



10, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Mumbai- 400 072.  
Tel.: 2851 1918 / 1919/2929 • Fax : 2851 3186 • Email : lplho@vsnl.com

To,  
The Corporate Relations Department  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001.

**Sub: Submission of Copy of Annual Report of the Company for the financial year 2016-2017, adopted at 24<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September 2017.**

Dear Sir,

We are submitting herewith 24<sup>th</sup> the Annual Report of the Company for the Financial Year 2016-2017, which is approved and adopted at 24<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2017 as required under Regulation 34 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

We request you to take the same on record and oblige.

**For Laffans Petrochemicals Limited**

**Sandeep Seth**  
**(Managing Director)**  
DIN: 00316075

**24<sup>th</sup>**

**Annual Report**

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**PETROCHEMICALS LIMITED**

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**(AN ISO 9001:2000 COMPANY)**

**2016- 2017**

**BOARD OF DIRECTORS**

Shri Sandeep Seth

Mrs. Anisha Seth

Shri Jaideep Seth

Shri Rajesh Thadani

Shri Naresh N. Chhabria

Shri Avinash Gupta

Managing Director

Whole Time Director

Non-Executive Director

Independent Director

Independent Director

Independent Director

**COMPANY SECRETARY**

Mr. S. R. Narayanan

**Chief Financial Officer**

Shri M.B. Kotian

**AUDITORS**

S.M. Kapoor &amp; Co. For F.Y. 2016-17

**CORPORATE OFFICE**

10 Luthra Industrial Premises

Ground Floor, Andheri Kurla Road

Safed Pool, Mumbai 400072

**REGISTERED OFFICE**

Shed No.C1B/316, GIDC Panoli,

Tal Ankleshwar, Dist. Bharuch,

Gujarat Pin.394116

CIN No.: L99999GJ1992PLC018626

**REGISTRARS & TRANSFER AGENTS**

Big Share Services Pvt. Ltd

E-2 Ansa Industrial Estate

Saki Vihar Road, Saki Naka

Andheri (East) Mumbai 400072.

Tel: 28470652/28475207

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**NOTICE**

**NOTICE** is hereby given that the 24<sup>th</sup> Annual General Meeting of the Members of **LAFFANS PETROCHEMICALS LIMITED** will be held on Friday, 29<sup>th</sup> September, 2017 at 11.00 a.m. at Shalimar Hotel, Ankeshwar, Bharuch 394116, Gujarat, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2017 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Anisha Seth (DIN: 06867960), who retires by rotation and, being eligible, offers herself for re-appointment.
3. To appoint auditors of the Company, and to fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and The Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Govind Prasad & Co, Chartered Accountants, be and is hereby appointed as Auditors of the Company in place of the retiring auditors M/s. **S. M. Kapoor & Co., Chartered Accountants** to hold office for a period of five consecutive years commencing from the financial years 2017-18 (subject to ratification of their appointment at every AGM, if so required under the Act), on a remuneration that may be determined by the audit committee & Board in consultation with the auditors.”

**By order of the Board of Directors  
For Laffans Petrochemicals Limited**

**Sandeep Seth  
(Managing Director)  
DIN: 00316075**

**Place: Mumbai**

**Date: 14<sup>th</sup> August 2017**

**Registered Office:**

Shed No. C1B/316, GIDC Panoli,  
Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116.  
Email: [lplho@vsnl.com](mailto:lplho@vsnl.com)

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('the meeting') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting or upload it on the e-voting portal, authorizing their representative to attend and vote their behalf at the meeting.
3. The instrument appointing the proxy, duly completed, must be deposited at the Company's Registered Office not less than FORTY-EIGHT (48) HOURS before the commencement of the meeting. A proxy form for the AGM is enclosed.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the company.
5. Members/proxies/authorised representatives should bring the duly filled attendance slip, enclosed herewith with to attend the meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 ('the Act') and The Register of Contracts or Arrangements, in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members at the AGM.
7. The Register of Members and the Share Transfer Book shall be closed from Saturday, 23<sup>rd</sup> September, 2017 to Friday 29<sup>th</sup> September, 2017 (both day inclusive) for the purpose of the AGM.
8. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to Company or Registrar and Transfer Agents (RTA).
9. Members are requested to address all correspondence relating to investor services to the Registrar and Share Transfer Agents, Big Share Services Pvt. Ltd, E-2 Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East) Mumbai 400072.
10. With a view to using the natural resources responsibly, we request shareholders to update their email address, with their Depository Participants in case of demat holding and RTA in case of physical holding to enable the Company to send communications electronically.
11. The Annual Report for 2016-17, the Notice of 24<sup>th</sup> AGM and instruction for e-voting along with the attendance slip and proxy form, are being sent by electronic mode to the members whose e-mail addresses are registered with the Company / Depository Participant(s), unless any member has requested for a physical copy of the said document. For members who have not registered their e-mail addresses, physical copies of the said document are being sent by the permitted mode.
12. Members may also note that the Annual report (including the Notice of 24<sup>th</sup> AGM) for 2016-17 will be available on the Company's website, Website: [www.laffanspetrochemical.com](http://www.laffanspetrochemical.com).
13. Relevant documents referred to in the accompanying Notice and the statements are open for inspection by the members at the registered office of the Company on all working days, except Saturday, during business hours up to the date of the meeting.

14. Additional information, pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard 2 in respect of the Directors seeking appointment / re-appointment at the AGM is furnished as annexure to the Corporate Governance Report.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company /RTA.
16. Members holding shares in single name and physical form may obtain Nomination Forms from the Company's Registrar and Transfer Agents. Members holding shares in electronic form may obtain the Nomination Forms from their respective Depository Participants.
17. The members holding shares in the same name or in the same order of names, under different folios, are requested to notify the relevant details of the said holdings to M/s Big Share Services Pvt. Ltd for consolidation of their shareholding in to a single folio.
18. In case of joint holder attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
19. Non-Resident Indian Members are requested to inform RTA, immediately of:
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account maintained in India with complete name, branch account type, account number and address of the bank with pin code number, if not furnished earlier.
20. Information and other instructions relating to e-voting are as under
  - (a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
  - (b) The facility for voting through polling paper shall also be made available at the venue of the AGM. The members who are attending the meeting who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting.
  - (c) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
  - (d) The Company has engaged the services of Central Depository Services Limited (CDSL) as the agency to provide e-voting facility.
  - (e) The Board of Directors of the Company has appointed Mr. Makarand Patwardhan, Proprietor of M/s. Makarand Patwardhan & Co., Practicing Company Secretaries (COP 9031) as the Scrutinizer, for scrutinizing the e-voting and ballot voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
  - (f) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 22<sup>nd</sup> September, 2017.
  - (g) 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 i.e. 22<sup>nd</sup> September, 2017, only shall be entitled to avail the facility of remote e-voting / Poll.

**The instructions for shareholders voting electronically are as under:**

- I. The voting period begins on Tuesday 26<sup>th</sup> September, 2017 at 9.00 a.m. and ends on Thursday 28<sup>th</sup> September, 2017 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- II. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- III. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- IV. Click on Shareholders tab. Now, select the “LAFFANS PETROCHEMICAL LIMITED” from the drop down menu and click on “SUBMIT”
- V. Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- VI. Next enter the Image Verification as displayed and Click on Login.
- VII. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- VIII. If you are a first time user follow the steps given below:

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

- IX. After entering these details appropriately, click on “SUBMIT” tab.
- X. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- XI. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XII. Click on the EVSN for the relevant <LAFFANS PETROCHEMICAL LIMITED> on which you choose to vote..
- XIII. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- XIV. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- XV. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- XVI.** Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- XVII.** You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- XVIII.** If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XIX.** Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- XX. Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- XXI.** In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
21. A route map showing direction to reach the venue of 24<sup>th</sup> Annual general meeting is given at the end of the this notice as per the requirement of the Secretarial Standard 2 on General meeting.
22. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.laffanspetrochemical.com](http://www.laffanspetrochemical.com) and on the website of CDSL immediately after the declaration of result by the Chairman of the meeting or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange viz. Bombay Stock Exchange Limited (BSE Limited)

**By order of the Board of Directors  
For Laffans Petrochemicals Limited**

**Sandeep Seth  
(Managing Director)  
DIN: 00316075**

**Place:** Mumbai

**Date:** 14<sup>th</sup> August, 2017

**Registered Office:**

Shed No. C1B/316, GIDC Panoli, Tal. Ankleshwar, Dist,  
Bharuch, Gujarat- 394116.

**CIN:** L99999GJ1992PLC018626

**E-mail:** [lplho@vsnl.com](mailto:lplho@vsnl.com)



**DIRECTOR'S REPORT****To the Members,**

The Directors present the 24<sup>th</sup> Annual Report of the Company along with the audited financial statements for the financial year (FY) ended on March 31, 2017.

**FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS**

The financial performance of the Company for the year ended March 31, 2017 is summarized below:

(Amount in Rs.)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Total Revenue	5,33,55,089	3,44,15,888
Total Exp.	5,18,18,736	3,23,66,672
<b>Profit before exceptional items &amp; tax</b>	15,36,353	20,49,216
Current Tax for the year& Prior Year	---	(35,000)
Deferred Tax Liability	1,69,903	(1,40,159)
<b>Profit after taxation</b>	<b>17,06,256</b>	<b>18,74,057</b>

**STATE OF COMPANY AFFAIRS:**

Total income of the Company during the FY. 2016-17 was Rs. 5,33,55,089/- reflecting an increase of Rs. 1,89,39,201/- over previous year. Profit for the year stood at Rs. 15,36,353/- as against Rs. 20,49,216/- for the previous year reflecting a slight decrease of Rs 512863. .

**DIVIDEND**

To conserve resources which would assist in future growth of the Company, no dividend is recommended by the Board for the financial year ended March 31, 2017.

**SIGNIFICANCE AND MATERIAL ORDER PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

There were no significance and material orders passed by regulators or courts or tribunals impacting the going concern status and company operations in future. There were no material changes and commitments affecting the financial position of the company occurring between March 31, 2017 and the date of this Report of the Directors.

**SUBSIDIARIES, JOINT VENTURE OR ASSOCIATES COMPANIES DURING THE YEAR**

The Company has no holdings, subsidiaries, joint ventures or associated companies therefore disclosures in this regards are not provided in this report.

**DETAILS OF BOARD AND COMMITTEE'S MEETING**

The Board of Directors met 4 (Four) times during the year ended March 31, 2017. The details of Composition Board and Committee Meetings (viz. Audit Committee, Nomination & Remuneration Committee, & Stakeholder Relationship Committee), and their attendance inter-alia, are given under Corporate Governance Report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Sections 134(3) (c) read section 134(5) of the Companies Act, 2013 of the Companies Act, 2013:

- (i) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2017 and of the profit and loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (iv) the directors had prepared the annual accounts on a going concern basis; and
- (v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**STATEMENT ABOUT INDEPENDENT DIRECTOR UNDER SUB-SECTION (6) OF SECTION 149 OF COMPANIES ACT 2013**

The Company has received the declaration from each Independent Directors that they meet the criteria of independence laid down under Section 149(6) of Companies Act, 2013, under Regulation 16(b) of SEBI (LODR) Regulations, 2015.

**NOMINATION & REMUNERATION POLICY**

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178 of the Act, is appended as **Annexure A** to this Report.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

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

**INTERNAL FINANCIAL CONTROL SYSTEM**

The Company has in place an established internal control system designed to ensure proper recording of financial and operational information and compliance with various internal controls and other regulatory and statutory compliances. Code of Internal controls which require that the Director review the effectiveness of internal controls and compliances controls, financial and operational risks, risk assessment and management systems and related party transactions, have been complied with.

**CHANGE IN NATURE OF BUSINESS**

Your Company has not undergone any changes in the nature of the business during the financial year.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITIONS OF THE COMPANY**

There have been no material changes and commitments affecting the financial positions of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of the report.

**RELATED PARTY TRANSACTIONS**

There were contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013. All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Thus not requires the approval of shareholders. All Related Party Transactions are placed before the Audit Committee for approval.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the company. there were no material transaction during the year hence not required any disclosure in form AOC-2.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website [www.laffanspetrochemical.com](http://www.laffanspetrochemical.com) .

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "**Annexure B**".

**RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors.

**CORPORATE SOCIAL RESPONSIBILITY**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

**STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The formal annual evaluation has been done by the board of its own performance and that of its committee and individual directors on the basis of evaluation criteria specified in the Nomination and Remuneration policy of the Company. A member of the Board/committee did not participate in the discussion of his/her evaluation.

**DIRECTORS OR KEY MANAGERIAL PERSONNEL**

During the year under review, no change occurred in the composition of the Board and Committee's.

