41.23	33.56
Net Benefit Asset /(Liability)	(14.87)	(14.84)
v. Net Interest Cost for Current Period		
Interest Cost	4.30	3.53
(Interest Income)	3.93	(2.66)
Net Interest Cost for Current Period	8.23	0.87
vi. Return on plan assets		
Actual Return on plan assets	3.68	2.93
Interest income included in above	3.93	2.66
Return on plan assets excluding interest income	(0.25)	0.27
vii. Expenses recognised in the Statement of Profit and Loss		
Current Service Cost	7.30	6.67
Interest cost on benefit obligation (net)	0.37	0.87
Total Expenses recognised in the Statement of Profit and Loss	7.68	7.54
viii. Remeasurement Effects Recognised in Other Comprehensive Income for the year		
Actuarial (gains)/ losses arising from changes in demographic assumption		-
Actuarial (gains)/ losses arising from changes in financial assumption	0.19	(1.63)
Actuarial (gains)/ losses arising from changes in experience adjustment	(5.24)	0.44
Return on plan asset	0.25	(0.27)
Recognised in Other Comprehensive Income	(4.80)	(1.46)



(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
	Gratuity Funded	Gratuity Funded
ix. Movements in the Liability recognised in Balance Sheet		
Opening Net Liability	14.87	14.84
Adjustment to opening balance	-	(0.03)
Expenses as above	7.68	7.54
Contribution paid	(20.07)	(6.02)
Other Comperhensive Income (OCI)	(4.80)	(1.46)
Closing Net Liability	(2.33)	14.87
x. Cash flow Projection: From the Fund		
Within the next 12 months (next annual reporting period)	1.77	1.51
2nd following year	1.94	3.15
3rd following year	2.13	4.54
4th following year	4.41	6.10
5th following year	6.49	7.74
Sum of Years 6 To 10	51.42	57.10
xi. Sensitivity Analysis		
"Projected Benefit Obligation on Current Assumptions"		
Delta Effect of +1% Change in Rate of Discounting	56.84	50.59
Delta Effect of -1% Change in Rate of Discounting	69.33	62.46
Delta Effect of +1% Change in Rate of Salary Increase	69.51	62.56
Delta Effect of -1% Change in Rate of Salary Increase	56.60	50.42

Note on Sensitivity Analysis

- Sensitivity analysis for each significant actuarial assumptions of the Company which are discount rate and salary assumptions as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes is called out in the table above.
- In presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.
- There is no change in the method from the previous period and the points /percentage by which the assumptions are stressed are same to that in the previous year.

b. Privilege Leave Encashment (Unfunded)

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation at the rate of last drawn daily salary, as per current accumulation of leave days.

Note 41

Corporate Social Responsibility (CSR)

- Amount required to be spent by the Company during the year, ₹ 18.81 Lakhs
- Amount spent during the year,

(₹ in Lakhs)

Sr. No.	Particulars	Amount Paid	Amount Yet to be Paid	Total
i.	Construction/acquisition of any asset	-	-	-
ii.	On purposes other than (i) above	18.81	-	18.81

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Note 42

Financial Instruments

The fair values of the financial assets and liabilities are defined as 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.

Valuation

All financial instruments are initially recognised & subsequently re-measured at fair value as described below

- The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.
- The fair value of over the counter Foreign Currency Options contracts is determined using the mark-to-market from Bank.
- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Fair Value measurement hierarchy

The fair value of financial instruments as referred below have been classified into three categories depending on the inputs used in the valuation technique.

The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

The carrying amounts and fair values of financial instruments by class are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2019				As at March 31, 2018			
	Carrying Amounts	Fair Value			Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
Measured at Amortised Cost								
Loans	310.00	-	-	-	284.42	-	-	-
Trade Receivable	2,874.95	-	-	-	2,382.24	-	-	-
Cash and Bank Balance	244.27	-	-	-	759.67	-	-	-
Other Financial Assets	147.41	-	-	-	125.22	-	-	-
	3,576.62	-	-	-	3,551.56	-	-	-
Measured at Fair Value Through Profit and Loss								
Investment in Equity Shares	-	-	-	-	-	-	-	-
Total Financial Assets	3,576.62	-	-	-	3,551.56	-	-	-
Financial Liabilities								
Measured at Amortised Cost								
Borrowing	840.49	-	-	-	1,031.43	-	-	-
Trade Payables	2,362.87	-	-	-	1,566.11	-	-	-
Other Financial Liabilities	187.67	-	-	-	137.42	-	-	-
	3,391.03	-	-	-	2,734.96	-	-	-
Measured at Fair Value Through Profit and Loss								
Derivative financial instruments	-	-	-	-	1.27	-	1.27	-
Total Financial Liabilities	3,391.03	-	-	-	2,736.23	-	1.27	-



Note 43 (a)
Production, Stocks and Sales : (As Certified by the Management)

CHEMICAL DIVISION (Segment I)

(₹ in Lakhs)

Sr No	Products	Opening Stock	Production/ Purchase	Sales	Closing Stock
I	Glacial Acetic Acid	-	8.59	8.59	-
		-	(3.64)	(3.64)	-
II	Ethyl Acetate	372.81	12,936.92	12,919.45	390.27
		(366.52)	(11,694.77)	(11,688.48)	(372.81)
III	Acetaldehyde	20.65	3,194.26	3,181.27	33.64
		(13.16)	(3,340.53)	(3,333.04)	(20.65)
IV	Others	46.32	4.11	1.04	49.39
		(55.51)	(67.59)	(76.78)	(46.32)
Total (I)		439.78	16,143.87	16,110.35	473.31
		(435.19)	(15,106.53)	(15,101.94)	(439.78)

GLOBAL TRADING DIVISION (Segment II)

(₹ in Lakhs)

Sr No	Products	Opening Stock	Production/ Purchase	Sales	Closing Stock
I	Minerals	346.02	586.58	932.60	-
		(469.88)	(646.51)	(829.29)	(346.02)
Total (II)		346.02	586.58	932.60	-
		(469.88)	(646.51)	(829.29)	(346.02)
Grand Total (I+II)		785.80	16,730.46	17,042.95	473.31
		(905.07)	(15,753.04)	(15,931.23)	(785.80)

Notes :

- (i) Figures in brackets are in respect of the previous year.
(ii) Loss/ Gain of goods and captive consumption during the year are adjusted in sales quantity.

43 (b) Analysis of Raw Materials consumed for manufacturing activities:

(₹ in Lakhs)

Particulars	2018-19	2017-18
Alcohol	6,945.35	6,877.79
Glacial Acetic Acid	6,203.66	4,504.34
Total	13,149.01	11,382.13

Note : Values are inclusive of incidental expenses like transport, freight etc.

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Note 44**Value of Raw Materials, Stores & Packaging Materials consumed:**

Particulars	2018-19		2017-18	
	% of Total Consumption	₹ In Lakhs	% of Total Consumption	₹ In Lakhs
Imported	58.78%	7,952.10	42.02%	4,934.74
Indigenous	41.22%	5,576.83	57.98%	6,807.90
Total	100.00%	13,528.93	100.00%	11,742.64

Note 45**CIF Value of Imports :**

(₹ in Lakhs)

Particulars	2018-19	2017-18
Value of Imports - Chemical Division	7,952.10	4,934.74
Value of Imports - Trading Division	193.12	497.52
Total	8,145.22	5,432.26

Note 46**Expenditure in Foreign Currency:**

(₹ in Lakhs)

Particulars	2018-19	2017-18
Travelling	0.74	2.32
Freight & Demurrage	3.78	-
Commission Paid	1.89	1.95
Others	2.02	-
Total	8.43	4.27

Note 47**FOB Value of Exports :**

(₹ in Lakhs)

Particulars	2018-19	2017-18
Sale of Goods	2,588.82	2,567.50

Note 48

Balances for Trade Payables, Trade Receivables, Loans and Advances are subject to confirmations from the respective parties and reconciliations, if any, in many cases. In absence of such confirmations, the balances as per books have been relied upon by the auditors.

As per our report of even date
For **RA MARU & ASSOCIATES**
Chartered Accountants
Firm Registration No. 141914W

Sd/-
R A Maru
Proprietor
Membership No. 166417

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board of Directors

Sd/-
Purab Shah
Executive Director & CEO
DIN : 07490952

Sd/-
Vaize Ahmed Kampli
Chief Financial Officer

Sd/-
Sunil K Shah
Director
DIN : 03567415

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer

Consolidated Independent Auditor's Report

To
The Members of
Ashok Alco-Chem Limited

Report on Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **ASHOK ALCO-CHEM LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the group"), which comprise the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the Consolidated significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and other financial information of the subsidiary, 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 Standards prescribed u/s. 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2019, the consolidated loss and other comprehensive income, consolidated statement 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 (SAs) specified under section 143(10) of the Act. 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 ethical 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 judgement, 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.

Key Audit Matters	How the matter was addressed in our audit
Recoverability of Indirect Tax Receivables Current assets as on March 31, 2019 in respect of Indirect Taxes comprising of Sales Tax, VAT & GST amounting to ₹ 6.52 Crores are recoverable pending action by the department.	Our audit procedures includes verification of various assessment & appellate orders, returns filed, communications with the department and other related documents.

Other Information

The Holding Company's management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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.

If based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the group in accordance with the Ind AS specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India. The respective Board of Directors of the Companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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, the respective management and Board of Directors of the companies included in the group are 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 group 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 are also responsible for overseeing the company's financial reporting process of the group.

