Kilburn Chemicals Ltd. Shantiniketan, 16th Floor, 8, Camac Street, Kolkata 700017 Ph. 033-22828501

Date: 1st October,2019

DCS-CRD
The Mumbai Stock Exchange,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001.

SCRIP Code- 524699

Dear Sirs,

Sub: Submission of Annual Report as per Regulation 34 of LODR,2015 of Kilburn Chemicals Limited

We are enclosing herewith Annual Report as per Regulation 34 of LODR,2015 for the 29th Annual General Meeting, held of Company on 30th September,2019, at Bharatiya Bhasha Parishad, Kolkata-17.

This is for your information and record purpose.

Thanking you,
For **KILBURN CHEMICALS LIMITED**

Mukesh Sharma

MUKESH SHARMA
COMPANY SECRETARY

Email : corporate@kilburnchemicals.com Website : www.kilburnchemicals.com CIN : L24117WB1990PLC199409

KILBURN CHEMICALS LTD.

ANNUAL REPORT AND ACCOUNTS 2018-2019

DIRECTORS	S. K. JALAN – Managing Director V. VANCHI R. CHAUDHURI (Resigned on 24.12.18) A. CHATRATH (Resigned on 24.12.18) T. M. PATEL (Resigned on 14.11.18) M. KEJRIWAL (Resigned on 24.12.18) A. DUTTA D. MUKHERJEE (Appointed on 24.12.18)
C.F.O.	M. SUREKA
C.S.	M. SHARMA
BANKERS	BANK OF BARODA STATE BANK OF INDIA
AUDITORS	V. SINGHI & ASSOCIATES CHARTERED ACCOUNTANTS KOLKATA
REGISTERED & CORPORATE OFFICE	"SHANTINIKETAN" 16TH FLOOR, 8, CAMAC STREET, KOLKATA-700 017
REGISTRARS & SHARE TRANSFER AGENTS	MAHESHWARI DATAMATICS PVT. LTD. 23, R. N. MUKHERJEE ROAD, 5TH FLOOR KOLKATA-700 001. PHONE NO. (033)-2243-2248 / 2243-5029 FAX NO.(033)-2248-4787 E-MAIL : mdpldc@yahoo.com

KILBURN CHEMICALS LIMITED

Regd. Office: "Shantiniketan" 16th Floor, 8, Camac Street, Kolkata- 700 017
Ph-033-22828501, Email: corporate@kilburnchemicals.com
Website: www.kilburnchemicals.com CIN No. L24117WB1990PLC199409

NOTICE FOR THE 29TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 29th Annual General Meeting of the Company will be held on Monday, the 30th September, 2019, at Bharatiya Bhasha Parishad, 36A Shakespeare Sarani, Kolkata- 700 017, at 10.00 A.M. to transact the following:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2019, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Ashim Dutta (DIN: 06651961), who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to section 139 (1) of the Companies Act, 2013 and the Rules made there under, M/s V. Singhi & Associates, Chartered Accountants (Firm Registration No FRN 311017E) Kolkata, be and are hereby appointed as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of this Annual General Meeting until the conclusion of the Annual General meeting to be held during the year 2024, to examine and Audit the accounts of the company for the financial year 2019-20,2020-21,2021-22,2022-23 & 2023-24 at such remuneration as may be mutually agreed upon between the Board of Directors of the company and the Auditors plus reimbursement of out of pocket expenses and applicable taxes ."

AS SPECIAL BUSINESS

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

   To appoint Mr. Dilip Mukherjee (DIN:07244118) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**.

   "**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 of the Listing obligations and Disclosure requirements (LODR) Regulation 2015 Mr. Dilip Mukherjee (DIN:07244118), who was appointed as Additional Director (Independent Director) with effect from 24th December, 2018 will cease at the ensuing annual general meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company to hold office for 3 (three) consecutive years up to 23rd December, 2021."
5. To consider and if thought fit to pass with or without modification(s), the following resolution as a **Ordinary Resolution**.

   To appoint Ms. Manimala Dey (DIN:08463463) as an Independent Director and in this regard

to consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**.

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 of the Listing obligations and Disclosure requirements (LODR) Regulation 2015 Ms. Manimala Dey (DIN:08463463), who was appointed as Additional Director (Independent Director) with effect from 30th May, 2019 will cease at the ensuing annual general meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company to hold office for 3 (three) consecutive years up to 29th May, 2018."