No Changes occurred in the position of KMP, Company Secretary and Chief Financial officer of the Company

As per the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Anisha Seth (DIN 06867960) , Directors, retires by rotation at the ensuing Annual General Meeting and, being eligible, offer herself for re-appointment.

Brief profile of Director retiring by rotation and seeking re-appointment are given under Corporate Governance Report.

**MANAGERIAL REMUNERATION**

The information required pursuant to Section 197 of the Companies Act, 2013 read rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, The prescribed particulars of employees required under section 134(3)(q) read rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules,2014, in respect of employees of the Company is not provided, as there are no employees drawing remuneration exceeding the limits prescribed under aforesaid rules.

The information required pursuant to Section 197 read with Rule 5 (1) (i) of The Companies (Appointment and Remuneration) Rules, 2014 in respect of ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year, will be made available for inspection at its registered office of the Company during the working hours for a period of twenty one days before the date of annual general meeting of the company pursuant to Section 136 of the Companies Act, 2013 and members, if any interested in obtaining the details thereof, shall make specific request to the Company Secretary and Compliance officer of the Company in this regard.

Further details of remuneration of each director have been provided under MGT-9 extract of Annual Return appended as Annexure – D of this report. Hence not repeated the same under corporate governance report.

**AUDITORS**

M/s. S. M. Kapoor & Co., Chartered Accountants, Statutory Auditors of the Company for F.Y 2016-17 (FRN104809W), holds office up to forthcoming AGM.

M/s. S. M. Kapoor & Co., have completed the period of 10 (ten) years and will also be completing the additional transition period of 3 (three) years at the conclusion of the forthcoming AGM.

Accordingly, the term of the present Auditors, S. M. Kapoor & Co., expires at the conclusion of the forthcoming AGM. The Audit Committee and the Board of Directors place on record their appreciation for the professional services rendered by S. M. Kapoor & Co., during their association with the Company as its Auditors.

Pursuant to Section 139 of the Act, and on the recommendation of the Audit Committee, it is now proposed to appoint, Govind Prasad & Co., Chartered Accountants (Firm Registration No.114360W), as Statutory Auditors of the Company for a term of 5 (five) years from the conclusion of the 24th AGM (subject to ratification of such appointment by the Members at every AGM, if required) till the conclusion of the 29th AGM at such remuneration as may be determined by the Board of Directors and the said Auditors from time to time.

The said Auditors have confirmed their eligibility for appointment in terms of Section 139 of the Act.

As per the provisions of the Act, no listed company shall appoint an audit firm (including its affiliate firms) as auditors for more than 2 (two) terms of 5 (five) consecutive years. The Act also provided for an additional transition period of 3 (three) years from the commencement of the Act i.e. April 1, 2014.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. S. M. Kapoor & Co., Statutory Auditors, in their report. Moreover During the year under review, the retiring Auditors have not reported any matter under Section 143 (12) of the Act and therefore no details are disclosed under Section 134 (3)(ca) of the Act.

### **INTERNAL AUDITORS**

Independent Practicing Chartered Accountants were appointed as an Internal Auditor for Financial Year 2016-2017, they performs the duties of internal auditors of the Company as prescribed under the Act and their report is reviewed by the audit committee from time to time.

### **SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Makarand Patwardhan & Co., a Company Secretaries in Practice (ICSI CP No. A11872 and Membership No. 9031) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for F.Y. 2016-2017 is enclosed and marked as “**Annexure C**”.

### **OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In order to prevent sexual harassment of women at work place the Company has adopted a policy for prevention of Sexual Harassment of Women at workplace under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and during the year Company has not received any complaint of such harassment.

### **INSIDER TRADING**

In compliance with the SEBI regulation on prevention of Insider Trading, your Company has framed a comprehensive code which lays down guidelines and advises the Directors and employees of the Company on procedures to be followed and disclosures to be made, while dealing in securities of the Company. During the year under review, the Company adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive information and the Code of Conduct for Prohibition of Insider Trading in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

### **THE EXTRACT OF THE ANNUAL RETURN IN FORM MGT-9**

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as “**Annexure D**”.

### **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore; there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

### **RISK MITIGATION**

The Company has identified various risks faced by the Company from different areas. As per the provisions of the Companies Act, 2013 and listing regulation, the Board has adopted a risk management policy whereby a proper framework is setup, appropriate structure are present so that risks are inherently monitored and controlled. A combination of policies and procedures attempts to counter risk as and when they evolve.

**BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an evaluation of every director's performance was carried out. An evaluation sheet was given to each director wherein certain criteria were set out for which ratings are to be given.

**RESEARCH & DEVELOPMENT**

As Company is not carrying manufacturing activity, there was no Research and Development activity carried out by the Company during the financial year under review.

**WEBSITE OF THE COMPANY**

The Company maintains a website [www.laffanspetrochemical.com](http://www.laffanspetrochemical.com) where detailed information of the company and its products are provided.

**CODE OF CONDUCT**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on the Company's website [www.laffanspetrochemical.com](http://www.laffanspetrochemical.com). The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

**VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Board has established a vigil mechanism/Whistle Blower Policy for Directors and employees and other concerned stakeholders to report their genuine concerns, about unethical behavior and actual or suspected fraud or violation of the Company's 'Code of Business Conduct and Ethics'. The Board has also formulated the whistle blower policy, same has been uploaded on the websites of the Company, The said Policy provides for adequate safeguards against victimization and also direct access to the Audit Committee.

There was no reporting made by any employee for violation of applicable laws and regulations and the Code of Conduct for the F.Y. 2016-17.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management's discussion and analysis is set out in this Annual Report as Annexure-E

**REPORT ON CORPORATE GOVERNANCE**

A separate report on Corporate Governance is attached to this report along with Statutory Auditor's certificate on its compliance in "**Annexure F**".

**ACKNOWLEDGMENTS**

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to the Government of India, Governments of Gujarat & Maharashtra, Authorities and the Bankers to the Company for their valuable support and look forward to their continued co-operation in the years to come.

Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

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

**Place: Mumbai**

**Dated:14/08/2017**

**Sandeep Seth  
(Chairman & Managing Director)**

**DIN: 00316075**

**ANNEXURE – A**  
**NOMINATION AND REMUNERATION POLICY**

**1. INTRODUCTION:**

This policy is has been formulated by the Committee and approved by the Board of Directors.

**2. OBJECTIVE OF THE COMMITTEE:**

The Committee shall:

- a. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- b. Formulation of criteria for evaluation of Independent Director and the Board
- c. Devising a policy on Board diversity.
- d. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- e. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

**3. DEFINITIONS:**

3.1 **Board** means Board of Directors of the Company.

3.2 **Director** means Directors of the Company.

3.2 **Committee** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.

3.4 **Company** means Laffans Petrochemicals Limited.

3.5 **Independent Director** means Independent Director as provided under clause 49 of the Listing Agreement and/or under the Companies Act, 2013.

3.6 **Key Managerial Personnel** means Key Managerial Personnel as defined Section 2(51) of the Companies Act, 2013.

3.7 **Senior Management** The expression “senior management” means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

**4. GENERAL APPOINTMENT CRITERIA:**

4.1 The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.

4.2 The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.

4.3 The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.

**5. ADDITIONAL CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS:**

The appointment of Independent director shall be governed as per the provisions of clause 49 of the Listing Agreement (as amended from time to time) and the Companies Act, 2013.

**6. TERM / TENURE:**

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under as amended from time to time, and as per listing agreement.

**7. REMOVAL:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**8. CRITERIA FOR EVALUATION OF INDEPENDENT DIRECTOR AND THE BOARD:**

Following are the Criteria for evaluation of performance of Independent Directors and the Board:

**8.1 Executive Directors:**

The Executive Directors shall be evaluated on the basis of targets / Criteria given to executive Directors by the Board from time to time.

The Independent Directors shall take the views of the executive director(s) and non-executive director(s) to review the performance of the Chairman of the Company.

**8.2 Non Executive Director:**

The Non Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- a. act objectively and constructively while exercising their duties;
- b. exercise their responsibilities in a bona fide manner in the interest of the company;
- c. devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- d. do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- e. refrain from any action that would lead to loss of his independence
- f. inform the Board immediately when they lose their independence,
- g. assist the Company in implementing the best corporate governance practices.
- h. strive to attend all meetings of the Board of Directors and the Committees;
- i. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- j. strive to attend the general meetings of the Company
- k. keep themselves well informed about the Company and the external environment in which it operates;
- l. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.
- m. Abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.
- n. Provide various directions in the best interest of the Company on key issues.

Apart for aforesaid criteria, the Non-Executive Directors (including Independent Directors) shall be evaluated on any other criteria as the Board/Committee/Independent Directors as they deemed proper from time to time.

**8.3 Board (including Various Committees):**

The Board (including various committees) shall be evaluated on the basis of the following criteria i.e. whether:

- a. the Board Ensure the integrity of financial information and robustness of financial and other controls.
- b. the Board oversees the management of risk and review the effectiveness of risk management process.
- c. the Board of directors works as a team.
- d. the Board is robust in taking and sticking to decisions.
- e. the Board as a whole up to date with latest developments in the regulatory environment and the market.

- f. sufficient Board and committee meetings, of appropriate length, being held to enable proper consideration of issues.
- g. the relationships and communications with shareholders are well managed.
- h. the relationships and communications within the board constructive.
- i. all directors allowed or encouraged to participate fully in board discussions.
- j. the Board take the Initiative to maintain moral value of the Company.
- k. the Board contribute to enhance overall brand image of the Company.

Apart from aforesaid criteria, the Board (including Committees) shall be evaluated on any other criteria as the Board/Committee/Independent Directors as they deemed proper from time to time.

#### **9. POLICY ON BOARD DIVERSITY:**

The appointment of director(s) on the Board should be based on merit that complements and expands the skills, experience and expertise of the Board as a whole, taking into account gender, age, professional experience and qualifications, educational background, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board.

The Nomination & Remuneration Committee is (among other things) responsible for: reviewing the structure, size and composition of the Board and the appointment of new directors of the Company from time to time to ensure that it has a balanced composition of skills, experience and expertise appropriate to the requirements of the businesses of the Company, with due regard to the benefits of diversity on the Board.

#### **10. REMUNERATION:**

**10.1** The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval.

The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

##### **10.2 Director/ Managing Director**

Besides the above Criteria, the Remuneration/ compensation/ commission etc to be paid to Director/ Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

##### **10.3 Non executive Independent Directors**

The Non- Executive Independent Director may receive remuneration by way of sitting fees as decided by the Board from time to time for attending meetings of Board or Committee thereof; Provided that the amount of such fees shall not exceed the ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

##### **10.4 KMPs / Senior Management Personnel etc.**

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

##### **10.5 Other employees:**

Without prejudice to what is stated in para 10.1 to 10.4, the remuneration to be paid to the other employees shall be decided by the management of the Company based on the experience, qualification, expertise of the employees or any other criteria as may be decided by the Management.

#### **11. SUCCESSION PLANNING:**

The Nomination & Remuneration Committee shall work with the Board on the Leadership succession plan, and shall also prepare contingency plan for succession in case of any exigencies.



## ANNEXURE – B

**Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors**

- (A) Conservation of energy- Not Applicable  
 (B) Technology absorption- Not Applicable  
 (C) Foreign Exchange Earnings and Outgo-

Sr. No.	Particulars	2016-2017	2015-2016
<b>1</b>	<b>Foreign Exchange Earned</b>	-	-
	Export of Goods of F.O.B basis	-	-
<b>2</b>	<b>Outgo of Foreign Exchange</b>		
	i) Raw Materials	-	-
	ii) Consumable Store	-	-
-	iii) Capital Goods	-	-
	iv) Foreign Travels	1126081	312429.00
	v) Others	-	-
	vi) Dividend	-	-

**ANNEXURE –C**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE PERIOD 01-04-2016 TO 31-03-2017**

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

To,  
The Members,  
**LAFFANS PETROCHEMICALS LIMITED**  
Shed no.C1b/316 GIDC Panoli, Ankleshwar  
Gujarat - 394116.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices **LAFFANS PETROCHEMICALS LIMITED (CIN: L99999GJ1992PLC018626)** 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 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 **1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017** 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 audit period **1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017** 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 Regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (**Not Applicable as neither Company has made overseas Direct Investment nor received any Overseas Direct Investment and External Commercial Borrowings during the year under review**)
- (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-**Not applicable as there was no Substantial Acquisition of Shares & Takeover made during the year**
  - 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, 2009- (**Not applicable as the Company did not issue any security during the financial year under review**)
  - d. The Securities and Exchange Board of India (Share based employees Benefits) Regulation 2014- **Not applicable as the Company did not have any scheme for its employees during the financial year under review.**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **Not applicable as the Company has not issued any debt securities during the financial year under review.**

- 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 as the Company has not delisted its equity shares from any stock exchange during the financial year under review.**
- h. Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998- **Not applicable as the Company has not bought back any of its securities during the financial year under review.**
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.
- We are of the opinion that the management has complied with the following laws specifically applicable to the Company:

1. The Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989
2. The Water (Prevention and Control of Pollution) Act, 1974
3. The Environment (Protection)( Second Amendment) Rules,1992
4. The legal Metrology Act, 2009
5. The Petroleum Act, 1934

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India;
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**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.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

**We further report that** during the audit period there were no specific events /action reported having major bearing on company's operations in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. .