Auditor's Responsibilities 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 judgement and maintain professional scepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances under section 143(3)(1) of the Act. We are also responsible for expressing our opinion on whether the Holding 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 ability of the group 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 group 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 such entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditor such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements of which we are the independent auditors 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 compiled 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 are 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 statement/financial information of subsidiary, whose financial statement/financial information reflect total assets of ₹ 269.06 lacs as at 31st March, 2019, total revenues of ₹ 112.95 lakhs and net cash outflows amounting to ₹ 59.46 lacs for the year ended on that date, as considered in the consolidated financial statements. The financial statement/financial information are 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 this subsidiary, is based solely on reports of such other auditor. Our opinion on the consolidated financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the financial statements and other financial information certified by the management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, joint ventures and associates, as noted in the 'other matters' paragraph, 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 for preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of the other auditors.
- c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including Statement of Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company, none of the directors of the group's companies is disqualified as on 31st March, 2019 from being appointed as a director in terms of section 164 (2) of the Act.
- f) With respect to the adequacy & operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its Subsidiary of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- g) In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary company incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary company incorporated in India is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
- 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 as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary as noted in the 'Other Matter' paragraph:
 - i) The consolidated financial statements disclosed the impact of pending litigations on its consolidated financial position of the group. (Refer Note 32 to the consolidated financial statements)
 - ii) The group has made provision 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 Funds by the Holding Company, its subsidiary incorporated in India during the year ended 31st March, 2019.

**For R A Maru & Associates
Chartered Accountants
FRN: 141914W**

**Sd/-
Rumeet Anil Maru
Proprietor
M No: 166417**

**Place: Mumbai
Date: 29.05.2019**

**"Annexure - A" TO THE INDEPENDENT AUDITORS' REPORT
on Consolidated Financial Statements of ASHOK ALCO-CHEM LIMITED**

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

In conjunction with our audit of consolidated financial statements of the company as of and for the year ended 31st March, 2019, we have audited the internal financial controls over financial reporting of **ASHOK ALCO-CHEM LIMITED** ("the Holding Company") and its subsidiary (the holding company and its subsidiary together referred to as "the Group") for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors and its subsidiary which are incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements 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 with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 obtained by us and 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 Group's internal financial controls system over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements 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 authorization's of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements 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, to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors as referred to in the Other Matters paragraph the Holding Company and its Subsidiary have in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by these entities 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 the financial reporting in so far as it relates to subsidiary company, which is the Company incorporated in India, is based on the corresponding reports of the auditors of such Company incorporated in India.

For RA Maru & Associates
Chartered Accountants
FRN: 141914W

Sd/-
Rumeet Anil Maru
(Proprietor)
M. No. 166417

Place: Mumbai
Date: 29.05.2019

ASHOK ALCO-CHEM LIMITED

Annual Report 2018-2019

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I	ASSETS			
1	Non Current Assets			
	(a) Property, Plant & Equipment	3A	1,458.39	1,523.11
	(b) Capital Work in Progress		5.99	5.41
	(c) Other Intangible Assets	3B	0.07	0.17
	(d) Intangible Assets Under Development		18.66	-
	(e) Financial Assets			
	(i) Other Financial Assets	4	78.68	78.83
	(f) Deferred Tax Assets (Net)	5	9.69	-
	Total Non Current Assets		1,571.48	1,607.52
2	Current Assets			
	(a) Inventories	6	1,915.56	2,400.63
	(b) Financial Assets			
	(i) Trade Receivables	7	3,071.20	2,757.72
	(ii) Cash and Cash Equivalents	8	128.75	680.99
	(iii) Bank Balances other than (ii) above	9	155.94	178.57
	(iv) Loans	10	310.00	284.42
	(v) Other Financial Assets	11	68.73	51.18
	(c) Current Tax Assets	12	1,583.80	1,642.87
	(d) Other Current Assets	13	2,053.53	1,534.70
	Total Current Assets		9,287.51	9,531.08
	TOTAL ASSETS (1 TO 2)		10,858.99	11,138.60
II	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital	14	460.03	460.03
	(b) Other Equity	15	4,072.40	4,413.13
	Total Equity		4,532.43	4,873.16
2	Liabilities			
	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	-	119.35
	(b) Provisions	17	62.86	59.19
	(c) Deferred Tax Liabilities (Net)	18	-	69.36
	Total Non Current Liabilities		62.86	247.90
3	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	19	840.49	912.08
	(ii) Trade Payables	20	2,363.97	1,810.38
	(iii) Other Financial Liabilities	21	190.75	138.69
	(b) Other Current Liabilities	22	1,214.02	1,353.98
	(c) Provisions	23	10.16	24.65
	(d) Current Tax Liabilities	24	1,644.31	1,777.76
	Total Current Liabilities		6,263.70	6,017.54
	Total Liabilities (2 to 3)		6,326.56	6,265.44
	TOTAL EQUITY AND LIABILITIES (1 TO 3)		10,858.99	11,138.60

See accompanying notes forming part of the financial statements

1 to 45

As per our report of even date
For **RA MARU & ASSOCIATES**
Chartered Accountants
Firm Registration No. 141914W

For and on behalf of the Board of Directors

Sd/-
R A Maru
Proprietor
Membership No. 166417

Sd/-
Purab Shah
Executive Director & CEO
DIN : 07490952

Sd/-
Sunil K Shah
Director
DIN : 03567415

Place : Mumbai
Date : May 29, 2019

Sd/-
Vaize Ahmed Kampli
Chief Financial Officer

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lakhs except EPS)

Sr. No.	Particulars	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
I	INCOME			
1	Revenue from Operations	25	17,155.90	16,074.39
2	Other Income	26	163.01	451.56
	Total Income (1 to 2)		17,318.91	16,525.95
II	EXPENSES			
1	Cost of Materials Consumed	27	13,151.91	11,481.28
2	Purchases of Stock in Trade		698.27	694.77
3	Changes in Inventories	28	311.63	119.78
4	Excise Duty Expense		-	353.17
5	Employee Benefits Expense	29	658.45	638.86
6	Finance Costs	30	147.83	205.46
7	Depreciation and Amortization		118.40	113.93
8	Other Expenses	31	2,508.06	2,454.05
	TOTAL EXPENSES (1 to 8)		17,594.55	16,061.30
III	Total (Loss)/Profit Before Exceptional Items and Tax (I - II)		(275.64)	464.65
IV	Exceptional Items		-	-
V	(Loss)/Profit Before Tax (III - IV)		(275.64)	464.65
VI	Tax Expenses			
	Tax Expense - Current Years		0.25	(200.00)
	Tax Expense - Earlier Years		(92.56)	(0.14)
	Deferred Tax		79.05	25.07
	Total Tax Expenses		(13.26)	(175.07)
VII	(Loss)/Profit For The Year (V - VI)		(288.90)	289.58
VIII	Other Comprehensive Income			
	A. Items that will not be reclassified subsequently to profit or loss			
	i. Remeasurement gain/(loss) on the Defined Benefit Plans		4.80	1.46
	ii. Income tax on (i) above		(1.25)	(0.51)
	B. Items that will be reclassified subsequently to profit or loss		-	-
	Total Other Comprehensive Income		3.55	0.95
	Total Comprehensive Income For The Year (VII to VIII)		(285.35)	290.53
IX	Earnings per equity share:			
	Basic and Diluted		(6.28)	6.29
	(Face Value ₹ 10 each)			

See accompanying notes forming part of the financial statements

1 to 45

As per our report of even date
For RA MARU & ASSOCIATES
Chartered Accountants
Firm Registration No. 141914W

For and on behalf of the Board of Directors

Sd/-
RA Maru
Proprietor
Membership No. 166417

Sd/-
Purab Shah
Executive Director & CEO
DIN : 07490952

Sd/-
Sunil K Shah
Director
DIN : 03567415

Place : Mumbai
Date : May 29, 2019

Sd/-
Vaize Ahmed Kampli
Chief Financial Officer

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer

ASHOK ALCO-CHEM LIMITED

Annual Report 2018-2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lakhs)

Sr. No.	Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit (Loss) Before Tax		(275.64)		464.65
	Adjustments for:				
	Depreciation	118.40		113.93	
	Foreign Exchange (Gain) / Loss	(32.41)		(8.41)	
	Sundry Balance w/off/ (w/back)	(8.60)		249.56	
	Interest & Finance Charges	147.83		205.46	
	Interest Received	(72.62)	152.61	(110.39)	450.15
	Operating Profit Before Working Capital Changes		(123.03)		914.79
	Adjustments for changes in working capital				
	Decrease/(Increase) in Receivables	(313.49)		879.06	
	Decrease/(Increase) in Loans	(25.58)		(6.65)	
	Decrease/(Increase) Other Current Financial assets	(17.55)		46.60	
	Decrease/(Increase) Other Non Current Financial Assets	0.15		(146.39)	
	Decrease/(Increase) in Inventories	485.07		(239.80)	
	Decrease/(Increase) Other Current Assets	(518.83)		1,447.34	
	Increase/(Decrease) in Payables	553.60		(1,822.12)	
	Increase/(Decrease) in Other Current Liabilities	(139.96)		1,034.13	
	Increase/(Decrease) in Other Financial Liabilities	52.06		(1,048.00)	
	Increase/(Decrease) in Provision	(14.48)		1.19	
	Increase/(Decrease) in Long term Provision	3.67		(4.56)	
	Foreign Exchange (Gain) / Loss	32.41		8.41	
	Sundry Balance w/off/ (w/back)	8.60	105.66	(249.56)	(100.35)
	Cash generated from operations		(17.37)		814.45
	Income Tax Paid		(203.09)		(150.39)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)		(220.46)		664.06
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of Fixed Assets	(88.25)		(82.98)	
	Sale/Adjustments of Fixed Assets	-		0.45	
	Decrease/(Increase) in Investments	-	(88.25)	-	(82.53)
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)		(88.25)		(82.53)
C	CASH FLOW FROM FINANCING ACTIVITIES				
	(Repayment) of Short Term Borrowings	(71.59)		67.26	
	(Repayment) of Long Term Borrowings	(119.35)		-	
	Interest Received	72.62		110.39	
	Interest paid	(147.83)	(266.15)	(205.46)	(27.80)
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)		(266.15)		(27.80)
	NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)		(574.86)		553.73
	Cash and Cash equivalents as at 01.04.18		859.56		305.83
	Cash and Cash equivalents as at 31.03.19		284.69		859.56
	Cash & Cash Equivalents		As at 31/03/19		As at 31/03/18
	Cash in Hand		1.39		2.95
	Cash at Bank		283.30		856.61
	Cash & Cash Equivalents as Stated		284.69		859.56



Note 1

Disclosure in terms of amendment to Ind AS 7 on "Statement of Cash Flows" to evaluate changes in Liabilities arising from financial activities:

Effective April 1, 2017, the Company adopted the amendment to Ind As 7, which require the entities to provide disclosures that enable users of Financial Statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flow and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheets for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the Financial Statements.