6. To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**.

"**RESOLVED that** pursuant to section 196,197, 204 and other provisions applicable, if any and schedule V of the Companies Act, 2013 consent of the members of the Company be and is hereby given for the re-appointment of Mr. SANDEEP KUMAR JALAN (DIN: 00015836) as Managing Director of the Company for a period of three years with effect from the 13th November, 2018 on the terms and conditions as detailed hereunder, with a liberty to the Board of Directors of the Company to modify the said terms and conditions within the limits prescribed/which may be prescribed in schedule V of the Companies Act, 2013 and any amendment thereof from time to time:

Salary:

Not exceeding Rs.3,00,000 [Rupees Three Lac Only] per month [including perquisites and other allowance, if any].

PERQUISTIES & ALLOWANCES

In addition to the above remuneration, Mr. S.K. Jalan shall also be entitled to perquisites and allowances like furnished accommodation, house, and maintenance allowance together with reimbursement of expenses or utilities such as gas, electricity, water furnishings, repairs, medical reimbursement, leave travel concession for self and family as per the rules of the Company. Club fees, medical/personal accident insurance, Leave encashment, benefits of provident fund, gratuity fund, Car, telephone etc. and such other perquisites and allowances as may be agreed to by the Board of Directors and Mr. S.K. Jalan.

In case no accommodation is provided to Mr. S.K. Jalan, he shall be paid House Rent Allowance as per rules of the Company subject to a ceiling of 60% of the salary.

COMMISSION

Such commission of the net profits, as may be agreed upon by the Board of Directors and Mr. S.K. Jalan, for each financial year or part thereof, subject to the condition that the total remuneration i.e. salary, perquisites and commission in any one financial year shall not exceed the limits prescribed or as may be prescribed from time to time under section 198, 309 and other applicable provisions of the Companies Act, 1956, as may be for the time being in force.

"**RESOLVED FURTHER THAT**, where in any financial year, during the currency of tenure of Sandeep Kumar Jalan as Managing Director, the Company has no profit or its profits are inadequate, it may pay him minimum remuneration by way of salary, perquisites and allowances not exceeding the limits specified above.

"**RESOLVED FURTHER THAT** remuneration payable as above is fixed for a period of 3 years (i.e. from 13th November, 2018 to 12th November, 2021) and thereafter remuneration for remaining period of his term as Managing Director will be fixed by passing special resolution at the general meeting as per schedule V of the Companies Act, 2013.

Registered Office:
SHANTINIKETAN, 16th Floor,
8, Camac Street
Kolkata- 700 017
Dated: 30.05.2019

By Order of the Board
For KILBURN CHEMICALS LIMITED

MUKESH SHARMA
COMPANY SECRETARY

NOTES

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013, is annexed herewith and forms part of the Notice.
2. A member entitled to attend and vote at the meeting may appoint a proxy to attend, and to vote in his place. A proxy need not be a member of the Company.
3. The proxy Form to be valid, should be duly stamped, executed and deposited at the registered office of the Company at least forty eight hours before the time fixed for the commencement of the meeting. A Person can act as proxy on behalf of members not exceeding fifty (50) and holding and holding in the aggregate not more than ten percent of the paid up capital of the Company carrying voting rights. A member holding more than ten percent of the Paid up Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholders.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 24th September, 2019 to 30th September, 2019 (both days inclusive) for the purpose of the Annual General Meeting of the Company.
5. The Members are requested to:
   (a) Intimate change in their registered address, if any, to the Company's Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd. 23 R.N. Mukherjee Road, 5th Floor, Kolkata - 700001 in respect of their holdings in physical form.
   (b) Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.
   (c) Register their email address and changes there in from time to time with M/s. Maheshwari Datamatics Pvt. Ltd.23 R.N. Mukherjee Road, 5th Floor, Kolkata -700001, for shares held in physical form and with their respective Depository Participants for shares held in demat form.
6. Corporate Members intending to send their authorized representatives are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the ensuing Annual General Meeting of the Company.
7. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd. 23, R.N.Muhkerjee Road, 5th Floor Kolkata -700001 and have it duly filled and sent back to them.
8. Electronic copy of the Annual Report for 2018-19 is being sent to all Members whose email Ids are registered with the Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-19 is being sent in the permitted mode.