**For Makarand Patwardhan & Co.,  
(Company Secretaries)**

**Place : Mumbai  
Date: 20<sup>th</sup> June 2017**

**Sd/-  
Makarand Madhav Patwardhan  
(Proprietor)  
C.P. No. 9031/ACS No. A11872**

## ANNEXURE – D

## MGT-9 ( EXTRACT OF ANNUAL RETURN)

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

## I. Registration and other Details

CIN	L99999GJ1992PLC018626
Registration Date	27 <sup>th</sup> November, 1992
Name of the Company	LAFFANS PETROCHEMICALS LIMITED
Category	Company Limited by shares
Sub-Category	Indian Non-Government Company
Address of the Registered Office	Shed No.C-1B/316, GIDCPanoli, Ankleshwar – 394116, Gujarat
Contact details	Tel: (022) 28511918 / 28512929 / Fax: (022) 28513186; Email: <a href="mailto:Laffans1@vsnl.com">Laffans1@vsnl.com</a> Website: <a href="http://www.laffanspetrochemical.com">www.laffanspetrochemical.com</a>
Whether Listed Company	Yes, Listed on BSE Limited (Formerly Know as Bombay Stock Exchange Limited), Vadodara Stock Exchange and Delhi Stock Exchange
Name, Address and Contact details of Registrar and Transfer Agent	M/s. Bigshare Services Pvt. Ltd. E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East) Mumbai – 400 072 Tel.: + 91-22-4043 0200, Fax: +91-22-2847 5207 Email: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a>

## II. Principal Business Activities

All the business activities contributing 10 % or more of the total turnover of the Company

Sl. No.	Name and Description of main products	NIC Code of the Product	% to total turnover of the Company
1	Dealing in Petroleum Chemicals	51102	100%

## III. Particular of Holding, Subsidiary and Associate Companies: Nil

## IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

## i) Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	3907702	4250	3911952	48.90	3907707	4250	3911957	48.90	-
b) Central Govt	-	-	-	-					-
c) State Govt (s)	-	-	-	-					-
d) Bodies Corp.									-
e) Banks / FI	-	-	-	-					-
f) Any Other....	-	-	-	-					-
<b>Sub-total (A) (1)</b>	<b>3907702</b>	<b>4250</b>	<b>3911952</b>	<b>48.90</b>	<b>3907707</b>	<b>4250</b>	<b>3911957</b>	<b>48.90</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) =(A)(1)+(A)(2)</b>	3907702	4250	3911952	48.90	3907707	4250	3911957	48.90	-
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	10600	10600	0.13	0	10600	10600	0.13	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>10600</b>	<b>10600</b>	<b>0.13</b>	<b>0</b>	<b>10600</b>	<b>10600</b>	<b>0.13</b>	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	337610	57000	394610	4.932625	329197	57000	386197	4.8274625	(0.11)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1576152	653110	2229262	27.87	1474968	646710	2121678	26.52	(1.34)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1373880	65500	1439380	17.99	1361675	65500	1427175	17.84	(0.15)
c) Others (specify)									
Clearing member	751	-	751	0.01	131080	-	131080	1.64	1.63
Market Maker	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Non Resident Indians	8250	-	8250	0.10	6250	-	6250	0.08	0.03
Non Resident Indians (Repat)	-	-	-	-	-	-	-	-	-
Non Resident Indians (Non-Repat)	5195	-	5195	0.06	5063	-	5063	0.06	0.00
Foreign Companies	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Independent Directors	-	-	-	-	-	-	-	-	-
HUF	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):</b>	<b>3301838</b>	<b>775610</b>	<b>4077448</b>	<b>50.97</b>	<b>3308233</b>	<b>769210</b>	<b>4077443</b>	<b>50.97</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>3301838</b>	<b>786210</b>	<b>4088048</b>	<b>51.10</b>	<b>3308233</b>	<b>779810</b>	<b>4088043</b>	<b>51.10</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>7209540</b>	<b>790460</b>	<b>8000000</b>	<b>100.00</b>	<b>7215940</b>	<b>784060</b>	<b>8000000</b>	<b>100</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding 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	
Mr. Sandeep Seth	3911952	48.90	N.A	3911952	48.90	N.A	No change
Mr. Jaideep Seth	--	--	--	05	0.0001	N.A	0.0001

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

	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
<b>Mr. Sandeep Seth</b>				
At the beginning of the year	3911952	48.90	3911952	48.90
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change During the year			
<b>At the End of the year</b>	<b>3911952</b>	<b>48.90</b>	<b>3911952</b>	<b>48.90</b>
Mr. Jaideep Seth	0	0	05	0.0001
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Increase by transfer on 10.06.2016			
<b>At the End of the year</b>	<b>05</b>	<b>0</b>	<b>05</b>	<b>0.0001</b>

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

	Shareholding at the beginning of the year		Change during the year			Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	Date	Increase / Decrease in shareholding	Reason	No. of shares	% of total shares of the company
<b>1. LAFFANS INDIA LIMITED</b>							
At the beginning of the year	227,700	2.85	-	-		227,700	2.85
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):							
At the End of the year	227,700	2.85	-	-		227,700	2.85
<b>2. RAHUL DILIPBHAI JHAVERI</b>							
At the beginning of the year	121500	1.52				121500	1.52
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):			16-Sep-16	-100000	Transfer	21,500	0.27
			19-Sep-16	-21500	Transfer	0	0.00

	Shareholding at the beginning of the year		Change during the year			Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	Date	Increase / Decrease in shareholding	Reason	No. of shares	% of total shares of the company
At the End of the year	0	0	-	-	-	0	0
<b>3. MAHENDRA GIRDHARILAL</b>							
At the beginning of the year	191407	2.39				191407	2.39
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):			17-Jun-16	300	Transfer	1,91,707	2.40
			24-Jun-16	1245	Transfer	1,92,952	2.41
			8-Jul-16	43	Transfer	1,92,995	2.41
			15-Jul-16	450	Transfer	1,93,445	2.42
			12-Aug-16	5000	Transfer	1,98,445	2.48
		23-Sep-16	6	Transfer	1,98,451	2.48	
At the End of the year	198451	2.48	-	-	-	198451	2.48
<b>4. MADHUBEN DHIRAJLAL GANDHI</b>							
At the beginning of the year	40000	0.50	-	-	-	40000	0.50
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):			11-Nov-16	19500	Transfer	59,500	0.74
			2-Dec-16	500	Transfer	60,000	0.75
At the End of the year	60,000	0.75	-	-	-	60,000	0.75
<b>5. ARUN RAMGOPAL MEHRA</b>							
At the beginning of the year	57862	0.72				57862	0.72
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year.						
At the End of the year	57862	0.72				57862	0.72
<b>6. NARAYAN MANGILAL MALU</b>							
At the beginning of the year	83266	1.04				83266	1.04
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):			12-Aug-16	-4000	Transfer	79,266	0.99
			19-Aug-16	-200	Transfer	79,066	0.99
			2-Sep-16	-5000	Transfer	74,066	0.93
			9-Sep-16	-5000	Transfer	69,066	0.86
			7-Oct-16	-2465	Transfer	66,601	0.83
			14-Oct-16	-20200	Transfer	46,401	0.58
			21-Oct-16	-27000	Transfer	19,401	0.24
			4-Nov-16	-3000	Transfer	16,401	0.21
			18-Nov-16	-200	Transfer	16,201	0.20
			25-Nov-16	-150	Transfer	16,351	0.20
			2-Dec-16	-200	Transfer	16,151	0.20
			9-Dec-16	-200	Transfer	15,951	0.20
			24-Mar-17	-11100	Transfer	4,851	0.06

	Shareholding at the beginning of the year		Change during the year			Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	Date	Increase / Decrease in shareholding	Reason	No. of shares	% of total shares of the company
At the End of the year	4851	0.06				4851	0.06
<b>7. SANJAY SETH</b>							
At the beginning of the year	99000	1.24				99000	1.24
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Changes during the year.						
At the End of the year	99000	1.24				99000	1.24
<b>8. ARUNA VAGERIA</b>							
At the beginning of the year	48201	0.60				48201	0.60
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Changes during the year.						
At the End of the year	48201	0.60				48201	0.60
<b>9. DHEERAJ KUMAR LOHIA</b>							
At the beginning of the year	70279	0.88	----	---	--	70279	0.88
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):			22-Apr-16	1952	Transfer	72,231	0.90
			29-Apr-16	2305	Transfer	74,536	0.93
			6-May-16	3000	Transfer	77,536	0.97
			3-Jun-16	1350	Transfer	78,886	0.99
			10-Jun-16	2760	Transfer	81,646	1.02
			17-Jun-16	1290	Transfer	82,936	1.04
			24-Jun-16	1650	Transfer	84,586	1.06
			1-Jul-16	1199	Transfer	85,785	1.07
			8-Jul-16	2459	Transfer	88,244	1.10
			22-Jul-16	4080	Transfer	92,324	1.15
			29-Jul-16	6100	Transfer	98,424	1.23
			5-Aug-16	900	Transfer	99,324	1.24
			12-Aug-16	9050	Transfer	1,08,374	1.35
			26-Aug-16	3672	Transfer	1,12,046	1.40
			21-Oct-16	26821	Transfer	1,38,867	1.74
			18-Nov-16	4256	Transfer	1,43,123	1.79
			25-Nov-16	12011	Transfer	1,55,134	1.94
			2-Dec-16	9911	Transfer	1,65,045	2.06
			6-Jan-17	1510	Transfer	1,66,555	2.08
			13-Jan-17	1005	Transfer	1,67,560	2.09
At the End of the year	167560	2.09				167560	2.09
<b>10. PRAGYA SECURITIES PVT.LTD. - F &amp; O CLIENTS' MARGIN A/C</b>							
At the beginning of the year	0	0	-	-	-	0	0
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):			16-Sep-16	100000	Transfer	1,00,000	1.25
			19-Sep-16	21500	Transfer	1,21,500	1.52



	Shareholding at the beginning of the year		Change during the year			Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	Date	Increase / Decrease in shareholding	Reason	No. of shares	% of total shares of the company
At the End of the year	121500	1.52				121500	1.52
<b>11. S N RAJAN</b>							
At the beginning of the year	43968	0.55	-	-	-	43968	0.55
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):			19-Aug-16	-13	Transfer	43,955	0.55
			21-Oct-16	30576	Transfer	74,531	0.93
			28-Oct-16	2094	Transfer	76,625	0.96
			11-Nov-16	-10000	Transfer	66,625	0.83
			18-Nov-16	-30000	Transfer	36,625	0.46
		25-Nov-16	-10000	Transfer	26,625	0.33	
At the End of the year	26625	0.33				26625	0.33
<b>12. KONDEPUDI PALLAVI</b>							
At the beginning of the year	46000	0.58	-	-	-	46000	0.58
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Changes during the year						
At the End of the year	46000	0.58				46000	0.58
<b>13. SHARAD KANAYALAL SHAH</b>							
At the beginning of the year	83266	0.04	-	-	-	83266	0.04
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):			28-Oct-16	2210	Transfer	2,210	0.03
			11-Nov-16	37476	Transfer	39,686	0.50
			18-Nov-16	39314	Transfer	79,000	0.99
			25-Nov-16	14700	Transfer	93,700	1.17
		9-Dec-16	3931	Transfer	97,631	1.22	
At the End of the year	97631	1.22				97,631	1.22

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

	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
<b>Mr. SandeepSeth (Managing Director)</b>				
At the beginning of the year (Individually & Jointly )	3911952	48.90	3911952	48.90
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year (Individually & Jointly )	3911952	48.90	3911952	48.90
<b>Mr. Jaideep Seth (Non-Executive Director)</b>				
At the beginning of the year	05	0.0001	05	0.0001
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	05	0.0001	05	0.0001