(₹ in Lakhs)

Changes in liabilities arising from financing activities	As at March 31, 2018	Cash Flow	Non Cash Changes	As at March 31, 2019
Borrowing Non Current	119.35	(119.35)	-	-
Borrowing Current	912.08	(71.59)	-	840.49
Total	1,031.43	(190.94)	-	840.49

Note 2

Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

Note 3

Figures in brackets represent outflows / deductions.

See accompanying notes forming part of the financial statements

1 to 45

As per our report of even date
For **RA MARU & ASSOCIATES**
Chartered Accountants
Firm Registration No. 141914W

Sd/-
RA Maru
Proprietor
Membership No. 166417

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board of Directors

Sd/-
Purab Shah
Executive Director & CEO
DIN : 07490952

Sd/-
Vaize Ahmed Kampli
Chief Financial Officer

Sd/-
Sunil K Shah
Director
DIN : 03567415

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer

ASHOK ALCO-CHEM LIMITED

Annual Report 2018-2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019**A. Equity Share Capital****(₹ in Lakhs)**

Particulars	Amount
Balance as at March 31, 2018	460.03
Changes in Equity Share Capital during the year 2018-19	-
Balance as at March 31, 2019	460.03

B. Other Equity**(₹ in Lakhs)**

Particulars	Reserves & Surplus			
	Securities Premium	General Reserve	Retained Earnings	Total
Balance as at April 1, 2017	783.79	1,050.00	2,379.55	4,213.34
Profit / (Loss) for the period	-	-	289.58	289.58
Other Comprehensive Income	-	-	0.95	0.95
Reserve for Doubtful Debts	-	-	(52.11)	(52.11)
Deferred Tax Impact on OCI	-	-	(0.30)	(0.30)
Dividend Paid (Includes Dividend Distribution Tax)	-	-	(55.37)	(55.37)
Ind AS Other adjustments	-	-	16.74	16.74
Transfer (to) / from Retained Earnings	-	50.00	(50.00)	-
Balance as at March 31, 2018	783.79	1,100.00	2,529.06	4,413.13
Profit / (Loss) for the period	-	-	(288.90)	(288.90)
Other Comprehensive Income	-	-	3.55	3.55
Dividend Paid (Includes Dividend Distribution Tax)	-	-	(55.37)	(55.37)
Balances as at March 31, 2019	783.79	1,100.00	2,188.34	4,072.40

See accompanying notes forming part of the financial statements

1 to 45

As per our report of even date
For RA MARU & ASSOCIATES
Chartered Accountants
Firm Registration No. 141914W

Sd/-
RA Maru
Proprietor
Membership No. 166417

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board of Directors

Sd/-
Purab Shah
Executive Director & CEO
DIN : 07490952

Sd/-
Vaize Ahmed Kampli
Chief Financial Officer

Sd/-
Sunil K Shah
Director
DIN : 03567415

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer



Notes Forming Part of The Consolidated Financial Statements And Other Explanatory Information's For the Year Ended March 31, 2019

Note 1

Corporate Information

Ashok Alco-Chem Limited ("the Company" or "the Holding Company") is a public limited Company incorporated and domiciled in India and has Registered Office at 104, Venkatesh Chambers, 1st Floor, Ghanshyam Talwatkar Marg, Fort, Mumbai 400 001. The Equity shares of the company are listed on Bombay Stock Exchange Limited (BSE).

The Company and its wholly owned subsidiary (jointly referred to as the "Group" herein under) are engaged interalia, in the business of Manufacturing of Chemicals and Trading in Minerals.

The consolidated financial statements for the year ended March 31, 2019 are approved for issue by the Company's Board of Directors on May 29, 2019.

Note 2

Significant Accounting Policies

A Basis of Consolidation

These Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Companies Act, 2013

The financial statements of the Company and its Subsidiary ("the Group") have been consolidated on a line-by-line basis by adding together the book value of items like assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses.

The accounting policies of subsidiary have been harmonised to ensure the consistency with the policies adopted by the Holding Company. The consolidated financial statements have been presented to the extent possible, in the same manner as Holding Company's separate financial statements.

The difference between cost of investment in Subsidiary Company and Holding Company's share of Net Assets at the time of acquisition of shares in Subsidiary is recognised in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be.

Sr. No.	Name of the Company	Country of Incorporation	Parent's holding as at March 31, 2019	Parent's holding as at March 31, 2018	Financial Year ends
i.	Ashwa Minerals Private Limited	India	100.00%	100.00%	March 31

B Basis of Preparation

These Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amended Rules, 2016.

These consolidated financial Statements are prepared on an accrual basis under the historical cost convention or amortised cost, except for the following assets and liabilities:

- i. Certain financial assets and liabilities that are measured at fair value.
- ii. Employee's Defined Benefit Plan measured as per independent actuarial valuation.
- iii. Share-based payments that are measured at fair value.

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency and all amounts are rounded off to the nearest lacs (INR '00,000) up to two decimals, except when otherwise indicated.

Classification of Assets and Liabilities into Current/Non-current:

The Group presents assets and liabilities in the Consolidated Balance Sheet based on Current / Non-current classification.

An asset is classified as Current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non-current.

A liability is classified as Current when:

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

All other liabilities are classified as Non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Deferred Tax Assets and Liabilities are classified as Non-current assets and liabilities.

2 Operating cycle for current and 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 as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.1 Property, Plant and Equipment (PPE)

- PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE (other than Freehold land and Capital Work-in-progress) are stated at cost less accumulated depreciation and impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any. Cost includes qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.
- If significant parts of an item of PPE have different useful lives, then those are accounted as separate items (major components) of PPE.
- Material items such as spare parts, stand-by equipment and service equipment are classified as and when they meet the definition of PPE, as specified in Ind AS 16 on "Property, Plant and Equipment".
- The carrying amount of an item of PPE is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit and Loss.

Capital Work-In-Progress

Property, plant and equipment which are not ready for intended use on the date of balance sheet are disclosed as capital work-in-progress. It is carried at cost, such properties are classified and capitalised to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, will be provided on the same basis as other property assets are ready for their intended use.



2.2 Depreciation

Depreciation on Property, Plant and Equipment (other than Freehold Land and Capital Work-in-progress) is provided on the Straight-Line Method in accordance with requirements prescribed under Schedule II to the Companies Act, 2013.

The Group has assessed the estimated useful lives of its PPE and has adopted the useful lives and residual value as prescribed therein.

Freehold land is not depreciated. Land under finance lease is amortised over the period of lease.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

2.3 Intangible Assets and Amortisation

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised at 25% for 4 years on a straight line basis.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.4 Impairment of Non-Financial Assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

An impairment loss is recognised immediately in the Statement of Profit and Loss. When impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognized for that asset or cash generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

2.5 Inventories

- Inventories are valued at lower of cost and net realizable value.
- Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.
- Cost of raw materials, packing materials, including materials in transit, work in process and finished goods are arrived at on the First in first out method of valuation, including manufacturing overheads where applicable.
- Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.6 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby net profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks,

other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash and which are subject to an insignificant risk of changes in value, as reduced by bank overdrafts.

2.7 Segment Reporting

- The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance.
- The accounting policies adopted for segment reporting are in line with the accounting policies of the Group's.
- Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Group's as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities" respectively.

2.8 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.9 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provision is not recognised for future operating losses.

Provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

Contingent Assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

2.10 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits of a transaction will flow to the Group's and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sale of Goods

Revenue from sale of goods is recognised upon transfer of significant risks and rewards of ownership of the goods to the customer, while neither continuing managerial involvement nor effective control over the goods sold is retained. Sales include excise duty but exclude Goods and Service Tax (GST). It is measured at fair value of consideration received or receivable, net of returns, rebates and discounts.



Rental Income

Rental Income is accounted as and when accrues.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

Dividends

Dividend Income is accounted for when Group's right to receive income is established.

2.11 Leases

At the inception of an arrangement, it is determined whether the arrangement is or contains a lease and based on the substance of the lease arrangement, it is classified as a finance lease or an operating lease.

Finance Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee.

Assets under finance leases are capitalised at the commencement of lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments and a liability is created for an equivalent amount. Minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Assets given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of the lease so as to yield a constant rate of return on the net investment in the lease.

Operating Leases:

Lease agreements where risk and rewards incidental to ownership of an assets, substantially vests with the Lessor, are classified as operating lease.

2.12 Employee Benefits

(i) Short Term Employee Benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

(ii) Long-Term Benefits:

- **Defined Contribution Plan:**

Provident and Family Pension Fund:

The eligible employees of the Groups are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both employees and the Group's make monthly contributions at a specified percentage of the employee's eligible salary (currently 12%). The contributions are made to AACL Trust -Provident Fund Trust. Provident Fund classified as Defined Contributions Plans as the Group's has no further obligation beyond making the contribution. The Group's contribution is charged to the statement of profit and loss as incurred.