9. Electronic copy of the Notice of the 29th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email ids are registered with the Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For Members who have not registered their e- mail addresses, physical copies of the Notice of 29th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
10. Details under Regulation 33 of the LODR, 2015 with the Stock Exchange in respect of the Directors seeking appointment / reappointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment / re appointment.
11. Members may also note that the Notice of the 29thAnnual General Meeting and the Annual Report for 2018-19 will also be available on the Company's website www. kilburnchemicals.com for their download.
12. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with M/s. Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road, 5th Floor,Kolkata -700 001. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will as per Section 125 (2) of the Companies Act, 2013 be transferred to the Investor Education Protection Fund.
13. Voting through Electronic means:

    I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members holding shares either in physical form or in dematerialized form the facility to exercise means and the business may be transacted through e-voting services by Central Depository Services Limited (CDSL). The instructions for e-voting are as under:

    The Notice of the 29th Annual General Meeting (AGM) of the Company interalia indicating the process and manner of e-voting process along with printed Attendance slip and Proxy Form is being dispatched to all the Members. The voting particulars are provided at the bottom of the Attendance slip for the 29th Annual General Meeting.

    a. Log on to the e-voting website: www.evotingindia.com during the voting period.
    b. Click on : SHAREHOLDERS" tab .
    d. Now enter your USER ID (as mentioned in the Attendance Slip)
        i. For CDSL: 16 digits beneficiary ID.
        ii. FOR NSDL: 8 Characters DP ID followed by 8 digits client ID
        iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
    e. Next enter the Image verification as displayed and Click on LOGIN.
    f. If you are holding shares in Demat Form and has logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
    g. However, if you are a first time user, please use the E-Voting particular provided in the attendance Slip and fill up the same in the appropriate boxes.
    h. After entering these details appropriately, click on "SUBMIT "tab.
    i. Members holding shares in physical form will then reach directly 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 their 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.

j. For members holding shares in physical form, the details in attendance slip can be used only for e-voting on the resolutions contained in this Notice.

k. Click on the EVSN "KILBURN CHEMICALS LTD" for which you choose to vote.

l. 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.

m. Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolutions.

n. 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 "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

o. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify the vote.

p. You can also take out print out of the voting done by you clicking on "CLICK HERE TO PRINT" option on the voting page.

q. If Demat account holders have forgotten the changed password then enter the USER ID and image verification code (CAPTCHA CODE) click on Forgot Password and enter the details as prompted by the system.

r. Institutional Shareholders (i.e. other than Individuals, HUF and NRI etc) are required to log on to http:// www.evotingindia.com and register themselves as Corporate.

- They should submit a scanned copy of the registration form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com
- After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Authorised Person/Custodian, if any, in PDF Format in the system for the scrutinizer to verify the same.

II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQ) and e-voting manual available at www.evotingindia.com You can also contact the helpdesk on the toll free mumber: 1800-200-5533.

III. The Remote E-Voting period begins from 26th September, 2019 (9.00 A.M.) (IST) and ends on 29th September, 2019 (5.00 P.M.). (IST) During this period, shareholders of the Company, holding shares either in physical form or in dematerlized form, as on the cut-off/entitlement date of 23rd September, 2019 may cast their vote electronically.

The E-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a Resolution is cast by the shareholders by electronic means, the shareholders shall not be allowed to change it subsequently or cast his vote by any other means.

IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity

capital of the Company as on the cut-of/entitlement date of 23rd September, 2019

V. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through Polling Paper.

VI. 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.

VII. Mr. Sunil Kumar Banerjee (Membership No.FCS 4652) has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VIII. The scrutinizer shall within a period not exceeding two (2) working days from the conclusion of the e-voting period in block the votes in the presence of at least (2) witnesses not in the employment of the Company and make scrutinizer's report of the votes cast in favour or against, if, any, forthwith.

The results shall be declared on or after the 29th Annual General Meeting of the Company. This Notice as well as the Results declared along with the Scrutinizer's Report shall be communicated to CDSL and Bombay Stock Exchange by 3rd October, 2019

14. Members are hereby informed that Dividends which remain unpaid or unclaimed over a period of 7 years have to be transferred by the Company to Investor Education & Protection Fund (IEPF) constituted by the Central Government under section 123 and 125 of the Companies Act, 2013. Further under the amended provisions of section 124 of the Companies Act, 2013, no claim shall lie for the unclaimed dividend from IEPF or from the company by the shareholders.