<b>Mr. Naresh N. Chhabria (Independent Director)</b>				
At the beginning of the year	0	0	0	0
At the End of the year	0	0	0	0
<b>Mr. Avinash Gupta (Independent Director)</b>				
At the beginning of the year	0	0	0	0
At the End of the year	0	0	0	0
<b>Mrs. Anisha Seth (Whole-Time Director)</b>				
At the beginning of the year	0	0	0	0
At the End of the year	0	0	0	0
<b>Mr. MahalingaBoobaKotian(CFO)</b>				
At the beginning of the year	0	0	0	0
At the End of the year	0	0	0	0
<b>Mr. Rajesh Thadani (Independent Director)</b>				
At the beginning of the year	0	0	0	0
At the End of the year	0	0	0	0
<b>Mr. S R Narayanan (Company Secretary)</b>				
At the beginning of the year	0	0	0	0
At the End of the year	0	0	0	0

#### V. *Indebtedness*

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
• Addition	-	-	-	-
• Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

#### VI. Remuneration of Directors and Key Managerial Personnel

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

Particulars of Remuneration	Mr. Sandeep Seth (Managing Director)	Mrs. Anisha Seth (Whole-time Director)	Total Amount
<b>Gross salary</b>			
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18,00,000	8,40,000	26,40,000
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	232640	-	232640
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
Stock Option	-	-	-
Sweat Equity	-	-	-
<b>Commission</b>			
- as % of profit	-	-	-
- others			

Particulars of Remuneration	Mr. Sandeep Seth (Managing Director)	Mrs. Anisha Seth (Whole-time Director)	Total Amount
Others	--	-	-
Total (A)	2032640	8,40,000	2872640
Ceiling as per the Act	As per Section II of Schedule V of the Companies Act, 2013	As per Section II of Schedule V of the Companies Act, 2013	Rs. 42,00,000/- (Overall limits as per Section II of Schedule V of the Companies Act, 2013)

**B. Remuneration to other directors:**

Particulars of Remuneration	Name of Director's			Total Amount
	Mr. Avinash Gupta	Mr. Naresh Chhabria	Mr. Rajesh Thadani	
Independent Directors				
• Fee for attending board / committee meetings	-	-	-	-
• Commission	-	-	-	-
• Others	-	-	-	-
<b>Total (1)</b>	-	-	-	-
Other Non-Executive Directors	Mr. Jaideep Seth			
• Fee for attending board / committee meetings	-	-	-	-
• Commission	-	-	-	-
• Others	-	-	-	-
<b>Total (2)</b>	-	-	-	-
<b>Total (B)=(1+2)</b>	-	-	-	-

**C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD**

Particulars of Remuneration	Key Managerial Personnel		Total Amount
	Company Secretary Mr. S R Narayanan	CFO Mr. Mahalinga B. Kotian	
<b>Gross salary</b>			
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60,000	191976	251976
(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	-	-	-
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission	-	-	-
- as % of profit	-	-	-
- others	-	-	-
Others	-	-	-
<b>Total</b>	<b>60000</b>	<b>191976</b>	<b>251976</b>

**VII. Penalties / Punishment/ Compounding of Offences: NIL**

During the year there were no penalties, punishment, compounding charges paid by the Company under the Companies Act 2013.

**“ANNEXURE E”**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**OVERVIEW:** Company is operating in the business of trading in specialty chemicals on whole sale basis through various distributors of the Company.

**FINANCIAL PERFORMANCE OF THE COMPANY:**

- **Share Capital:** The issued and paid-up share capital of the Company is Rs. 80,000,000/- consisting of 80 lacs Equity shares of Rs.10/- each as on 31st March, 2017.
- **Reserves and Surplus:**  
As on 31st March, 2017 the reserves and surplus are Rs. 459556220/- .
- **Secured Loans:**  
There are no secured loans outstanding as on 31st March, 2017.
- **Results of Operation:**

Total income of the Company during the FY. 2016-17 was Rs. 5,33,55,089/- reflecting an increase of Rs. 1,89,39,201/- over previous year. Profit for the year stood at Rs. 15,36,353/- as against Rs. 20,49,216/- for the previous year reflecting a slight decrease of Rs. 512863/-.

**Industry Structure & Development :**

Specialty chemicals

**Internal Control System:**

Company has adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of raw materials and fixed assets and for the sale of goods.

**Human Resources:**

The Company has good relation with its employees.

**Risks Factor:**

The Company is mainly dependent on imports from China. As the transit times often goes beyond 30 days the market price may fluctuate by the time the goods arrive for sale. The last year has seen many such fluctuation resulting in the company doing limited imports of chemical. The Company there for restrains from any long term contracts.

**Opportunity**

The company is not dependent on any one product type and is constantly seeking never products based on local demand. The Company as identified several chinese firm to represent them in india through exclusive agency. The indian Chemical market continues to grow and cheaper imports allows opportunities in this area. Further increasing demand of Specially chemicals, favorable Govt. policy, GST regime, would be beneficial for the business of the company in the upcoming years.

**ANNEXURE-F**  
**REPORT ON CORPORATE GOVERNANCE**

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the Listing Agreement with the BSE Limited (BSE) the Directors present the Company's report on corporate governance for the year ended March 31, 2017.

**Company's Philosophy on Corporate Governance**

Corporate Governance broadly refers to a set of rules and practices designed to govern the behavior of corporate enterprises. The Company's philosophy on Corporate Governance envisages accountability, responsibility and transparency in the conduct of the Company's business and its affairs vis-à-vis its employees, shareholders, bankers, lenders, government, suppliers, dealers etc. and accordingly lays great emphasis on regulatory compliances. The Company firmly believes that Corporate Governance is a powerful tool to sub serve the long term growth of the Company and continues to give high priority to the principles and practices of good Corporate Governance and has accordingly benchmarked its practices with the existing guidelines of corporate governance as laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and applicable provisions of the Companies Act, 2013 (the Act), a report on Corporate Governance is detailed below:

**Board of Directors**

**Composition, attendance of Directors at Board Meetings and the last Annual General Meeting (AGM), other Directorships and Memberships and/or Chairmanships held by each Director**

As on March 31, 2017, Laffans Board comprised of 6 (six) Directors, viz., the Chairman & Managing Director and 4(four) Non-Executive -Independent Directors, 1 (One) Non-Executive-Non Independent Director.

Board of Directors met 4 (four) times during the year under review viz. 30<sup>th</sup> May , 2016; 12<sup>th</sup> August , 2016; 14<sup>th</sup> November, 2016 and 14<sup>th</sup> February, 2017, as given in Table-1. The intervening period between two Board Meetings was well within the time limit prescribed in the Companies Act, 2013 and the Listing Regulations.

**Table-1: Composition of Board and attendance of Meetings during the year 2016-2017**

Name	Category	No. of Board Meetings held		Whether attended last AGM	No. of Directorships in other public companies*	No. of committee positions in other public companies**	
		Held	Attended			Member	Chairman
Mr. Sandeep Seth	CMD	04	4	Yes	NIL	NIL	NIL
Mrs. Anisha Seth	ED	04	04	Yes	NIL	NIL	NIL
Mr. Jaideep Seth	NED-NID	04	02	No	NIL	NIL	NIL
Mr. Naresh Chhabaria	ID	04	02	Yes	NIL	NIL	NIL
Mr. Rajesh Thadani	ID	04	02	No	NIL	NIL	NIL
Mr. Avinash Gupta	ID	04	01	No	NIL	NIL	NIL

\* Excludes Directorships in Pvt. Ltd. Companies, Foreign Companies and Companies under Section 8 of the Act.

\*\* Covers only Memberships/Chairmanships of Audit Committee and Stakeholders' Relationship Committee.

\*\*\* (abbreviation details: ID-Independent Director, NED- Non Executive Director , ED-Executive Director)

**Independent Directors' Meeting**

During the year under review, the Independent Directors met on February 14, 2017, inter alia to:

(a) Review the performance of Non-Independent Directors and the Board as a whole; (b) Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and (c) Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors attended the Meeting except Mr. Avinash Gupta, who could not participate and sought leave of absence.

### **Familiarization programme for Independent Directors:**

As and when a new Independent Director is appointed, the Company takes steps to familiarize the Independent Director with the Company, his/her roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. By way of an introduction, the Company presents to the Director a corporate CD which encompasses the history and operations of the Company. Compliances required from the Directors under the Act and the Listing Regulations are explained to them in detail. Senior Management makes presentations periodically to familiarize the Directors with the strategy and operations of the Company. The details of such familiarization programme have been displayed on the website of the Company.

### **Compliance with the Code of Business Conduct and Ethics:**

The Company has adopted a Code of Business Conduct and Ethics. The said Code is posted on the Company's website and the web link of the same is: [WWW.laffanspetrochemical.com/investor/policy/code of conduct](http://WWW.laffanspetrochemical.com/investor/policy/code%20of%20conduct)

All Board members and Senior Management Personnel have affirmed compliance with the said Code for the year ended March 31, 2017. A declaration to this effect, signed by the Chairman & Managing Director is given below:

*Declaration on Code of Business Conduct and Ethics*

*"In accordance with Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Business Conduct and Ethics for the financial year ended March 31, 2017"*

*Place: Mumbai  
Date: 14/08/2017*

*Sd/-  
Sandeep Seth (DIN:00316075)  
(Chairman & Managing Director)*

### **Audit Committee**

*The Audit Committee met 04 (four) times on May 30, 2016; August 12, 2016; November 14, 2016 and February 14, 2017.* The composition of the Committee as on March 31, 2017, and the details on the number of Audit Committee Meetings held and attended by the Members during the financial year 2016- 2017 are given in Table-2.

The terms of reference of the Committee are wide enough to cover matters specified for Audit Committees as given under Section 177 of the Act and Regulation 18 of the Listing Regulations.

The CFO and Internal Auditor and a representative of the Statutory Auditors are may invitees to the Meetings. The Company Secretary acts as Secretary to the Committee.

**Table-2: Composition and attendance of Audit Committee Meetings during 2016-2017**

<b>Name of Director</b>	<b>Position</b>	<b>Category</b>	<b>No. of Meetings attended</b>
Mr. Jaideep Seth	Member	Non-Executive- NID	All
Mr. Naresh Chhabaria	Chairman	Independent Director	All
Mr. Rajesh Thadani	Member	Independent Director	All

### **Nomination and Remuneration Committee**

The composition of the Nomination and Remuneration Committee during the financial year 2016-2017 is given in Table -3.

The terms of reference of the Committee are wide enough to cover matters specified for the Committee as given under Section 178 of the Act and Regulation 19 of the Listing Regulations. The said Committee met on February 14, 2017.

The Company Secretary acts as Secretary to the Committee.

**Table-3: Composition and attendance of Nomination and Remuneration Committee Meetings during 2016-2017**

Name of Director	Position	Category	No. of Meetings attended
Mr. Jaideep Seth	Member	Non-Executive- NID	All
Mr. Naresh Chhabaria	Chairman	Independent Director	All
Mr. Rajesh Thadani	Member	Independent Director	All

**Nomination and Remuneration Policy**

The Company's Nomination and Remuneration Policy considers human resources as its invaluable assets. The said Policy aims to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company. The Remuneration Policy for all employees is designed to attract talented personnel and remunerate them fairly and responsibly, this being a continuous, ongoing exercise at each level in the organization.

**Whole Time/ Managing Director**

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to its Whole Time/ Managing Director. A proper balance between fixed and variable component is aimed at. Salary is paid based on the recommendation of the Nomination & Remuneration Committee and as approved by the Board of Directors, subject to the approval of the shareholders within the limits stipulated by the Act and the Rules made thereunder. The remuneration paid to the Whole Time Director is determined keeping in view the industry benchmark and the relative performance of the Company compared to the industry performance.

**Non-Executive Directors**

Non-Executive Directors receive sitting fees for attending Meetings of the Board and its Committees as per the provisions of the Act and the Rules made thereunder. Besides payment of sitting fees and dividend on equity shares, if any, held by the Directors no other remuneration is paid to the Non- Executive Directors. The Nomination and Remuneration Committee may recommend to the Board, the payment of commission taking into account the evaluation of the performance of the Directors.

**Key Managerial Personnel (KMP) and other Employees**

The remuneration of KMP other than the Whole Time Director and other Senior Managerial Employees largely consists of basic salary, perquisites, allowances and performance incentives (wherever paid). Perquisites and retirement benefits are paid according to the Company policy. The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification and experience, merits and performance of each employee. The Company while deciding the remuneration package takes into consideration the current employment scenario and remuneration package prevalent in the industry and peer group Companies.

**Performance evaluation**

Pursuant to the provisions of the Act and Regulation 17 (10) of the Listing Regulations, the Board has carried out an annual performance evaluation of the working of its own performance, its Committees and the Directors individually. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the Directors who were subject to evaluation did not participate. A structured questionnaire was prepared after taking into consideration inputs received from the Directors covering various aspects of the Board's/Committees' functioning. The evaluation of the Directors was done on various parameters such as vision and strategy, Board participation, Board disclosures of interests, review of risk management policies, evaluating plans with reference to risk and return, Good Governance and leadership skills. The Directors expressed their satisfaction with the evaluation process.