• Defined Benefit Plan:**Gratuity:**

The Group has an obligation towards gratuity, a defined benefits retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement or death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. The Group makes contribution to AACL Gratuity Fund Trust based thereon.

Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or Loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited taking into account the present value of available refunds and reductions in future contributions to the schemes.

Compensated Absences:

The Group provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is recognized based on number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise.

2.13 Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when deferred income tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

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

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



The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and Deferred Tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.14 Earnings Per Share

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.15 Foreign Currency Transactions

Transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date.

Non-monetary items that are measured at historical cost denominated in a foreign currency are translated using the exchange rate as at the date of initial transaction. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.16 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Other Comprehensive Income:

A financial asset shall be classified and measured at FVOCI, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of Financial Assets:

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

The Credit Policy approved by the Group for bad debts considering past history of bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Group makes provision for doubtful debts based on specific by Board. The Group will reassess the model periodically and make the necessary adjustments for loss allowance.

Derecognition of Financial Assets:

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group's retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those



parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liabilities and equity instruments:

- Classification as debt or equity:

Debt and equity instruments issued by the Groups are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

- Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by a Group are recognised at the proceeds received.

Derecognition of Financial Liabilities:

The Group derecognizes financial liability when its contractual obligations are discharged or cancelled or expired. The Group also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

Offsetting:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Derivative Financial Instruments:

The Group enters mainly into foreign exchange forward contracts to mitigate the foreign currency exposure risk.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedge relationship.

2.17 Research and Development:

Revenue expenditure on Research and Development is charged to Statement of Profit and Loss in the year in which it is incurred. Capital expenditure on Research and Development is considered as an addition to Property, Plant and Equipment/ Intangible Assets.

2.18 Critical Accounting Judgments and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key Estimates, Assumptions and Judgements

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Income Taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. Also, Refer Note 33.

Property, Plant and Equipment/Intangible Assets

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Group's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

Employee Benefit Plans

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

Impairment of Financial Assets

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

The Group reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Fair Value Measurements of Financial Instruments

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

Impairment of Assets

The Group has used certain judgements and estimates to work out future projections and discount rates to compute value in use of cash generating unit and to access impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.



Provisions & Contingent Liabilities

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

2.19 Standard Issued But Not Yet Effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the standalone financial statements are disclosed below. The group intends to adopt these standards, if applicable, when they become effective.

The Ministry Of Corporate Affairs (MCA) has issued the companies (Indian Accounting Standards) first and second Amendment Rules, 2019 to amend/insert the following:

Ind AS 116 Leases

Ind AS 116, 'Leases' was notified by Ministry Of Corporate Affairs on March 30, 2019 and it replaced Ind AS 17 including appendices thereto. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single lessee accounting model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemption for lessees-leases for which underlying assets is of low value 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 recognize 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 assets). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation charge 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. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, a lessee shall recognize any remaining amount of the remeasurement in profit or loss.

Ind AS 116 substantially carries forward the lessor accounting requirements as per Ind AS 17.

Effective date for application of Ind AS 116 is annual period beginning on or after April 1, 2019. As the Group does not have any material losses, therefore the adoption of this standard is not likely to have a material impact on its Standalone Financial Statements.

Amendment to Ind AS 19- Plan amendments, curtailments and settlements

Amendment to Ind As 19, 'Employee Benefits' was notified by Ministry Of Corporate Affairs on March 30, 2019 in connection with accounting for plan amendments, curtailments and settlements.

The amendment requires an entity:

- To use updated assumption to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The group is currently evaluating the impact of this amendment on its Standalone Financial Statements.

Amendment to Ind AS 12 - accounting for dividend distribution tax

Amendment to Ind AS 12, 'Income Taxes' was notified by Ministry Of Corporate Affairs On March 30, 2019. In connection with accounting for dividend distribution tax.

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The group is currently evaluating the impact of this amendment on its Standalone Financial Statements.

Appendix C to Ind AS 12- Uncertainty over income tax treatments

Appendix C to Ind AS 12, 'Income Tax', was notified by Ministry Of Corporate Affairs On March 30, 2019 in connection with accounting for uncertainty over income tax treatments.

The Appendix is to be applied while performing the determination of taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the Appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filling which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition- i) Full retrospective approach- under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 'Accounting Policies, changes in Accounting Estimates and Errors', without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix c recognized by adjusting equity on initial application, without adjusting comparatives.

Effective date for application of Appendix C to Ind AS 12 is annual period beginning on or after April 1, 2019. The group is currently evaluating the impact of the Appendix on the Standalone Financial Statements.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 3

3A. Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Leasehold Land	Buildings	Plant and Machinery	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Air Conditioner	Total
Gross Block									
As at April 1, 2018	9.25	185.20	1,510.24	4.68	10.06	5.31	9.78	4.11	1,738.62
Additions during the year	-	-	49.98	5.12	3.84	3.82	-	0.83	63.60
Deductions/Adjustments during the year	-	-	(43.48)	-	-	-	-	-	(43.48)
As at March 31, 2019	9.25	185.20	1,516.74	9.80	13.90	9.13	9.78	4.94	1,758.74
Accumulated Depreciation									
As at April 1, 2018	0.25	11.45	190.70	0.88	3.30	3.04	4.48	1.41	215.52
Depreciation for the year	0.11	5.78	105.13	0.56	2.52	1.76	1.44	1.00	118.30
Deductions/Adjustments during the year	-	-	(33.46)	-	-	-	-	-	(33.46)
As at March 31, 2019	0.37	17.23	262.37	1.43	5.82	4.80	5.92	2.41	300.35
Net Block as at March 31, 2019	8.89	167.97	1,254.37	8.36	8.08	4.33	3.86	2.54	1,458.39

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(₹ in Lakhs)

Particulars	Leasehold Land	Buildings	Plant and Machinery	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Air Conditioner	Total
Gross Block									
As at April 1, 2017	9.25	182.01	1,392.02	2.51	6.43	3.66	9.78	3.67	1,609.34
Additions during the year	-	3.19	118.22	2.17	4.11	1.65	-	0.43	129.77
Deductions/Adjustments during the year	-	-	-	-	(0.48)	-	-	-	(0.48)
As at March 31, 2018	9.25	185.20	1,510.24	4.68	10.06	5.31	9.78	4.10	1,738.63
Accumulated Depreciation									
As at April 1, 2017	0.13	5.72	89.68	0.42	1.72	1.60	2.60	0.44	102.31
Depreciation for the year	0.13	5.73	101.03	0.46	2.03	1.44	1.88	0.97	113.67
Deductions/Adjustments during the year	-	-	-	-	(0.45)	-	-	-	(0.45)
As at March 31, 2018	0.25	11.45	190.70	0.88	3.30	3.04	4.48	1.41	215.52
Net Block as at March 31, 2018	9.00	173.75	1,319.54	3.80	6.76	2.27	5.30	2.69	1,523.11



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3B Intangible Assets**(₹ in Lakhs)**

Particulars	Computer Software
Gross Carrying Value	
As at April 1, 2018	0.71
Additions during the year	-
Deductions / Adjustments during the year	-
As at March 31, 2019	0.71
Accumulated Depreciation	
As at April 1, 2018	0.54
Amortisation for the year	0.10
Deductions/Adjustments during the year	-
As at March 31, 2019	0.64
Net Carrying Value as at March 31, 2019	0.07

3B Intangible Assets**(₹ in Lakhs)**

Particulars	Computer Software
Gross Carrying Value	
As at April 1, 2017	0.71
Additions during the year	-
Deductions / Adjustments during the year	-
As at March 31, 2018	0.71
Accumulated Depreciation	
As at April 1, 2017	0.27
Amortisation for the year	0.27
Deductions/Adjustments during the year	-
As at March 31, 2018	0.54
Net Carrying Value as at March 31, 2018	0.17


Note 4
Other Financial Assets
(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposits - Considered Good	78.68	78.83
Security Deposits - Considered Doubtful	101.88	101.88
Less: Provision for Doubtful Recovery	(101.88)	(101.88)
Total	78.68	78.83

Note 5
Deferred Tax Assets (Net)
(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Assets (Net) (Refer Note No. 33 C)	9.69	-
Total	9.69	-

Note 6
Inventories
(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Materials	1,361.35	1,376.53
Add : Goods in Transit	2.80	195.93
	1,364.15	1,572.46
Work In Progress	46.85	46.21
Finished Goods	428.94	395.19
Fuel	14.55	12.89
Stores, Spares and Packing Materials	61.07	27.86
Stock-In-Trade (Trading)	-	346.02
Total	1,915.56	2,400.63

Note 7
Trade Receivables
(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good	3,071.20	2,757.72
Unsecured, Considered Doubtful	195.09	172.99
Less : Provision for Doubtful Debts	(195.09)	(172.99)
Total	3,071.20	2,757.72

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Note 8**Cash & Cash Equivalents**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Banks In Current Accounts	127.36	678.04
Cash and Cash Equivalents Cash on hand	1.39	2.95
Total	128.75	680.99

Note 9**Bank Balances other than Cash and Cash Equivalents**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Other Bank Balances Term deposit with bank to the extent held as Margin Money and Security Against BG and Other Commitments	150.28	174.52
Earmarked Balances Unclaimed Dividend Accounts	5.66	4.05
Total	155.94	178.57

Note 10**Current Loans**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered Good Loans to Corporates (Refer Note No. 35)	304.74	276.39
Loans and Advances to Staff	1.78	0.30
Loans and Advances to Others	3.48	7.73
Total	310.00	284.42