Registered Office:
SHANTINIKETAN, 16th Floor,
8, Camac Street
Kolkata- 700 017
Dated: 30.05.2019

By Order of the Board
For KILBURN CHEMICALS LIMITED

MUKESH SHARMA
COMPANY SECRETARY

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (ERSTWHILE SECTION 173 OF THE COMPANIES ACT, 1956)

ITEM NO. 3

M/s V.Singhi & Associates, the existing statutory auditors of the Company had been appointed at the Annual General meeting of the Company held on 30/09/2014, for a period of 5 years till the conclusion of the 29th Annual General Meeting. The first term of the said Auditors expires at the ensuing AGM.

The Audit Committee of the Company recommends the appointment of M/s V.Singhi & Associates as Statutory Auditors of the Company looking into the expertise of work of the Auditors and accordingly your Board of Directors propose to appoint M/s V.Singhi & Associates, Chartered Accountants, as statutory auditors of the Company at the ensuing Annual General Meeting for the second term of 5 years. The Company has received consent and eligibility certificate from the Auditors with regards to the appointment.

The Company proposes to pay the same fees as paid for the previous financial year and there is no change in the remuneration paid to the Auditors.

Item No. 4

Mr. Dilip Mukherjee (Aged -64 Years) is the Independent Director of the Company. He joined the Board of Directors of the Company on 24.12.2018

DIN: 07244118

Qualifications: B.COM

Expertise in Specific Functional Areas: Finance & Marketing

List of outside Directorship: Kilburn Office Automation Limited

Membership/Chairmanship of Committees held in other public company: 1

Shares held in the company: NIL.

Except Mr. Dilip Mukherjee, being an appointee, none of the Directors and Key Managerial Personnel of the company and their relatives is concerned or interested,financial or otherwise, in the resolution set out in Item No. 3.

Item No. 5

Ms. Manimala Dey (Aged -53 Years) is the Independent Director of the Company. He joined the Board of Directors of the Company on 30.05.2019

DIN: 08463463

Qualifications: B.SC & LLB

Expertise in Specific Functional Areas: Legal & Mergers & Accquistions.

List of outside Directorship: NIL

Membership/Chairmanship of Committees held in other public company: NIL

Shares held in the company: NIL.

Item No. 6

In view of the continuing growth and complexities of the Company's operation and having regard to Mr. S.K. Jalan's rich and varied experience in the matters pertaining to business and commence, the Board of Directors at the meeting held on 24th August, 2018 has re-appointed Mr. S.K. Jalan as the Managing Director of the Company for a further period of 3 years effective from 14th November, 2018 subject to the approval of the members in the ensuing Annual General Meeting.

Mr. S.K. Jalan shall be entitled to receive the following by way of remuneration:

I. General Information:

1. Nature of Industry : Chemical Manufacturing
2. Financial Performance : Kilburn Chemicals Limited Started there Commercial Production in March, 2018 and the financial performance can be seen from the Annual Accounts of the Company for the year ended 31.03.2019
3. Export Performance: N.A.

II. Information about Mr. S K Jalan:

1. Back Ground Details: Mr S.K. Jalan is aged about 56 years and is MBA Graduate and has rich experienced in filed on Chemical Manufacturing. Mr.S.K.Jalan has vast experienced in finance and has very good marketing skills, further he has very good knowledge in the Technical areas of the Titanium Dioxide (TIO2)
2. Past Remuneration : Remuneration paid in the Past year to Mr. S.K. Jalan is mentioned in Note no.40 of the Annual Accounts of the Company for the financial year ended 31.03.2019.
3. Recongition or awards : N.A.
4. Job Profile & his suitability : Mr.S.K.Jalan is MBA Graduate from university and he has niche experience in the Cheimcal Industries, as well he has also vast financial and marketing skills.
5. Remuneration proposed: As decided by the Nomination & Remuneration committee that, as

the Company is in huge Losses and the, so for time being No remuneration is paid till the time the Company starts its operations.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: As the Company has incurred huge losses, so for time being No Remuneration is paid till the time Company starts its operations.
7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel: There is no Direct or indirect relation ship with the Managerial Personnel of the Companies.