**Remuneration of Directors**

The details of remuneration and sitting fees paid to director provided under MGT-9 (Extract of Annual Return). Hence not repeated here.

**Shareholding of the Non-Executive Directors**

Details of shares held by Non-Executive Directors as on March 31, 2017: None of the Directors had any relationship inter-se except sandeep seth , Anisha seth & Jaideep Seth.

### Stakeholders' Relationship Committee

The composition of the Stakeholders' Relationship Committee and the details of the number of Meetings held and attended by the Members during the financial year 2016-2017 are given in **Table-4**. The Committee focuses on shareholders' grievances and strengthening of investor relations.

The Stakeholders' Relationship Committee met on November 14, 2016, and February 14, 2017. During the year no complaints were received from shareholders and investors.

Investor can send their queries and grievances on [lplho@vsnl.com](mailto:lplho@vsnl.com), [lplchem@vsnl.net](mailto:lplchem@vsnl.net)

**Table-: 04 Composition and attendance of Stakeholders' Relationship Committee Meetings during 2016-2017**

Name of Director	Position	Category	No. of Meetings attended
Mr. Jaideep Seth	Member	Non-Executive- NID	All
Mr. Naresh Chhabaria	Chairman	Independent Director	All
Mr. Rajesh Thadani	Member	Independent Director	All

The Company Secretary is the Compliance Officer and also acts as Secretary to the Committee.

### CEO and CFO Certification

The CEO and CFO have certified to the Board of Directors, the accuracy of financial statements and adequacy of internal controls for financial reporting as required under Regulation 17(8) of the Listing Regulations for the year ended March 31, 2017, and the same was placed before the Board of Directors at its Meeting held on August 14, 2017.

### CERTIFICATE FROM CFO /MD

- A. We have reviewed financial statements and the cash flow statement for the quarter and year ended March 31, 2017 and that to the best of their 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 listed entity'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 listed entity during the year which are fraudulent, illegal or violate of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
- 1) significant changes in internal control over financial reporting during the year;
  - 2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - 3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sd/-  
**M. B. Kotian**  
 (Chief Financial Officer)  
 Mumbai, 14<sup>th</sup> August, 2017.

Sd/-  
**Sandeep Seth**  
 (Managing Director)



**GENERAL BODY MEETINGS****Particulars of last three Annual General Meetings and the Special Resolutions passed there at**

<b>Financial Year</b>	<b>Date &amp; Time</b>	<b>Location</b>	<b>Special Resolution passed</b>
2015-2016	September 29, 2016 at 12.30 p.m.	Shalimar Hotel, Ankleshwar, Dist. Bharuch, Gujarat	No special resolution passed
2014-2015	September 26, 2015 at 12.30 p.m.	Shalimar Hotel, Ankleshwar, Dist. Bharuch, Gujarat	No special resolution passed
2013-2014	September 26, 2014 at 12.30 p.m.	Shalimar Hotel, Ankleshwar, Dist. Bharuch, Gujarat	No special resolution passed

**Special Resolution passed through Postal Ballot**

No Special Resolution is being put through postal ballot as there is no such business that statutorily required voting through postal ballot in ensuing AGM.

**Disclosures of Related Party Transactions**

There were no materially significant transactions with Related Parties during the financial year, which were in conflict with the interest of the Company at large. The Company has in place a policy on Related Party Transactions and the same is displayed on the Company's website.

**Details of Non compliance**

During the past 3 (three) years there have been no instances of non compliance by the Company with the requirements of the Stock Exchanges, Securities and Exchange Board of India (SEBI) or any other statutory authority on any matter related to capital markets

**Material Subsidiary**

The Company does not have any subsidiary company under section 2(87) of the Companies Act,2013 and is not applicable to the Company as per the provisions of Listing Regulation.

**Whistle Blower Policy**

The Company has in place a Whistle Blower/Vigil Mechanism through which its Stakeholders, Directors and Employees can report their genuine concerns about unethical behaviour and actual or suspected fraud or violation of the Company's Code of Business Conduct and Ethics. The said Policy provides for adequate safeguards against victimization and also direct access to the Audit Committee.

**Compliance with the Mandatory Requirements of the Listing Regulations**

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations.

**Adoption of Non Mandatory Requirements**

The Company has not adopted the non mandatory requirements of the Listing Regulations.

**Brief profile of Directors seeking appointment/reappointment in pursuance of regulation 36(3) of SEBI (LDOR) Regulation, 2015**

As required, a brief profile and other particulars of the Director retiring by rotation / seeking re-appointment is as under :

Name of the Director	Mrs. Anisha Seth
Designation	Whole time Director
DIN	06867960
Date of Appointment	02/05/2014
Number of Board meeting attended	All
Expertise in specific functional areas	Human Resource, CSR & strategic planning

List of other Directorship held In (other listed Companies)	NIL
Chairmanships / memberships of committees of director in others listed companies	NIL
Committee position held in other Companies	NIL
No. of Equity shares held in the Company	NIL
Remuneration last drawn	8,40,000 (Salary paid during the year 2016-17)

#### Means of Communication

- The Unaudited quarterly/half yearly results are announced within 45 (forty five) days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year, as per the requirement of the Listing Regulations.
- The approved financial results are forthwith sent to the Stock Exchanges and are published in a national English newspaper. In addition, the same are published in a local language (Gujarati) newspaper, within 48 (forty eight) hours of approval thereof. Presently the same are not sent to the shareholders separately.
- The Company's financial results and official press releases are displayed on the Company's website: [www.laffanspetrochemical.com](http://www.laffanspetrochemical.com)
- No presentation was made to the institutional investors or analysts during the year.
- The quarterly results, shareholding pattern, quarterly compliances and all other corporate communications to the Stock Exchanges viz. BSE Limited is filed electronically. The Company has complied with filing submissions through the BSE Listing Centre.

#### Unclaimed Dividend

Company does not hold any amount towards unclaimed dividend, which is required to be transfer In Investor Education and Protection Fund as per the Act and Rules made thereunder.

#### General Information for Shareholders:

a.	Registered office	At Shed No.C1b/316 GIDC Panoli, Ankleshwar Bharuch Gujarat- 394 116.
b.	Annual General Meeting Day, Date, Time & Venue	24 <sup>th</sup> Annual General Meeting Friday, 29 <sup>th</sup> September, 2017 at 11.00 a.m.at Shalimar Hotel, Ankleshwar, Bharuch 394116
c.	Financial Year	April 01 to March 31
d.	Financial Calendar (tentative)	June 30, 2017- Second week of August, 2017 September 30, 2017- Second week of November, 2017 December 31, 2017-Second week of February, 2018 March 31, 2018-Last week of May, 2018. Dividend Payment Date: Not Applicable
e.	Date of Book closure	23 <sup>rd</sup> September 2017 to 29 September 2017
f.	Listing on Stock Exchanges	The shares of the Company are listed on BSE Limited (BSE) , Vadodara Stock Exchange Limited (VSEL), Delhi Stock Exchange (DSE) V
g.	Stock Code/ ID	BSE: 524522/ LAFFANSQ VSEL: 288   DSE: 6832

h.	Registrars and Transfer Agents	The Company has appointed Big Share Services Pvt. Ltd.-of Mumbai as the Registrars and Share Transfer Agents. For any assistance regarding share transfers, transmissions, change of address, duplicate/missing share certificate and other relevant matters, please write to the Registrars and Transfer Agents, at the address given below: Big Share Services Pvt. Ltd. E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai – 400 072 .
i.	Share Transfer System	The equity shares of the Company are primarily dealt with in electronic form in the depository system with no involvement of the Company. There are negligible or no transfers made in physical form. As regards transfer of shares held in physical form the transfer documents can be lodged with Registrars and Transfer Agents at the above mentioned address.

**Stock Market Data:**

Month	Market Price Per Share (Rs.)(BSE)	
	Highest	Lowest
April, 2016	9.44	7.50
May, 2016	9.29	7.72
June, 2016	9.75	7.86
July, 2016	10.20	8.25
August, 2016	10.20	8.36
September, 2016	9.45	8.10
October, 2016	11.36	8.60
November, 2016	11.92	14.76
December, 2016	15.50	12.27
January, 2017	16.25	13.80
February, 2017	17.00	14.10
March, 2017	16.72	13.05

**Distribution of Shareholding as on March 31, 2017**

Share Holding of Nominal value of Rs.	No. of *shareholders	% of shareholders	Amount of shares	% of shareholding
Up to 5000	3370	79.7256	8108970	0.1362
5001 - 10000	479	11.3319	4028500	5.0356
10001 - 20000	165	3.9035	2604790	3.2560
20001 - 30000	58	1.3721	1517920	1.8974
30001 – 40000	22	0.5205	807380	1.0092
40001 - 50000	41	0.9700	1964260	2.4553
50001 - 100000	46	1.0882	3345920	4.1824
Over 100000	46	1.0882	57622260	72.0278
<b>Total</b>	<b>4227</b>	<b>100</b>	<b>80000000</b>	<b>100</b>

**Dematerialization of Shares and Liquidity as on March 31, 2017**

Category	No. of Shares held	% of Total Shareholding
Shares held in Demat Form	7215940	90.20
Shares held in Physical Form	784060	9.80
<b>TOTAL</b>	<b>80,00,000</b>	<b>100.00</b>

**Investor Correspondence**

For any queries, investors are requested to get in touch with the Company's Registrar and Transfer Agents:

**Name :** Big Share Services Pvt. Ltd.

**Address :** E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai – 400 072

**Compliance Certificate of the Auditors on Corporate Governance**

Certificate from the Auditors of the Company, M/s. S. M Kapoor & Co., Chartered Accountants, confirming Compliance with the conditions of Corporate Governance as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith.

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

**Sandeep Seth**  
**(Chairman & Managing Director)**

Place: Mumbai

Date: 14.08.2017

**CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To the Members of **Laffans Petrochemicals Limited**

We have examined the compliance of conditions of Corporate Governance by **Laffans Petrochemicals Limited** ("the Company") for the financial year ended March 31, 2017 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out the examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 in so far as applicable for the purpose of this certificate.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2017.

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

**For S. M. KAPOOR & CO.**  
**Chartered Accountants**  
**(Firm Registration No. 104809W)**

**Shekhar Gupta**  
**(Partner)**  
**(Membership No. 15622)**

**Place: Mumbai**

**Date: August 14, 2017**

**INDEPENDENT AUDITORS' REPORT**

To the Members of

**LAFFANS PETROCHEMICALS LIMITED****Report on the Financial Statements**

*We have audited the accompanying financial statements of **LAFFANS PETROCHEMICALS LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information..*

**Management’s Responsibility for the Financial Statements**

The Company’s Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company’s preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company’s Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) in the case of the Statement of Profit and Loss, of the **Profit** for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Emphasis of Matters**

In our opinion and the best of our information and according to the explanation given to us, there is no matter which may have an adverse effect on the functioning of the company.

### **Report on other Legal and Regulatory Requirements**

As required by the Companies (Audit Report) Order, 2016 (“the order”) issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure –A, a statement on the matters specified in Para 3 and 4 of the order.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the Directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, 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, our financial reporting of the company and the operating effectiveness of such controls, the system of internal financial controls over financial reporting of the company was not made available to us to enable us to determine if the company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2017. We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the company, and the disclaimer does not affect our opinion on the financial statements of the company.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor) Rules 2014, in our opinion and to our best of our information and according to the explanations given to us :
  - i. The Company did not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which required to be transferred to Investor Education and Protection Fund by the Company.

For S M KAPOOR & CO.  
Chartered Accountants

(SHEKHAR GUPTA)  
PARTNER  
*Membership No. 15622*  
Firm Registration No. 104809W

Place: Mumbai  
Date: 30-05-2017.