Note 11**Other Financial Assets**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, Considered good Interest Accrued on FDR	3.54	-
Other Receivables - LIC Policy Staff Leave Encashment	0.21	5.16
Other Receivables - Gratuity Fund with LIC	64.98	41.23
Other Deposits	-	4.78
Total	68.73	51.18

**Note 12****Current Tax Assets****(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Advance Income Tax	1,583.80	1,642.87
Total	1,583.80	1,642.87

Note 13**Other Current Assets****(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid Expenses	48.41	18.40
Balances with Government Authorities	1,145.63	933.08
Advance to Suppliers	859.28	583.01
Sales Deposit	0.20	0.20
Total	2,053.53	1,534.70

Note 14**Equity Share Capital****(₹ in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised		
50,00,000 Equity Shares of ₹ 10/- each	500.00	500.00
20,00,000 11% Preference Shares of ₹10/- each	200.00	200.00
Total Authorised Share Capital	700.00	700.00
Issued, Subscribed & Paid Up		
46,00,343 Equity shares of ₹10/- each fully paid up	460.03	460.03
Total Issued, Subscribed and Paid up Share Capital	460.03	460.03

Terms/Rights attached to Equity Shares

- i The Company has issued only one class of shares referred to as Equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled for one vote per share.
- ii In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

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a. Reconciliation of the number of shares outstanding :

(₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amounts in ₹	No. of Shares	Amounts in ₹
Shares at the beginning of the year	46,00,343	460.03	46,00,343	460.03
Add: Share warrants issued during the year	-	-	-	-
Add: Calls in arrears received during the year	-	-	-	-
Less: Shares forfeited during the year	-	-	-	-
Add : Re-issue of forfeited shares	-	-	-	-
Shares at the end of the year	46,00,343	460.03	46,00,343	460.03

b. Shareholders having more than 5% holding

Name of the Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Aura Alkalies & Chemicals Pvt Ltd.	25,18,632	54.75%	25,18,632	54.75%
Total	25,18,632	54.75%	25,18,632	54.75%

Note 15

Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Securities Premium Reserve		
As per last Balance Sheet	783.79	783.79
Add: Additions during the year	-	-
Less: (Deductions) during the year	-	-
	783.79	783.79
General Reserve		
As per last Balance Sheet	1,100.00	1,050.00
Add: Additions during the year	-	50.00
Less: (Deductions) during the year	-	-
	1,100.00	1,100.00
Retained Earnings		
As per last Balance Sheet	2,529.34	2,379.55
Add: Profit / (Loss) for the Year	(285.36)	290.53
Less: Transfer to General Reserve	-	(50.00)
Less: Reserve for Doubtful Debts	-	(52.11)
Less: Proposed Dividend (including DDT)	(55.37)	(55.37)
Add: Ind AS Adjustments	-	16.74
	2,188.61	2,529.34
Total	4,072.40	4,413.13



Description of the nature and purpose of Other Equity

(a) Securities Premium Reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

(b) General Reserve

The General Reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed /utilised by the Company in accordance with the Companies Act, 2013.

(c) Retained Earnings

Retained earnings are the profits that the Company has earned till date and is net of amount transferred to general reserves such as amount distributed as dividend and adjustments on account of transition to Ind AS.

Note :

The Board of Directors has proposed the dividend of ₹ 1.00 per fully paid up equity share of ₹ 10/- each, aggregating ₹ 55.37 Lakhs, including ₹ 9.37 Lakhs as dividend distribution tax for the financial year 2018-19, which is based on relevant share capital as on 31st March, 2019. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date /book closure.

Note 16

Non-Current Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings		
Term Loans :		
From Bank	-	119.35
{First and exclusive charges on assets created out of term loan and collaterally secured by equitable mortgage of factory land & building, plant & machinery (both present and future) residential property located at MIDC Mahad & personal guarantee of Director}.		
Total	-	119.35

Note 17

Non-Current Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Leave Encashment	0.21	17.96
Provision for Gratuity	62.65	41.23
Total	62.86	59.19

Note 18

Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liabilities (Net) (Refer Note No. 33 C)	-	69.36
Total	-	69.36

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Note 19**Current Borrowings**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans (Repayable on demand from Banks) Secured Working Capital Loan from IDBI Bank Ltd. {First and exclusive charge on current assets (present and future) and collaterally secured by equitable mortgage of factory land & building, plant & machinery (both present and future), residential property located at MIDC Mahad & personal guarantee of Director}.	840.49	912.08
Total	840.49	912.08

Note 20**Trade Payables**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Due to Micro, Medium and Small Enterprises*	68.29	-
Due to Others	2,295.68	1,810.38
Total	2,363.97	1,810.38

* In case of subsidiary company i.e. Ashwa Minerals Pvt Ltd, the company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures relating to amounts unpaid as at the year – end together with interest paid/ payable under this Act have not been given.

Note 21**Other Financial Liabilities (Current)**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Other Financial Liabilities		
Unpaid Dividend*	5.66	4.05
Provision For Expenses	138.11	93.70
Employee Related Liabilities	46.98	39.68
Derivative Financial Instruments	-	1.27
Total	190.75	138.69

* There are no amounts due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) as on 31st March, 2019. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due.

Note 22**Other Current Liabilities**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory Dues	215.64	349.59
Claims Payable	998.38	1,004.39
Total	1,214.02	1,353.98


Note 23
Current Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Leave Encashment	9.05	9.78
Provision for Gratuity	1.11	14.87
Total	10.16	24.65

Note 24
Current Tax Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Income Tax	1,644.31	1,777.76
Total	1,644.31	1,777.76

Note 25
Revenue From Operations

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Sale of Products		
Manufactured Goods		
Local Sales	13,249.70	12,063.16
Export Sales	2,860.65	3,068.22
Traded Goods		
Local Sales	841.13	367.71
Merchant Trade Sales	204.42	575.30
Total	17,155.90	16,074.39

Note 26
Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest Income	72.62	110.39
Sale of Scrap / Wastages	3.63	4.78
Sundry Balances Written Back	-	262.37
Net Gain on Foreign Currency Transactions	32.41	8.41
Miscellaneous Income	54.35	65.61
Total	163.01	451.56

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Note 27**Cost of Materials Consumed**

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening Stock	1,376.53	1,022.15
Purchases During The Year	13,133.83	11,830.34
Net Opening Stock	14,510.36	12,852.49
Less : Closing Stock	(1,361.35)	(1,376.53)
Packing Material Consumed	2.89	5.32
Total	13,151.91	11,481.28

Note 28**Changes in Inventories of Finished Goods, Stock in Trade and Work-In-Progress**

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Finished Goods		
Opening Stock of Finished Goods	395.19	391.34
Less : Closing Stock of Finished Goods	(428.94)	(395.19)
	(33.75)	(3.84)
Work-In-Progress		
Opening Stock of Work In Progress	46.21	46.08
Less : Closing Stock of Work In Progress	(46.85)	(46.32)
	(0.64)	(0.24)
Stock In Trade		
Opening Stock of Stock In Trade	346.02	469.88
Less : Closing Stock of Stock In Trade	-	(346.02)
	346.02	123.86
Total	311.63	119.78

Note 29**Employee Benefit Expenses**

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and Wages	607.96	586.77
Contribution to Provident and Other Funds	29.17	32.67
Staff Welfare Expenses	21.32	19.42
Total	658.45	638.86

Note 30**Finance Costs**

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest Cost	113.68	98.08
Other Finance Costs	34.15	107.38
Total	147.83	205.46


Note 31
Other Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Consumption of Packing Materials	223.97	161.74
Consumption of Stores and Spare Parts	155.95	110.53
Power and Fuel	1,032.17	980.75
Job Work Expenses	-	5.07
Transportation expenses	-	4.63
Other Manufacturing Expenses	3.79	8.18
Repair and Maintenance		
• Repairs to Buildings	41.42	41.36
• Repairs to Machinery	28.37	4.37
• Repairs to Others	14.35	17.02
Export Freight and Insurance	265.03	253.81
Export Shipment Expense	0.45	5.79
Other Selling Expenses	262.51	379.39
Advertisement and Business promotion	6.77	2.41
Auditors Remuneration (Refer footnote 'i')	5.10	5.10
Bad Debts Written Off	-	12.81
Conveyance and Travelling expenses	46.28	47.90
Commission & Brokerage	4.86	11.70
Corporate Social Responsibility (CSR) Expenses	18.81	30.34
Donation	2.04	0.11
Director's Sitting Fees	11.00	9.80
Insurance	31.89	29.90
Legal and Professional Expenses	41.36	45.25
Loss on Sale of Fixed Assets	4.08	-
MTM Loss	-	1.27
Sundry Balance written off (Net) (Refer Footnote 'ii')	(2.98)	31.98
Other Miscellaneous Expenses	174.25	180.38
Doubtful Debts	106.51	55.62
Rent, Rates and Taxes	30.07	16.84
Total	2,508.05	2,454.05

Footnote (i)

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Statutory Audit Fees	5.10	5.10
Total	5.10	5.10

Footnote (ii)

Sundry balances written off comprises of Bad Debts of ₹ 44,31,446/- and excess provision for doubtful debts written back of earlier years of ₹ 47,29,161/-

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NOTES TO ACCOUNTS
Note 32
Contingent Liabilities and Commitments (to the extent not provided for)

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
A.	Contingent Liabilities		
	Claims against the Company not acknowledged as debt :		
	i. Income-tax matters under appeal	226.50	271.59
	ii. Sales Tax	-	9.55
	iii Disputed excess service tax refund	2.29	2.29
	Total	228.80	283.43
B.	Bank Guarantee	3.83	10.00
	Total	3.83	10.00

Note : In respect of item (A) & (B) above, it is not possible for the Company to estimate the timings of cash outflow which

- would be determinable only on receipt of judgement pending at various forums/authorities.
- The Group does not expect any reimbursements in respect of the above Contingent Liabilities.