III. Other information:

8. Reasons for inadequate profit: Kilburn Chemicals has started its Green Filed project in March,2018, but due to financial set back, Company was unable to continue its operations and thus it resulted in huge losses for the Company.
9. Steps taken or proposed to be taken for improvement: Time to time Company has informed Stock Exchange that Various steps has been taken in order to revive the Company and various proposal are being looked and also Company has spoken to various financial institutions and Investors for the improvement of the Company.
10. Expected increase in productivity and profits in measurable terms: Once the Finance is sorted out from investor, then only future outlook in terms of Productivity and Profits in business can be measures.

IV. Disclosures: Other disclosures have been mentioned in the Board of Directors' report under the heading "Corporate Governance" attached to the annual report.

Mr. S.K. Jalan is interested in the re-appointment of Mr. S.K. Jalan as the Managing Director of the Company.

The Board recommends the resolution for your approval.

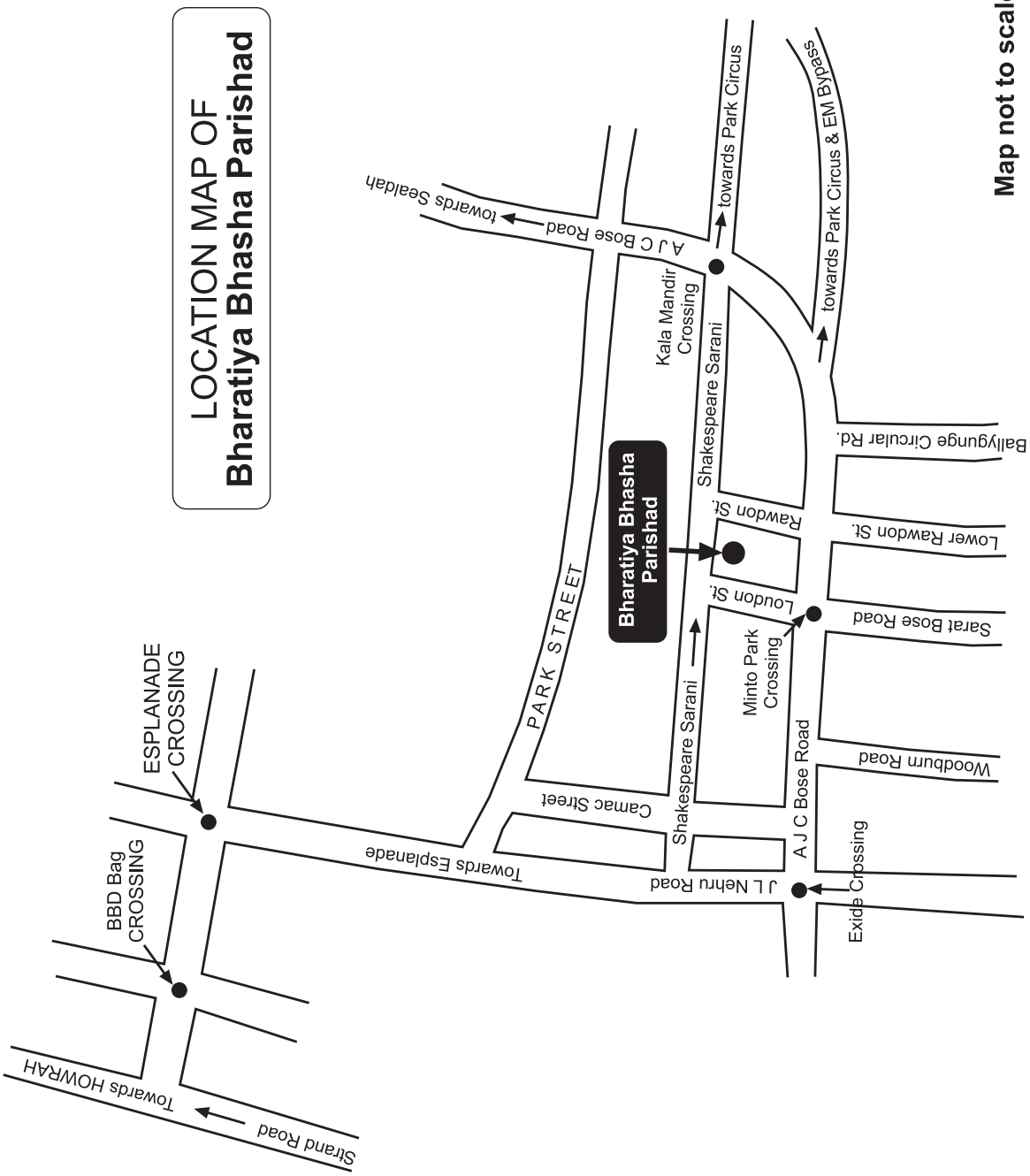
None of the Director(s) is/are concerned/interested in the said Resolution except to the extent of shares held by them in the Company.