**Annexure to Auditor's Report**

- (i) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has physically verified certain assets during the period in accordance with a programme of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification. In our opinion fixed assets have been properly dealt with in the books of accounts.
  - (c) In our opinion and according to the information and explanations given to us In our opinion and according to the information and explanations given to us, the title deeds of the immovable properties of the company are held in the name of the company.
- (ii) In respect of its Inventories, in our opinion and according to the information and explanations given to us, the management at reasonable intervals has physically verified the trading goods and no material discrepancies were noticed on physical verifications.
- (iii) According to the information and explanations given to us, the Company has not granted loan to any party covered in register u/s. 2(76) hence, clause iii(a), (b) and (c) are not applicable.
- (iv) In respect of loans investments and guarantees, In our opinion and according to the information and explanations given to us, provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) In our opinion and according to the information and explanation given to us, the company has not accepted deposits from the public as per section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) According to information and explanation given to us, the maintenance of cost records has not been prescribed by the Central Government sub section (1) of section 148 of the Companies Act 2013.
- (vii) According to the information and explanations given to us in respect of statutory and other dues:
- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value added Tax, cess and any other statutory dues with the appropriate authorities during the period.
  - (b) There are no disputed dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, Value Added Tax, Cess and any other statutory dues with the appropriate authorities during the period except:
    - i) Sales Tax Liability of Rs. 1,01,13,369 for the year 2008-09 (P.Y. Rs.1,01,13,369) against which appeal is pending
    - ii) Income Tax Liability for A.Y. 2009-10 Rs.8,07,960/- (P.Y. 78,60,520/-) Against which appeal is pending.
    - iii) Income Tax Liability for A.Y. 2008-09 Rs.53,03,950/- (P.Y. 7,69,746/-) Against which appeal is pending.
    - iv) Income Tax Liability for A.Y 2012-13 Rs... 8,36,50,990/- (P.Y Rs...9,11,22,060/-). against which Appeal is pending.
- (viii) In our opinion and according to the information and explanations given to us, since the company has not. Taken any loan financial institutions, banks and debenture holders, clause viii is not applicable.
- (ix) In our opinion and according to the information and explanations given to us, the company has not raised any money by way of public issue/follow-on offer and the company has not availed any term loan, the clause ix is not applicable.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the period.

- (xi) In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- (xii) Since the company is not a Nidhi Company, clause xii is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 and the relevant details have been disclosed in the financial statement etc. as required by the accounting standards and Companies Act, 2013.
- (xiv) In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment/private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) In our opinion and according to the information and explanations given to us,, the non- cash transactions with directors or persons connected with them, in our opinion, provisions of Section 192 have been complied with.

For S M KAPOOR & CO.  
Chartered Accountants

(SHEKHAR GUPTA)  
PARTNER  
*Membership No. 15622*  
Firm Registration No. 104809W

Place: Mumbai  
Date : 30-05-2017



## BALANCE SHEET AS AT 31ST MARCH, 2017

PARTICULARS		NOTE NO.	AS AT 31ST MARCH 2017		AS AT 31ST MARCH 2016	
			₹		₹	
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
<b>1)</b>	<b>SHAREHOLDERS FUNDS</b>					
a)	Share Capital	3	80,000,000		80,000,000	
b)	Reserves & Surplus	4	459,556,220	539,556,220	457,849,964	537,849,964
<b>2)</b>	<b>NON-CURRENT LIABILITIES</b>					
a)	Long Term Provisions	5	241,354		223,787	
b)	Other Non Current Liabilities	6	46,622	287,976	1,800,000	2,023,787
<b>3)</b>	<b>CURRENT LIABILITIES</b>					
a)	Trade Payables	7	2,619,053		4,362,089	
b)	Other Current Liabilities	8	10,121,500	12,740,553	10,148,241	14,510,330
	<b>TOTAL</b>			552,584,749		554,384,081
<b>II</b>	<b>ASSETS</b>					
<b>1)</b>	<b>NON-CURRENT ASSETS</b>					
a)	Fixed Assets					
i)	Tangible Assets	9	12,082,689		12,629,209	
b)	Non-Current Investments	10	453,757,512		418,927,980	
c)	Deferred Tax Assets (Net)	11	6,188,644		6,018,740	
d)	Long Term Loans and Advances	12	66,443,609	538,472,455	64,694,073	502,270,002
<b>2)</b>	<b>CURRENT ASSETS</b>					
a)	Inventories	13	-		-	
b)	Trade Receivables	14	11,365,079		25,736,693	
c)	Cash and cash equivalents	15	2,545,108		26,155,508	
d)	Short Term Loans and Advances	16	202,108	14,112,294	221,877	52,114,078
	<b>TOTAL</b>			552,584,749		554,384,080
	<b>Significant Accounting Policies and Notes to financial Statements</b>	2				

As per our report of even date  
For S. M. Kapoor & Co.  
Chartered Accountants

For and on Behalf of the Board

Shekhar Gupta  
Partner  
Membership No. 15622  
Firm Regn. No. 104809W

Sandeep Seth  
Director  
DIN: 00316075

Anisha Seth  
Director  
DIN: 06867960

S.R.Narayanan  
Company Secretary

Place : Mumbai  
Date : 30th May, 2017

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2017**

PARTICULARS	NOTE NO.	2016-17 ₹	2015-16 ₹
<b>I INCOME</b>			
1 Revenue from Operations	17	19,794,472	4,053,123
2 Other Income:	18	33,560,617	30,362,765
<b>Total Revenue</b>		53,355,089	34,415,888
<b>II EXPENSES:</b>			
3 Purchase of Trading Goods	19	19,163,139	3,810,598
4 Change in inventories of Finished Goods Stock in Process and Stock in trade	20	-	-
5 Employee Benefits Expense	21	1,390,075	1,074,558
6 Finance Costs	22	556,105	44,615
7 Depreciation and Amortization Expense		1,417,583	1,361,723
8 Other Expenses	23	29,291,833	26,075,178
<b>Total Expenses</b>		51,818,736	32,366,672
Profit Before Tax		1,536,353	2,049,216
Tax Expenses			
Current		-	(35,000)
Deferred		169,903	(140,159)
<b>Profit for the year</b>		1,706,256	1,874,057
Earning per equity share of face value of Rs.10/- each Basic and Diluted (In Rs.)		0.21	0.23
<b>Significant Accounting Policies and Notes to financial Statements</b>	2		

As per our report of even date  
For S. M. Kapoor & Co.  
Chartered Accountants

For and on Behalf of the Board

Shekhar Gupta  
Partner  
Membership No. 15622  
Firm Regn. No. 104809W

Sandeep Seth  
Director  
DIN: 00316075

Anisha Seth  
Director  
DIN: 06867960

S.R.Narayanan  
Company Secretary

Place : Mumbai  
Date : 30th May, 2017

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017**

	31st March 2017 ₹	31st March 2016 ₹
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax	1,536,353	2,049,216
Adjustments for:		
Depreciation	1,417,583	1,361,723
Interest (Net)	(218,826)	(1,576,414)
Loss on Sale of Assets	-	-
Profit from Investments	(29,476,322)	(23,090,132)
Dividend	(2,242,429)	(1,866,897)
Operating Profit before Working Capital Changes	(28,983,641)	(23,122,503)
Adjustments for:		
Trade & Other receivables	14,391,384	9,195,985
Inventories	-	-
Trade Payables	(3,505,589)	2,268,174
Cash generated from Operations	(18,097,846)	(11,658,344)
Interest paid	(218,826)	(1,576,414)
Taxes Paid	1,749,536	594,192
Net Cash from Operating activities	(19,628,556)	(10,676,123)
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	871,063	189,699
Sale of fixed Assets	-	-
Purchase of Investments net of sale	5,353,210	(11,546,777)
Dividends	(2,242,429)	(1,866,897)
Net Cash used in Investing Activities	3,981,844	(13,223,975)
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Long /Short term borrowings	-	-
Repayment of long term borrowings	-	-
Net Cash used in Financing Activities	-	-
Net Increase in Cash & equivalents	(23,610,400)	2,547,852
Opening Balance of Cash & Cash equivalents	26,155,508	23,607,656
Closing Balance of Cash & Cash equivalents	2,545,108	26,155,508
	(23,610,400)	2,547,852

**AUDITORS CERTIFICATE**

We have verified the above Cash Flow Statement of M/S. Laffans Petrochemicals Limited, derived from Audited Financial Statements for the period ended 31st March, 2017 and found the same to be drawn in accordance herewith and also with the requirements of clause 32 of the listing agreements with Stock Exchanges.

As per our report of even date

For and on Behalf of the Board

For S. M. Kapoor & Co.

Chartered Accountants

Shekhar Gupta

Partner

Membership No. 15622

Firm Regn. No. 104809W

Sandeep Seth

Director

DIN: 00316075

Anisha Seth

Director

DIN: 06867960

S.R.Narayanan

Company Secretary

Place : Mumbai

Date : 30th May, 2017

## NOTES TO FINANCIAL STATEMENT

### NOTES

To the financial statements for the year ended March 31, 2017

(All amounts in Indian Rupees unless otherwise stated)

1. Background:

Laffans Petrochemicals Limited is a listed Company and engaged in manufacturing of petrochemical products. In the year 2011, the Company had sold its manufacturing unit and thereafter engaged in the business of trading in chemicals and API and in commodities arbitrage.

2. ACCOUNTING POLICIES

a) Basis of Accounting:

i) Financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013.

ii) The Company adopts the accrual concept in the preparation of accounts unless otherwise stated.

b) Use of Estimates:

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/ materialized.

c) Fixed Assets

Fixed Assets are stated at cost of acquisition less depreciation and impairment of asset. The Company Capitalizes all costs relating to acquisitions and installations of fixed assets till the date of Commissioning and starting of commercial production.

d) Depreciation:

Depreciation on fixed assets is being provided on straight Line Method at the method prescribed under Schedule II of the Companies Act, 2013.

e) Inventories:

Inventories of trading items of chemicals and API, is valued at cost and market value whichever is lower.

f) Revenue Recognition:

I. The revenue is recognized as per contract note of sale of Arbitrage, in case of sale of services on completion of Job and in case of sale of trading, on raising of invoice and transfer of material to the party.

II. Other income is recognized on accrual basis.

III. In conformity with generally accepted accounting principles, Income from Growth FMP Investments are recognized on redemption.

IV. Dividend is recognized when the right to receive payment is established by the Balance Sheet date.

g) Sales:

Sale comprises of the trading in Commodities Arbitrage and trading in chemicals and API.

h) Investments:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

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

On disposal of an investment, the difference between the carrying amount and the net disposal proceeds is charged to the statement of profit and loss.

i) Foreign Currency Transaction:

The foreign currency transaction involving foreign exchange on revenue accounts are accounted at the exchange rates prevailing on the date of transaction. Foreign currency remained unsettled at the year-end are translated at the year-end rate and the difference is charged to profit & loss account.

j) Retirement Benefit Scheme:

Employer's Contribution to P.F. has been charged to P & L A/c. and deposited with concerned authority.

Gratuity is accounted for on estimate basis and charged to P & L account on accrual basis. However as per AS-15 issued by Institute of Chartered Accountant of India, Retirement benefit to be provided on the basis of actuarial valuation but the same is not implemented by the company.

k) Borrowing Cost:

Borrowing cost incurred in relation to the acquisition, construction of assets are capitalized as the part of the cost of such assets up to the date when such assets are ready for intended use. Other borrowings cost are charged as an expense in the year in which these are incurred.

l) Taxes on Income:

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities related to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961.

## m) Impairment of Assets:

An assets is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged for when an assets is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

## n) PROVISIONS, CONTINGENT LIABILITIES and CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

## o) Contingent Liability :

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle an obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. The Details are as under:

i) Sales Tax Liability of Rs. 1,01,13,369 for the year 2008-09 (P.Y. Rs.1,01,13,369) against which appeal is pending

ii) Income Tax Liability for A. Y. 2009-10 Rs.8,07,960/- (P.Y. 78,60,520/-) Against which appeal is pending.

iii) Income Tax Liability for A.Y. 2008-09 Rs.53,03,950/- (P.Y. 7,69,746/-) Against which appeal is pending.

iv) Income Tax Liability for A.Y 2012-13 Rs 8,36,50,990/-(P.Y. 9,11,22,060/-) against which Appeal is pending.

p) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (P.Y. Nil).

## q) Auditors remuneration

Audit Fees	1,50,000	(1,50,000)
Tax Audit Fees	50,000	(50,000)
Other matters	50,000	(50,000)
Service Tax	35,180	(35180)
	2,85,180	(2,85,180)

## r) VALUE OF IMPORTS ON CIF BASIS

In Rs.

Trading Material	1,91,63,139.00	(30,82,159.00)
------------------	----------------	----------------

## s) Expenditure in foreign Currency

In Rs.

Commission	0.00	( 0.00)
Foreign Traveling	11,26,081.00	(312429.00)

## t) Earning in foreign currency (Rs in lacs)

F.O.B Value of exports	0.00	(0.00)
------------------------	------	--------

u) Sundry Debtors, Sundry Creditors & advances are subject to confirmation by the respective parties. Necessary Adjustments in account will be made in the year in which discrepancy, if any, may be noticed.

v) Sundry Loan & Advances and other assets are, in the opinion of management stated at the amount realizable in the ordinary course of business and provision for all known and determined liabilities are adequate and not in excess of the amounts reasonably required.