Note 33
Disclosure pursuant to Ind-AS 12 on "Income Taxes"
A. Components of Tax Expenses/(Income)

(₹ in Lakhs)

a. Profit or Loss Section	Year ended March 31, 2019	Year ended March 31, 2018
Current Income Tax	92.31	200.14
Deferred Tax	(79.05)	(25.07)
Income Tax Expense Reported in the Statement of Profit or Loss	13.27	175.07

(₹ in Lakhs)

b. Other Comprehensive Income Section	Year ended March 31, 2019	Year ended March 31, 2018
Tax expenses on remeasurements of defined benefit plans	(1.25)	(0.51)
Income Tax Expense Charged to OCI	(1.25)	(0.51)



B. Reconciliation of Income Tax Expense/(Income) and Accounting Profit multiplied by domestic tax rate applicable in India

(₹ in Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit before Tax	(275.64)	529.44
Corporate Tax rate as per Income Tax Act, 1961	26.00%	33.06%
Tax on Accounting Profit	(71.67)	175.04
Tax effect of :		
Income Exempt from Tax	-	-
Expenses Allowed Separately	(48.31)	(78.53)
Tax on Expense not Deductible	74.29	98.53
Chapter VI A Deduction	-	(4.75)
Prior Period Tax	92.56	0.14
Others	45.43	9.71
Current Tax Provision (A)	92.31	200.14
Deferred Tax Liability Recognised	43.11	11.54
Deferred Tax Asset Recognised	122.15	36.61
Deferred tax Provision (B)	(79.05)	(25.07)
(A+B)	13.26	175.07
Effective Tax Rate	(4.81%)	33.07%

C. Deferred Tax

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Components and Reconciliation of Deferred Tax (Assets)/Liabilities

(₹ in Lakhs)

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in other Comprehensive Income	Closing Balance
Property, Plant and Equipment and Intangible Assets	249.32	(201.19)	-	48.13
WDV on Fixed Assets	(0.56)	-	-	(0.56)
Provision for Doubtful Debts and Advances	(58.88)	49.47	-	(9.41)
Provision for Security Deposit	(35.26)	(31.38)	-	(66.64)
Accrued Expenses Allowable on Cash Basis	(66.48)	56.94	-	(9.54)
Actuarial Gain/(Loss) on Employee Defined Benefits Obligation	(4.92)	-	-	(4.92)
Leave Encashment	(8.19)	-	-	(8.19)
Bonus Payable	(5.36)	-	-	(5.36)
Expenses Allowable For Tax Purpose When Paid	(0.31)	-	-	(0.31)
Income Tax Loss	-	47.10	-	47.10
Total	69.36	(79.05)	-	(9.69)

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FY 2017-18**Components and Reconciliation of Deferred Tax (Assets)/Liabilities****(₹ in Lakhs)**

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in other Comprehensive Income	Closing Balance
Property, Plant and Equipment and Intangible Assets	243.03	6.29	-	249.32
WDV on Fixed Assets	(1.07)	0.51	-	(0.56)
Provision for Doubtful Debts and Advances	(27.01)	(31.87)	-	(58.88)
Provision for Security Deposit	(35.27)	0.01	-	(35.26)
Accrued Expenses Allowable on Cash Basis	(68.97)	2.49	-	(66.48)
Actuarial Gain/(Loss) on Employee Defined Benefits Obligation	(2.42)	(2.50)	(0.51)	(4.92)
Leave Encashment	(9.92)	1.73	-	(8.19)
Bonus Payable	(3.93)	(1.43)	-	(5.36)
Expenses Allowable For Tax Purpose When Paid	(0.31)	-	-	(0.31)
Total	94.13	(24.77)	(0.51)	69.36

Note 34**Earnings Per Share (EPS)****(Amount in ₹)**

Particulars	As at March 31, 2019	As at March 31, 2018
• Net Profit/Loss after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	(2,88,90,332)	2,89,58,126
• Weighted Average number of Equity Shares used as denominator for calculating Basic EPS (No. of Shares)	46,00,343	46,00,343
• Face Value per Equity Share (₹)	10	10
• Basic & Diluted Earnings per Share (₹)	(6.28)	6.29

Note 35**Disclosure Pursuant to Section 186 of the Companies Act, 2013**

The loan provided to corporate @ 14% p.a. has been utilised by them for meeting their working capital requirement.

Note 36**Disclosures of transactions with related parties required under Ind AS 24 on "Related Party Disclosures"****A. List of Related Parties****(I) Holding Company**

- Aura Alkalies and Chemicals Private Limited

(II) Directors / Key Managerial Personnel (KMP) of the Company

- Independent Director Mr. Manoj Ganatra
- Independent Director Mr. Shekhaar Shetty
- Independent Director (w.e.f. 12th February, 2019) Mrs. Hina Shah
- Non Executive Director Mr. Sunil Shah
- Non Executive Director (up to 28th May, 2019) Mrs. Neeta Shah
- Executive Director & CEO Mr. Purab Shah
- Chief Financial Officer (w.e.f. 14th August, 2018) Mr. Vaize Ahmed Kampli
- Company Secretary & Compliance Officer Ms. Seema Gangawat

(III) Relative of KMP of the Company

- Ms. Khyati Kaji


B. Transactions (In Aggregate) with Related Parties

(₹ in Lakhs)

Sr. No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	Remuneration to Directors / KMP*		
i.	Mr. Purab Shah	32.24	30.29
ii.	Mr. V. Shashidharan (Resigned w.e.f. 1st May, 2017)	-	6.71
iii.	Ms. Seema Gangawat	11.78	10.74
iv.	Mr. Vaize Ahmed Kampli	13.30	10.22
	* Excluding provision for Gratuity and Contribution for Provident Fund.		
	Total	57.32	57.96
	Transaction with Relatives of KMP		
i.	Ms. Khyati Kaji (Car Hire Charges)	1.86	-
	Total	1.86	-
	Sitting Fees paid to Directors		
i.	Mr. Manoj Ganatra	3.10	2.85
ii.	Mr. Shekhaar Shetty	3.00	2.70
iii.	Mr. Sunil Shah	3.10	2.85
iv.	Mrs. Neeta Shah	1.50	1.40
v.	Mrs. Hina Shah	0.30	-
	Total	11.00	9.80

Note:

During the year, there are no transactions with related parties other than those mentioned herein above.

Note 37
Financial Risk Management and Policies
A. Capital Management

For the purpose of the Group's Capital Management, Capital includes issued Equity Share Capital and all Other Reserves attributable to the Equity shareholders of the Group. The Primary objective of the Group's Capital Management is to maximise the shareholder's value. The Group's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value. The Group is monitoring Capital using debt equity ratio as its base, which is debt to equity. The Group monitors capital using debt-equity ratio, which is total debt divided by total equity.

Debt Equity Ratio - Total Debt divided by Total Equity

Particulars	As at March 31, 2019	As at March 31, 2018
Total Debt (₹ in Lakhs)	0.00	119.35
Total Equity (₹ in Lakhs)	4,532.43	4,873.16
Debt Equity Ratio	0.80	0.02

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B. Financial Risk Management and Policies

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Group's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations in selected instances. The Group's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group is exposed to market risk, credit risk, liquidity risk etc. The objective of the Group financing policy are to secure solvency, limit financial risks and optimise the cost of capital. The Group's capital structure is managed using equity and debt ratios as part of the Group's financial planning.

a. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments. The Group has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The above mentioned risks may affect the Group's income and expenses, or the value of its financial instruments. The Group's exposure to and management of these risks are explained below:

i. Foreign Currency Risk:

The Group is subject to the risk that changes in foreign currency values impact the company export and import.

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro.

The Group manages currency exposures within prescribed limits, through use of derivative instruments such as Options, futures and Forward contracts etc. Foreign currency transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point of time.

(₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Amount in Foreign Currency	Amount in ₹	Amount in Foreign Currency	Amount in ₹
USD Exposure				
Receivable	\$ 15,38,076	1,063.91	\$ 6,33,549	412.18
Payable	\$ 5,07,062	352.51	\$ 8,57,516	557.76
Netoff (Receivable & Payable)	\$ 10,31,014	711.40	\$ (2,23,967)	(145.58)
Derivatives to hedge USD Exposure				
Options Contract - USD/INR	\$ 5,07,062	352.51	\$ 7,46,000	485.20
Net Exposure	\$ 15,38,076	1,063.91	\$ 5,22,034	339.62

ii. Foreign Currency Sensitivity:

The following table demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with all other variables held constant 5% increase or decrease in foreign exchange rate will have the following impact on profit before tax.

(₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	5% Increase	5% Decrease	5% Increase	5% Decrease
If INR has (Strengthened)/Weakened against USD				
Net Impact on Profit and Loss	35.57	(35.57)	(7.28)	7.28
Net Impact on Equity	26.32	(26.32)	(4.87)	4.87



iii. Forward foreign exchange contracts/ Options

It is the policy of the Group to enter into forward foreign exchange contracts/Options to cover foreign currency payments in USD. The Group enters into contracts with terms upto 90 days. The Group's philosophy does not permit any speculative calls on the currency. It is driven by conservatism which guides that Group follow conventional wisdom by use of Forward contracts in respect of Trade transactions.

The Group will alter its hedge strategy in relation to the prevailing regulatory framework and guidelines that may be issued by RBI, FEDAI or ISDA or other regulatory bodies from time to time. Based on the outstanding details of import payable and exports receivable (on event basis) the net trade exposure is arrived at (i.e. Imports - Exports = Net trade exposures).

Forward cover or options covers is obtained from Banks or Merchant House for each of the aggregated exposures and the Trade deal is booked. The forward cover deals are all backed by actual trade underlines and settlement of these contracts on maturity are by actual delivery of the hedged currency for settling the underline hedged trade transaction.

The open import contract as on 31st March, 2019 for USD 5,07,062 was covered with buy exchange rate ₹ 69.52/- per dollar.

b. Credit Risk

Credit risk is the risk that counter party will not meet its obligation leading to a financial loss. The Group is exposed to credit risk arising from its operating activities primarily from trade receivables, financing activities and relating to parking of surplus funds as Deposits with Banks. The Group considers probability of default upon initial recognition of assets and where there has been a significant increase in credit risk and on an ongoing basis throughout the reporting period..

The carrying amount of Financial Assets represents the maximum credit exposure:

Financial Instruments and Cash Deposit:

Credit risk from balances with Banks and Financial Institutions is managed by the Group's finance department. Investments of surplus funds are made only with approved counter parties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and thereby mitigate financial loss through counterparty's potential failure to make payments.

Trade Receivables

The Marketing department has established a credit policy under which each new customer is analysed individually for credit worthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed periodically. Trade Receivables of the Group are typically unsecured, except export receivable which is covered through ECGC and to the extent of the security deposits/advances received from the customers or financial guarantees provided by the market organizers in the business. Credit risk is managed through credit approvals and periodic monitoring of the credit worthiness of customers to whom credit terms in the normal course of business are provided. The allowance for impairment of Trade receivables is created to the extent and as and when required, based on the actual collectability of accounts Receivables. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The Group measures the expected credit loss of trade receivables and loans from customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss exposure and past trends.

c. Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value The company maintains a cautious liquidity strategy, with a positive cash balance throughout the year. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

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The below table provides details regarding the remaining contractual maturities of Company's financial liabilities:**(₹ in Lakhs)**

Particulars	Less than 1 Year	1 to 5 years	More than 5 years	Total
As at March 31, 2019				
Non-derivative financial liabilities				
Borrowings	840.49	-	-	840.49
Trade Payables	2,363.97	-	-	2,363.97
Unpaid dividend	5.66	-	-	5.66
Other payables	185.09	-	-	185.09
	3,395.21	-	-	3,395.21
Derivative financial liabilities				
Options	-	-	-	-
	-	-	-	-
As at March 31, 2018				
Non-derivative financial liabilities				
Borrowings	912.08	119.35	-	1,031.43
Trade Payables	1,810.38	-	-	1,810.38
Unclaimed dividend	4.05	-	-	4.05
Other payables	133.38	-	-	133.38
	2,859.88	119.35	-	2,979.23
Derivative financial liabilities				
Options	1.27	-	-	1.27
	1.27	-	-	1.27



Note 38

Information on Segment Reporting as per Ind AS 108 on "Operating Segments"

- i) Operating Segments are those components of business whose operating results are regularly reviewed by the Chief Operating Decision making body in the Company to make decisions for performance assessment and resource allocation.
- ii) The Group has two operating Segments i.e. Organic Chemicals and Traded Goods. Thus the segment revenue, segment results, total carrying value of segment assets and segment liabilities and total amount of charge of depreciation during the year are all reflected in the financial statements as at and for the year ended March 31, 2019 and March 31, 2018.

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
[A] Segment Revenue		
a) Own Manufactured		
Organic Chemicals		
Revenue from Operations	16,110.35	15,131.38
Other Income	135.49	163.08
Total	16,245.84	15,294.46
b) Traded Goods		
Revenue from Operations	1,045.55	943.01
Other Income	27.51	288.48
Total	1,073.06	1,231.49
Net Sales/Income from Operations	17,318.90	16,525.95
[B] Segment Results		
Profit/(Loss) before Interest, Exceptional items and tax from each segment		
a) Own Manufactured		
Organic Chemicals		
(Loss)/Profit- Operations	(140.92)	267.14
Other Income	135.49	163.08
Total	(5.43)	430.22
b) Traded Goods		
(Loss)/Profit - Trading	(184.03)	(155.97)
Other Income	27.51	288.48
Total	(156.52)	132.51
Total (a + b)	(161.95)	562.73
Less :		
(i) Interest (Finance Cost)	113.68	98.08
(Loss)/Profit Before Tax	(275.63)	464.65
Current Tax	(92.31)	(200.14)
Deferred Tax	79.05	25.07
Total Tax Expense	(13.27)	(175.07)
(Loss)/Profit After Tax	(288.90)	289.58

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(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
[C] Capital Employed		
Other Information :		
Segment Assets		
a) Organic Chemicals	7,065.11	6,957.64
b) Traded Goods	3,793.86	4,181.18
Total	10,858.97	11,138.82
Segment Liabilities		
a) Organic Chemicals	3,215.18	8,232.22
b) Traded Goods	3,111.38	(1,966.78)
Total	6,326.56	6,265.44
(Segment Assets -Segment Liabilities)		
a) Organic Chemicals	3,849.93	(1,274.58)
b) Traded Goods	682.48	6,147.96
Total	4,532.41	4,873.38
Depreciation during the year		
a) Organic Chemicals	117.05	111.88
b) Traded Goods	1.35	2.05

iii) The Group has one customer who contributed more than 10% of the company's total revenue during the current and previous year.

iv) The Group does not have reportable segment, i.e Geographical Segment in terms of Ind AS 108 on "Operating Segments".

(₹ in Lakhs)

Particulars	India		Rest of The World		Total	
	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018
Segment Revenue	14,253.84	12,855.30	3,065.07	3,530.16	17,318.90	16,385.46
Carrying Cost of Segment Assets	10,858.97	11,138.82	-	-	10,858.97	11,138.82
Net Addition to Fixed Assets and Intangible Assets	69.59	135.18	-	-	69.59	135.18

Note 39

Employee Benefits

The Group has classified various employee benefits as under:

A. Defined Contribution Plans

- a. Provident Fund
- b. State Defined Contribution Plans
 - i. Employers Contribution to Employees Pension Scheme 1995

The Provident Fund is operated by the Regional Provident Fund Commissioner and is administered by the LIC of India as applicable for all eligible employees. Under the schemes, the Group is required to contribute a specified percentage of payroll costs to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.



The Group has recognised the following amounts in the Statement of Profit and Loss:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
a. Contribution to Provident Fund	6.06	5.49
b. Contribution to Employees' Pension Scheme	13.63	12.47
Total	19.69	17.96

B. Defined Benefit Plans

a. Gratuity

The Group operates a gratuity plan covering qualifying employees. Under the gratuity plan, the eligible employees are entitled to post retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58, subject to a payment ceiling of ₹ 20 lakhs. The benefit vests upon completion of five years of continuous service as per "The Payment of Gratuity Act" and once vested it is payable to the employee on retirement or on termination of employment. The Group makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

Gratuity is defined benefit plan and Company is exposed to following Risks:

Investment risk - The funds are invested by LIC and they provide returns basis the prevalent bond yields, LIC on an annual basis requests for contributions to the fund, while the contribution requested may not be on the same interest rate as the bond yields provided, basis the past experience it is low risk.

Interest Risk - LIC does not provide market value of assets, rather maintains a running statement with interest rates declared annually - The fall in interest rate is not therefore offset by increase in value of Bonds, hence may pose a risk.

Mortality Risk - Since the benefits under the plan is not payable for the life time and payable till retirement age only, plan does not have any longevity risk.

Salary risk - The liability is calculated taking into account the salary increases, basis past experience of the Company's actual salary increases with the assumptions used, they are in line, hence this risk is low risk.

Gratuity Valuation

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

Particulars	Valuations as at	
	March 31, 2019	March 31, 2018
i. Discount Rate (per annum)	7.64%	7.67%
ii. Rate of Increase in Compensation Levels (per annum)	4.00%	4.00%
iii. Mortality Rate During The Employment	Indian Assured Lives Mortality (2006-08)	
iv. Actuarial Valuation Method	Projected Unit Credit Method	
v. Attrition Rate	Upto Age 45: 2% 46 and above: 1%	Upto Age 45: 2% 46 and above: 1%
vi. Retirement Age	60 Years	60 Years

- vii. The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.
- viii. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.
- ix. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

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(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
	Gratuity Funded	Gratuity Funded
i. Changes in Present Value of Obligation		
Present value of defined benefit obligation at the beginning of the year	56.10	48.40
Current Service Cost	7.30	6.67
Interest Cost	4.30	3.53
Actuarial (Gains)/Loss		
Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
Actuarial (gains)/ losses arising from changes in financial assumption	0.19	(1.63)
Actuarial (gains)/ losses arising from changes in experience adjustment	(5.24)	0.44
Past Service cost - Vested Benefits	-	-
Benefits Paid	-	(1.31)
Present value of defined benefit obligation at the end of the year	62.65	56.10
ii. Fair Value of Plan Assets		
Fair value of plan assets at the beginning of the year	41.23	33.56
Interest Income	3.93	2.66
Return on Plan Assets excl. interest income	(0.25)	0.27
Adjustment to Opening Fair Value of Plan Asset	-	0.03
Employer's Contributions	20.07	6.02
Benefits Paid	-	(1.31)
Fair value of plan assets at the end of the year	64.98	41.23
iii. Amount to be recognised in the B/S and Statement of P & L Account		
PVO at end of period	62.65	56.10
Fair Value of Plan Assets at end of period	64.98	41.23
Funded Status	2.33	(14.87)
Net Assets/(Liability) recognised in the Balance Sheet	2.33	(14.87)
iv. Net Benefit (Asset) /Liability		
Defined benefit obligation at beginning of period	56.10	48.40
Fair value of plan assets at beginning of period	41.23	33.56
Net Benefit Asset /(Liability)	(14.87)	(14.84)
v. Net Interest Cost for Current Period		
Interest Cost	4.30	3.53
(Interest Income)	3.93	(2.66)
Net Interest Cost for Current Period	8.23	0.87
vi. Return on plan assets		
Actual Return on plan assets	3.68	2.93
Interest income included in above	3.93	2.66
Return on plan assets excluding interest income	(0.25)	0.27
vii. Expenses recognised in the Statement of Profit and Loss		
Current Service Cost	7.30	6.67
Interest cost on benefit obligation (net)	0.37	0.87
Total Expenses recognised in the Statement of Profit and Loss	7.68	7.54
viii. Remeasurement Effects Recognised in Other Comprehensive Income for the year		
Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
Actuarial (gains)/ losses arising from changes in financial assumption	0.19	(1.63)
Actuarial (gains)/ losses arising from changes in experience adjustment	(5.24)	0.44
Return on plan asset	0.25	(0.27)
Recognised in Other Comprehensive Income	(4.80)	(1.46)