## w) Earnings per Share.

Net Profit available for equity share holders ₹	17,06,256
Weighted Average No. equity Shares	80,00,000
Basic & Diluted Earning per Share (₹)	0.21
(Equity Share of face value of ₹ 10 each)	

## x) Related Parties Disclosures:

List of related parties with whom transaction have been taken place and Relationships:

<b>Name of the related party</b>	<b>Relationship</b>
Sandeep Seth	Key Management Personnel
Jaideep Seth	Director
Anisha Seth	Director

Transactions during the year with related parties:

## Expenditure

## Payment to and provisions

Key Management Personnel Directors Remuneration	₹ 20,32,640	(20,02,362)
Rent	₹ 27,57,000	(27,26,880)
Director Directors Remuneration	₹ 8,40,000	(10,08,000)
Rent	₹ 6,72,000	(1,68,000)

## y) Previous year figures have been regrouped/ reclassified wherever necessary.

## z) Figures in to bracket pertain to previous year.

As per our report of even date  
For S. M. Kapoor & Co.  
Chartered Accountants

For and on Behalf of the Board

Shekhar Gupta  
Partner  
Membership No. 15622  
Firm Regn. No. 104809W

Sandeep Seth  
Director  
DIN: 00316075

Anisha Seth  
Director  
DIN: 06867960

S.R.Narayanan  
Company Secretary

Place : Mumbai  
Date : 30th May, 2017

		As at 31st March 2017 ₹	As at 31st March 2016 ₹
<b>NOTE NO.</b>			
<b>3</b>	<b>SHARE CAPITAL AUTHORISED</b> 11,000,000 Equity Shares (PY 11,000,000) of ₹ 10/- each	110,000,000	110,000,000
	<b>ISSUED, SUBSCRIBED &amp; PAID-UP</b> 8,000,000 (P.Y. 8,000,000) Equity Shares of ₹ 10 each fully paid up	80,000,000	80,000,000
		80,000,000	80,000,000
	<b>Reconciliation of the no. of equity shares outstanding at the beginning and at the end of the year.</b>		

	As at 31st March 2017		As at 31st March 2016	
	Nos.	Amount	No.	Amount
Equity Shares of Rs. 10/- each fully paid up				
Balance, Beginning of the year	8,000,000	80,000,000	8,000,000	80,000,000
Issued/Deletion during the year	-	-	-	-
<b>Balance. End of the year</b>	<b>8,000,000</b>	<b>80,000,000</b>	<b>8,000,000</b>	<b>80,000,000</b>
<b>Terms/rights attached to equity shares</b>				
The Company has only one class of shares referred to as equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.				
In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
<b>The Detail of Registered Shareholders holding more than 5% shares:</b>				

	As at 31st March 2017		As at 31st March 2016	
	Nos.	Amount	No.	Amount
Sandeep Seth	3,911,952	39,119,520	3,911,952	39,119,520

<b>4</b>	<b>RESERVES AND SURPLUS</b>				
	General Reserve				
	As per Last Balance Sheet	60,600,000	60,600,000	60,600,000	60,600,000
	Balance in Profit and Loss Statement				
	As per Last Balance Sheet	397,249,964		395,375,907	
	Add: Profit for the year	1,706,256	398,956,220	1,874,057	397,249,964
			459,556,220		457,849,964



		As at 31st March 2017 ₹	As at 31st March 2016 ₹
<b>5</b>	<b>LONG TERM PROVISIONS</b>		
	Provisions for Gratuity	241,354	223,787
		241,354	223,787

<b>6</b>	<b>OTHER NON CURRENT LIABILITIES</b>		
	Deposit from Security	46,622	1,800,000
		46,622	1,800,000

<b>7</b>	<b>TRADE PAYABLES</b>		
	For Goods		
	Micro, Small & Medium Enterprise	-	-
	Others	1,218,447	3,082,159
	For Expenses	1,400,606	1,279,930
		2,619,053	4,362,089

**Note:** The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is Nil

<b>8</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Other Payables	10,121,500	10,148,241
		10,121,500	10,148,241

**Note:** Other Payable includes Sales Tax Liability of Rs. 97.33 Lacs (Previous Year Sales Tax Liability Rs. 107.33 Lacs)

#### NOTE NO. 9

#### DEPRECIATION CHART AS AT 31 MARCH 2017

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	OPENING BALANCE	ADDITION	SALES/ ADJ.	TOTAL	OPENING	FOR THE YEAR	W/BACK/ ADJ.	TOTAL	AS ON 31-03-2017	AS ON 31-03-2016
Building	1,50,00,000	-	-	1,50,00,000	61,54,000	4,75,500	-	66,29,500	83,70,500	88,46,000
Computers	1,29,579	39,150	-	1,68,729	1,07,581	85,240	-	1,92,821	(24,092)	21,998
Office Equipments	9,90,467	89,710	-	10,80,177	3,02,346	1,69,011	-	4,71,357	6,08,820	6,88,121
Electrical Installation	4,36,000	-	-	4,36,000	58,669	41,420	-	1,00,089	3,35,911	3,77,331
Furniture & Fixtures	3,08,210	53,410	-	3,61,620	77,436	31,810	-	1,09,246	2,52,374	2,30,774
Vehicle	49,97,918	6,88,793	-	56,86,711	25,32,933	6,14,602	-	31,47,535	25,39,176	24,64,985
<b>Total</b>	<b>2,18,62,174</b>	<b>8,71,063</b>	<b>-</b>	<b>2,27,33,237</b>	<b>92,32,965</b>	<b>14,17,583</b>	<b>-</b>	<b>1,06,50,548</b>	<b>1,20,82,689</b>	<b>1,26,29,209</b>
Previous Year	2,16,72,475	1,89,699	-	2,18,62,174	78,71,242	13,61,723	-	92,32,965	1,26,29,209	1,38,01,233

		As at 31st March 2017 ₹	As at 31st March 2016 ₹
<b>10</b>	<b>NON CURRENT INVESTMENTS QUOTED AND TRADE AT COST IN EQUITY SHARES</b>		
	Equity Shares	-	12,723,373
	(Market Value as on 31st March 2017 Rs. 3,38,05,099/- (1,27,01,490/-)		
	<b>UNQUOTED NON TRADE AT COST IN MUTUAL FUNDS</b>	25,960,715	

		As at 31st March 2017 ₹	As at 31st March 2016 ₹
159485.614 (P.Y. 143707.93) units in Birla SL Frontline Equity Fund REG (D)	-	4,394,174	3,996,103
NAV as on 31st March 2017 Rs. 42,08825/-			
10,037.442 (P.Y. 10037.442) units in Birla SL Frontline Equity Fund REG (G)	-	1,650,000	1,650,000
NAV as on 31st March 2017 Rs.15,60,320/-			
275286.436 (P.Y. NIL) units in Franklin India Ultra Short Bond Super Ins G - Alpha)	-	5,000,000	
NAV as on 31st March 2017 Rs.50,82,586/-			
9499.56 (P.Y. 10,945.060) units in Birla SL Frontline Equity Fund REG (G)	-	1,503,464	1,725,548
NAV as on 31st March 2017 Rs.1,701,410/-			
27,42,078.650 (P.Y. 27,42,078.650) units in BSL Medium Term Plan Growth Reg	-	43,379,980	43,379,980
NAV as on 31st March 2017 Rs.5,11,19,475/-			
39755.88 (P.Y. 48,530.540) units in HDFC Midcap Fund Growth	-	1,423,414	1,728,680
NAV as on 31st March 2017 Rs.1,759,232/-			
84,493.477 (P.Y. 78516.293) units in HDFC Midcap Opp.Fund D	-	2,230,117	2,053,455
NAV as on 31st March 2017 Rs. 25,79,670/-			
1,16,468.457 (1,16,468.457) units in HDFC Midcap Opp.Fund G	-	4,150,000	4,150,000
NAV as on 31st March 2017 Rs.42,21,981/-			
1,56,028.147 (P.Y. NIL) units in HDFC Short Term Oppertunities Fund NAV as on 31st March 2017 Rs. 50,56,841/-	-	5,000,000	
21,80,589.226 (P.Y. 21,80,589.226) units in ICICI Prud Income Opport Fund REG Plan Growth	-	38,411,079	38,411,079
NAV as on 31st March 2017 Rs.5,01,71,433/-			
71,357.199 (P.Y. 64,856.837) units in ICICI Prud Value Discover REG D	-	2,296,365	2,095,309
NAV as on 31st March 2017 Rs.22,16,355/-			
Nil (P.Y. 38,385.233) units in ICICI Prud Value Discover REG G	-	-	4,150,000
NAV as on 31st March 2017 Rs.nil-			
Nil (P.Y. 16,065.200) units in ICICI Prud Value Discover Fund Regular Growth	-	-	1,724,453
NAV as on 31st March 2017 Rs. Nil			
98,846.366 (P.Y. 91,904.487) units in IDFC Premier Equity Fund Reg D	-	3,339,544	3,126,326
NAV as on 31st March 2017 Rs.31,83,426/-			
19,274.907 (P.Y. 19,274.907) units in IDFC Premier Equity Fund Reg G	-	1,350,000	1,350,000
NAV as on 31st March 2017 Rs.15,78,958/-			
1,000,000 (P.Y. 1,000,000) units in Kotak Equity Saving G	-	10,000,000	10,000,000
NAV as on 31st March 2017 Rs.1,21,83,700/-			
Nil (P.Y. 8,370.119) units in Reliance Equity Opp D	-	-	5,064,919
NAV as on 31st March 2017 Rs.Nil			
Nil (P.Y. 23,191.700) units in Reliance Equity Opp Gr	-	-	1,697,600
NAV as on 31st March 2017 Rs.Nil			
1.632 (P.Y. 19,741.635) units in Reliance Equity Opp G	-	124	1,500,000
NAV as on 31st March 2017 Rs. 130/-			

		As at 31st March 2017 ₹	As at 31st March 2016 ₹
Nil (P.Y. 385) units in Religare NDPMS Series CL VIII NAV as on 31st March 2017 Rs. Nil-		-	38,500,000
Nil (P.Y. 200) units in Religare NDPMS Series CL XI NAV as on 31st March 2017 Rs.Nil		-	20,000,000
10,028.18 (P.Y. 11,964.530) units in SBI Magnum Multi Plus SC93 G NAV as on 31st March 2017 Rs. 1,794,983/-	-	1,452,726	1,723,209
2,133.814.725 (P.Y. 2,133,814.725) units in Sundaram Flexi Fund Flexi Income Plan Reg Growth NAV as on 31st March 2017 Rs.4,92,79,598/-	-	37,372,698	37,372,698
184,027.441(P.Y. Nil) units in DSP Blackrock Focus 25 Fund Growth NAV as on 31st March 2017 Rs. Nil		-	3,050,000
151781.920 (P.Y. 151781.920 units in DSP Blackrock Focus 25 Fund G NAV as on 31st March 2017 Rs. 31,87,268/--	-	2,500,000	2,500,000
1322376.8980 (P.Y. 3,611,206.250) units in IDFC Dynamic Bond Fund Growth (Regular Plan) NAV as on 31st March 2017 Rs.2,66,55,812/-	-	20,000,024	52,600,000
89786.918 (P.Y. 89786.918) units in Franklin Build India Fund G NAV as on 31st March 2017 Rs.-34,35,176/-	-	2,500,000	2,500,000
Nil 93790014) units in Franklin India Prima Plus Growth NAV as on 31st March 2017 Rs.Nil		-	4,000,000
Nil (P.Y. 165469.681 in ICICI Pru Flexible Income Daily Dividend NAV as on 31st March 2017 Rs. Nil		-	17,496,069
9317.060 (P.Y. 9317.060) units in ICICI Pru Value Discovery Fund NAV as on 31st March 2017 Rs.12,42,709/-	-	1,000,000	1,000,000
Nil (P.Y.1522308.9621) units in IDFC Ultra Short Term Fund NAV as on 31st March 2017 Rs.Nil-		-	32,000,000
Nil (2,44,227.983) units in Kotak Select Focus Fund NAV as on 31st March 2017 Rs Nil		-	5,450,000
Nil.833(2283992.833) units in Kotak Treasury Ad Fund REG DD NAV as on 31st March 2017 Rs. Nil		-	23,022,192
146486.342(P.Y. 146486.342) units in SBI Blue Chip Fund NAV as on 31st March 2017 Rs. 51,33,277/-	-	4,000,000	4,000,000
58610.64 (P.Y. 58610.64 units in SBI Blue Chip Fund Ongoing NAV as on 31st March 2017 Rs. 19,80,823/-	-	1,600,000	1,600,000
234536.305 (P.Y. 234536.305) units in Kotak Bond Short Term Plan Growth NAV as on 31st March 2017 Rs 72,08,708/-	-	5,380,005	5,380,005
39037.1405 (P.Y.Nil) units in Kotak Floater Short Term REG Plan Gr. NAV as on 31st March 2017 Rs.10,39,87,330/-		103,768,586	-
1971948.52 (P.Y.1971948.52) units in L&T Income Opportunity S Fund Growth NAV as on 31st March 2017 Rs. 3,69,35,779/-	-	26,206,982	26,206,982
2162330.4730 (P.Y.NIL) units in AXA Corporate Credit Spect Fund Direct Plan - Kotak NAV as on 31st March 2017 Rs.2,65,75,258/-	-	25,000,000	
270248.0680 (P.Y.NIL) units in DSP Blackrock Focus 25 Fund Dividend NAV as on 31st March 2017 Rs.37,53,475/-	-	3,694,878	
130405.7920 (P.Y.NIL) units in Franklin India Prima plus	-	4,468,724	

		As at 31st March 2017 ₹	As at 31st March 2016 ₹
Dividend NAV as on 31st March 2017 Rs 48,82,262/- 1367188.9830 (P.Y.NIL) units in <i>Kotak Med Term Fund Direct</i>	-	18,000,000	
Gr.- Kotak NAV as on 31st March 2017 Rs.1,90,62,989/- 320426.9080 (P.Y.NIL) units in <i>Kotak Select Focus Fund Reg.</i>	-	6,487,353	
Plan Div NAV as on 31st March 2017 Rs.70,11,902/- 100000.000 (P.Y.NIL) units in <i>DSP Blackrock India - Enhanced Equity Fund = Alpha NAV as on 31st March 2017</i>	-	10,000,000	
Rs. 1,03,53,000/- Birla PMS		236,560	
60 (P.Y.NIL) units in <i>Reliance Home Finance Ltd</i>	-	30,000,000	
		453,757,512	418,927,980

**Note:** Investments in the form of FMP's maturing in less than one year from the end of the financial year has been considered as current Investment.

<b>11 DEFERRED TAX ASSETS</b>			
The Company has during the year in accordance with Accounting Standard AS-22 "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India, recognised in the Profit and Loss Account a difference of Rs.1,69,903 Between net, deferred tax asset of Rs.61,88,644 as on 31st March 2017 and on the deferred tax assets of Rs.60,18,740/- as on 31st March 2016.			
Deferred tax Liabilities and assets are on account of the following timing differences.			
Deferred Tax Liability			
On account of depreciation		1,793,727	1,958,203
Total		1,793,727	1,958,203
Deferred Tax Assets			
On account of Employees Benefits		74,578	69,150
On account of Statutory Payments U/s43B		3,007,559	3,007,559
MAT Credit entitlement		4,900,234	4,900,234
Total		7,982,371	7,976,943
<b>Net Deferred Tax Asset</b>		<b>6,188,644</b>	<b>6,018,740</b>

		As at 31st March 2017 ₹	As at 31st March 2016 ₹
<b>12 LONG TERM LOANS AND ADVANCES</b>			
Taxes Paid (net of Provisions)			
Taxes Paid	89,857,968		88,108,432
Less: Provision for Income Tax	66,886,000	22,971,968	66,886,000
Other Advances		43,471,641	43,471,641
		<b>66,443,609</b>	<b>64,694,073</b>

**Note:** Other Advances includes amount paid towards Advance for premises.

		As at 31st March 2017 ₹	As at 31st March 2016 ₹
<b>13</b>	<b>INVENTORIES</b>		
	(As per inventory taken, valued and certified by the Director of the Company)		
	Trading Goods of Commodity Arbitrage	-	-
	Trading Goods of Chemicals/API	-	-
		-	-
<b>14</b>	<b>TRADE RECEIVABLES</b>		
	(Unsecured considered good)		
	Over six months	8,645,350	22,168,510
	Others	2,719,729	3,568,183
		11,365,079	25,736,693
<b>15</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash on hand	629,602	641,252
	Balance with Bank	1,915,506	5,514,256
	Fixed Deposit with Banks	-	20,000,000
		2,545,108	26,155,508
<b>16</b>	<b>SHORT TERM LOANS AND ADVANCES</b>		
	Balance in Service Tax/Vat Credit	56,019	56,019
	Others	146,089	165,859
		202,108	221,877
<b>17</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale of Chemicals	19,794,472	4,053,123
		19,794,472	4,053,123
	Chemical Includes Speciality Chemicals		
<b>18</b>	<b>OTHER INCOME</b>		
	Interest Recd. Gross	774,931	1,621,029
	Dividend Recd.	2,242,429	1,866,897
	Warehousing Income	1,066,935	3,780,000
	Profit on Sale of Investments	29,476,322	23,090,132
	Other non operating income	-	4,707
		33,560,617	30,362,765
<b>19</b>	<b>PURCHASE OF TRADING GOODS</b>		
	Purchase of Commodities- Arbitrage	-	-
	Purchase of Chemicals/API Imported	19,163,139	3,810,598
	Custom Duty	-	-
		19,163,139	3,810,598

		As at 31st March 2017 ₹		As at 31st March 2017 ₹	
<b>20</b>	<b>CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE</b>				
	Closing Stock of Trading Goods- Commodity Arbitrage	-		-	
	Closing Stock of Trading Goods- Chemicals	-		-	
	Opening Stock of Trading Goods- Commodity Arbitrage	-		-	
	Opening Stock of Trading Goods- Chemicals	-	-	-	-

		As at 31st March 2017 ₹		As at 31st March 2017 ₹	
<b>21</b>	<b>EMPLOYEE BENEFITS EXPENSE</b>				
	Salaries and Wages		1,273,452		1,005,214
	Contribution to PF and Other Funds		3,996		3,996
	Gratuity		17,567		17,566
	Staff Welfare Expenses		95,060		47,782
			1,390,075		1,074,558

Gratuity has been provided on estimated basis which is not in accordance with Accounting Standard 15 "Retirement Benefits". As per AS 15, Gratuity should have been provided on the basis of actuarial valuation.

<b>22</b>	<b>FINANCE COSTS</b>		
	Interest Expenses	373,368	-
	Bank Charges & Commission	182,737	44,615
		556,105	44,615

		As at 31st March 2017 ₹		As at 31st March 2016 ₹	
<b>23</b>	<b>OTHER EXPENSES</b>				
	<b>Direct Expenses</b>				
	Labour Charges	267,030		142,800	
	Clearing & Forwarding Charges	2,000		-	
		269,030		142,800	
	<b>Other Expenses</b>				
	Advertisement Expenses	93,760		100,189	
	Rates & Taxes	223,818		400,452	
	Rent	3,429,000		3,174,880	
	General Expenses	488,423		351,743	
	Telephone and Other Communication Expenses	273,063		269,912	
	Motor car Expenses	460,879		370,456	
	Repairs & Maintenance Others	525,282		461,352	
	Festival Expenses	13,300		11,750	
	Travelling Expenses	1,691,486		1,013,424	
	Electricity Expenses	380,506		446,095	
	Entertainment Expenses	532,098		444,739	
	Bad Debts	13,532,280		12,321,853	
	Printing & Stationery	141,441		155,782	
	Conveyance Expenses	135,039		179,882	
	Auditor's Remuneration	230,000		229,000	

	<b>As at 31st March 2017</b>		<b>As at 31st March 2016</b>	
	₹		₹	
Custodial and Other Charges	18,782		3,522	
Foreign Currency Rate Difference	19,724		-	
Directors Remunerations	2,640,000		2,808,000	
Loss from Shares	-		15,032	
STT Paid	15,692		15,597	
Sundry Balance W/off	15,474		8,380	
Insurance Expenses	31,270		66,506	
Legal & Professional Expenses	4,131,486	29,022,803	3,083,833	25,932,378
		29,291,833		26,075,178

**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. : **NIL**
2. Details of material contracts or arrangements or transactions at Arm's length basis.

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	Mr. Sandeep Seth (Managing Director)
b)	Nature of contracts/arrangements/transaction	Leasing/Renting of Premises
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Payment of Yearly Rent of Rs. 27,57,000 (Approx.)
e)	Date of approval by the Board	On going under omnibus approval of Audit Committee and quarterly reviewed by Board.
f)	Amount paid as advances, if any	NIL

For and on behalf of the Board of Directors,

Sandeep Seth  
(Managing Director)  
**DIN: 00316075**

Anisha Seth  
(Director)  
**DIN:06867960**





# LAFFANS PETROCHEMICALS LIMITED

CIN: L99999GJ1992PLC018626

Registered office: Shed No.C1B/316, GIDC Panoli, Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116.

Corporate Office: 10, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri East, Mumbai- 400072.

[E-Mail: lplho@vsnl.com] [Website: www.laffanspetrochemical.com] [Tel no: 022 28511919].

## ATTENDANCE SLIP

**To be handed over at the entrance of the Meeting Hall**

Folio No./Client ID :

I hereby record my presence at the 24<sup>th</sup> ANNUAL GENERAL MEETING to be held at Shalimar Hotel, Ankleshwar, Bharuch, Gujarat on Friday, - September 29, 2017 at 11.00 a.m

Member's/Proxy's Full Name

Member's/Proxy's Signature

Form No. MGT-11

# LAFFANS PETROCHEMICALS LIMITED

CIN: L99999GJ1992PLC018626

Registered office: Shed No.C1B/316, GIDC Panoli, Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116.

Corporate Office: 10, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri East, Mumbai- 400072.

[E-Mail: lplho@vsnl.com] [Website: www.laffanspetrochemical.com] [Tel no: 022 28511919].

## PROXY FORM

Name of the Member (s): Registered Address: E-mail Id:	Folio No./Client Id: DP ID:
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I/We, being the member (s) of ..... shares of the above named company, hereby appoint :

- Name : ..... Address : .....  
E-mail Id : ..... Signature : ..... or failing him
- Name : ..... Address : .....  
E-mail Id : ..... Signature : ..... or failing him
- Name : ..... Address : .....  
E-mail Id : ..... Signature : ..... or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company, to be held at Shalimar Hotel, Ankleshwar, Bharuch, Gujarat on Friday, September 29, 2017 at 11.00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Particulars	Optional*	
		For	Against
1.	Adoption of Financial Statements for the year ended March 31, 2017		
2.	Re-appointment of Mrs. Anisha Seth, who retires by rotation		
3.	Appointment of Auditors and fixing of their remuneration.		

Signed this ..... day of ....., 2017

Signature of Shareholder : ..... Signature of Proxy holder(s) :  
.....

Affix  
1 Rupee  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

A proxy need not be a member of the Company.

# ROUTE MAP OF THE VENUE OF THE AGM,

Hotel Shalimar  
Station Road, Ankleshwar, Bharuch  
Phone : 02642- 268435, 243537  
Fax : 02642-240482



## Form NO. MGT-12

### Polling Paper

[Pursuant to Section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies  
(Management and Administration) Rules, 2014]

Name of the Company : **LAFFANS PETROCHEMICALS LIMITED**

Registered office: Shed No.C1B/316, GIDC Panoli, Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116.

Corporate Office: 10, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri East,  
Mumbai- 400072. CIN:**L99999GJ1992PLC018626** [E-Mail: [lpkho@vsnl.com](mailto:lpkho@vsnl.com)]

[Website: [www.laffanspetrochemical.com](http://www.laffanspetrochemical.com)] [Tel no: 022 28511919]

### BALLOT PAPER

Sl. No.	Particulars	Details
1	Name of the First Named Shareholder (in block letters)	
2	Postal address	
3	Registered Folio No./*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4	Class of Share	<b>Equity Share</b>

I hereby exercise my vote in respect of Resolution(s) enumerated below by recording my assent or dissent to the said Resolution in the 24<sup>th</sup> Annual General Meeting of the Company held on Friday, 29<sup>th</sup> September, 2017 at 11.00 a.m. at Shalimar Hotel, Ankeshwar, Bharuch 394116, Gujarat in the following manner:

Sl. No.	Item No.	No. of Shares held by me	I assent to the Resolution	I dissent to the Resolution
1	Adoption of the audited Balance Sheet and Profit & Loss Account for the year ended March 31, 2017 and the reports of the Board of Directors and Auditors thereon. (as an Ordinary Resolution)			
2	Appointment of Director in place of Mrs. Anisha Seth who retires by rotation and being eligible offers herself for re-appointment.(as an Ordinary resolution)			
3	To Appointment of Auditors and fixing of their remuneration. (as an Ordinary resolution)			

Place: Ankleshwar, Bharuch

Date: 29<sup>th</sup> September, 2017

(Signature of the Shareholder)



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**PETROCHEMICALS LIMITED**

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10, Luthra Industrial Premises  
Ground Floor, Andheri - Kurla Road,  
Safed Pool, Mumbai - 400 072