(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
	Gratuity Funded	Gratuity Funded
ix. Movements in the Liability recognised in Balance Sheet		
Opening Net Liability	14.87	14.84
Adjustment to opening balance	-	(0.03)
Expenses as above	7.68	7.54
Contribution paid	(20.07)	(6.02)
Other Comprehensive Income (OCI)	(4.80)	(1.46)
Closing Net Liability	(2.33)	14.87
x. Cash flow Projection: From the Fund		
Within the next 12 months (next annual reporting period)	1.77	1.51
2nd following year	1.94	3.15
3rd following year	2.13	4.54
4th following year	4.41	6.10
5th following year	6.49	7.74
Sum of Years 6 To 10	51.42	57.10
xi. Sensitivity Analysis		
"Projected Benefit Obligation on Current Assumptions"		
Delta Effect of +1% Change in Rate of Discounting	56.84	50.59
Delta Effect of -1% Change in Rate of Discounting	69.33	62.46
Delta Effect of +1% Change in Rate of Salary Increase	69.51	62.56
Delta Effect of -1% Change in Rate of Salary Increase	56.60	50.42

Note on Sensitivity Analysis

- i. Sensitivity analysis for each significant actuarial assumptions of the Group which are discount rate and salary assumptions as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes is called out in the table above.
 - ii. In presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.
 - iii. There is no change in the method from the previous period and the points /percentage by which the assumptions are stressed are same to that in the previous year.
- b. Privilege Leave Encashment (Unfunded)**
Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation at the daily rate of last drawn basic salary, as per current accumulation of leave days.

Note 40

Corporate Social Responsibility (CSR)

- a. Amount required to be spent by the Group during the year, ₹ 18.81 Lakhs
- b. Amount spent during the year,

(₹ in Lakhs)

Sr. No.	Particulars	Amount Paid	Amount Yet to be Paid	Total
i.	Construction/acquisition of any asset	-	-	-
ii.	On purposes other than (i) above	18.81	-	18.81

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Note 41.

Financial Instruments

The fair values of the financial assets and liabilities are defined as 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.

Valuation

All financial instruments are initially recognised & subsequently re-measured at fair value as described below

- The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.
- The fair value of over the counter Foreign Currency Options contracts is determined using the mark-to-market from Bank.
- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Fair Value measurement hierarchy

The fair value of financial instruments as referred below have been classified into three categories depending on the inputs used in the valuation technique.

The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

The carrying amounts and fair values of financial instruments by class are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2019				As at March 31, 2018			
	Carrying Amounts	Fair Value			Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
Measured at Amortised Cost								
Loans	310.00	-	-	-	284.42	-	-	-
Trade Receivable	3,071.20	-	-	-	2,757.72	-	-	-
Cash and Bank Balance	284.69	-	-	-	859.56	-	-	-
Other Financial Assets	147.41	-	-	-	130.01	-	-	-
	3,813.31	-	-	-	4,031.71	-	-	-
Measured at Fair Value Through Profit and Loss								
Investment in Equity Shares	-	-	-	-	-	-	-	-
Total Financial Assets	3,813.31	-	-	-	4,031.71	-	-	-
Financial Liabilities								
Measured at Amortised Cost								
Borrowing	840.49	-	-	-	1,031.43	-	-	-
Trade Payables	2,363.97	-	-	-	1,810.38	-	-	-
Other Financial Liabilities	190.75	-	-	-	137.42	-	-	-
	3,395.21	-	-	-	2,979.23	-	-	-
Measured at Fair Value Through Profit and Loss								
Derivative financial instruments	-	-	-	-	1.27	-	1.27	-
Total Financial Liabilities	3,395.21	-	-	-	2,980.49	-	1.27	-

**Note 42****CIF Value of Imports :****(₹ in Lakhs)**

Particulars	2018-19	2017-18
Value of Imports - Chemical Division	7,952.10	4,934.74
Value of Imports - Trading Division	193.12	497.52
Total	8,145.22	5,432.26

Note 43**Expenditure in Foreign Currency:****(₹ in Lakhs)**

Particulars	2018-19	2017-18
Travelling	3.26	9.77
Freight & Demurrage	3.78	-
Commission Paid	1.89	3.90
Others	2.02	-
Total	10.95	13.67

Note 44**FOB value of Exports :****(₹ in Lakhs)**

Particulars	2018-19	2017-18
Sale of Goods	2,617.87	2,657.13

Note 45

Balances for Trade Payables, Trade Receivables, Loans and Advances are subject to confirmations from the respective parties and reconciliations, if any, in many cases. In absence of such confirmations, the balances as per books have been relied upon by the auditors.

As per our report of even date
For **R A MARU & ASSOCIATES**
Chartered Accountants
Firm Registration No. 141914W

Sd/-
R A Maru
Proprietor
Membership No. 166417

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board of Directors

Sd/-
Purab Shah
Executive Director & CEO
DIN : 07490952

Sd/-
Vaize Ahmed Kampli
Chief Financial Officer

Sd/-
Sunil K Shah
Director
DIN : 03567415

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer

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Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ Joint**Venture for the year ended March 31, 2019****Part "A": Subsidiaries**

Sr. No.	Particulars	Details
1	Name of the subsidiary	Ashwa Minerals Private Limited
2	Reporting period	01.04.2018 - 31.03.2019
3	Reporting currency	RUPEES
4	Share capital	100,000
5	Reserves & surplus	2,62,66,684
6	Total assets	2,69,06,155
7	Total Liabilities	5,39,466
8	Investments	-
9	Turnover (Including other Income)	1,14,12,560
10	Profit before taxation	5,45,930
11	Provision for taxation	2,82,789
12	Profit after taxation	8,28,719
13	Proposed Dividend	NIL
14	% of shareholding	100%

Part "B" – Associates and Joint Ventures**Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Sr. No.	Name of Associates Company	
1	Latest audited Balance Sheet Date	N.A.
2	Shares of Associate Company held by the Company on the year end	
	No. of Shares	
	Amount of Investment in Associate Company	
	Extend of Holding %	
3	Description of how there is significant influence	
4	Reason why the associate Company is not consolidated	
5	Networth attributable to shareholding as per latest audited Balance Sheet	
6	Profit/Loss for the year	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

As per our report of even date
For **RA MARU & ASSOCIATES**
Chartered Accountants
Firm Registration No. 141914W

Sd/-
RA Maru
Proprietor
Membership No. 166417

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board of Directors

Sd/-
Purab Shah
Executive Director & CEO
DIN : 07490952

Sd/-
Vaize Ahmed Kampli
Chief Financial Officer

Sd/-
Sunil K Shah
Director
DIN : 03567415

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer



ASHOK ALCO-CHEM LIMITED

Registered Office: 104, Venkatesh Chambers, 1st Floor, Ghanshyam Talwatkar Marg, Fort, Mumbai – 400 001.

CIN: L24110MH1992PLC069615 Tel: 022-61446900/01

Email: secretarial@ashokalcochem.com; Website: http://www.ashokalcochem.com

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Members :	
Registered Address:	
Email Id:	
Folio No/ Client ID:	
DP ID:	

I/We, being a Member(s) of _____ Shares of **Ashok Alco-Chem Limited**, hereby appoint

- (1) Name: _____ Address: _____
Email Id _____ Signature: _____ or failing him/her
- (2) Name: _____ Address: _____
Email Id _____ Signature: _____ or failing him/her
- (3) Name: _____ Address: _____
Email Id _____ Signature: _____ or failing him/her

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Seventh Annual General Meeting of the Company to be held on Saturday, September 28, 2019 at 11.00 a.m. at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Oricon House, 6th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai - 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
Ordinary Business	
1.	Adoption of: a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2019 together with the Reports of the Board of Directors and the Auditors' thereon. b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 together with the Reports of the Auditors' thereon.
2.	Declaration of Dividend.
3.	Appointment of Director in place of Mr. Sunil Shah (DIN: 03567415), who retires by rotation and being eligible, offers himself for re-appointment.
Special Business	
4.	Re-appointment of Mr. Purab Shah (DIN: 07490952) as an Executive Director & CEO.
5.	Re-appointment of Mr. Manoj Ganatra (DIN 00568914) as an Independent Director.
6.	Appointment of Mrs. Hina Shah (DIN:08335130) as an Independent Director.
7.	Re-appointment and payment of remuneration to the Cost Auditors.
8.	Sale, Transfer or Disposal off Manufacturing Undertaking of the Company.
9.	Alteration in Object Clause of the Memorandum of Association of the Company.

Signed this _____ day of _____ 2019

Signature of Shareholder: _____

Signature of Proxy Holder(s): _____

Affix
Re.1/-
Revenue
Stamp

Notes: The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the aforesaid Meeting.



Ashok Alco-Chem Limited

CIN : L24110MH1992PLC069615

104, Venkatesh Chambers, 1st Floor, Ghanshyam Talwatkar Marg, Fort, Mumbai - 400 001.

Tel. No. : 022-6144 6900/01

Website : <http://www.ashokalcochem.com>

Email : info@ashokalcochem.com