Director seeking appointment/re-appointment in the Annual General Meeting Scheduled to be held on 30.09.2019

Name of the Direcor(s)	Shri. Dilip Mukherjee	Smt. Manimala Dey	Shri. Ashim Dutta	Shri Sandeep Jalan
DIN	07244118	08463463	06651961	00015836
Date of Birth	15.03.1955	16.08.1966	23.09.1963	20.07.1963
Age	64 Years	53 Years	56 Years	56 Years
Date of Appointment	24th December, 2018	9th November, 2012	10th November, 2017	30.01.1992
Expertise in specific Functional Areas	Has rich experience in Marketing & Finance.	Has vast experience in Legal & Mergers matters, with knowledge of Finance too.	Mechanical Engineering with PGDBM having specialization in Marketing	B.Com & MBA and has vast knowledge regarding the manufacturing of Chemical industry.
Qualification	B.COM.	B.SC & LLB	BME & PGDBM	B.COM & MBA
No. of Shares Held in the Company	NIL	NIL	NIL	355

List of outside Directorship held	1.Kilburn Office Automation Ltd	NIL	NIL	1.Sandeep Investments Limited 2.Supriya Finance Ltd. 3.Kilburn Software Technologies India Limited 4. Shreyans Invst.Ltd 5.Arham Vyapaar Pvt.Ltd. 6. Ana Vincom Pvt. Ltd. 7.Pushpdant Vyapaar Pvt.Ltd. 8. Saket Fiscal Services Pvt.Ltd. 9.Just Desserts Limited. 10. Kilburn office Automation Limited
Chairman/Member of the Committee of the Board of Directors of the Company	Chairman: Share holder Grievances Committee.	NIL	NIL	NIL
Chairman/Member of the Committees of Director of other Companies in which he is a Director (a) Audit Committee	NIL	NIL	NIL	NIL
(b) Remuneration Committee.	NIL	NIL	NIL	NIL
(c) Shareholders/ Investors Grievance Committee	Member: 1.KilburnOffice Automation Ltd.	Member: NIL	NIL	NIL
Relation with Key Managerial Personnel and Directors	He is Independent Director and not related to any Director or KMPS of the Company	She is Independent Director and not related to any Director or KMPS of the Company	He is Executive Director and not related to any Director or KMPS of the Company	He is Managing Director and is not related to the Director or KMPS of the Company
Justification for appointment	He has good knowledge of Finance and is well versed with Marketing Skills	She has depth knowledge of Mergers & Acquisitions, and she is well reputed Lawyer.	He has vast knowledge in Mechanical areas and has also good marketing skills.	He has vast Chemical manufacturing knowledge.

LOCATION MAP OF **Bharatiya Bhasha Parishad**



KILBURN CHEMICALS LIMITED

DIRECTORS' REPORT

Your Directors take pleasure in presenting the 29th Annual Report together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2019.

FINANCIAL HIGHLIGHTS

(Rs. In lacs)

	2018-19	2017-18
Total Revenue	93.23	11.68
Gross Operating Profit	(3594.75)	(1216.52)
Depreciation for the year	1236.59	34.15
Profit/ (Loss) Before Extraordinary items and Tax	(4831.34)	(1250.67)
Profit Before Tax (PBT)	(4831.34)	(1250.67)
Provision for Tax including Deferred Tax	198.20	284.04
Net Profit After Tax (PAT)	(5029.54)	(1534.71)
Add : Surplus / Loss brought forward from previous year	3,056	4,591
Profit available for Appropriation	(1974)	3,056
Balance carried forward	(1974)	3,056

GENERAL REVIEW OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

Even though the Commercial Operations Date (COD) of the Dahej Project was achieved on 22.3.18, there were several setbacks encountered during actual production due to technical issues, mainly with pipelines, valves, pumps etc. These teething problems caused sequential delays in achieving steady production, and it was only in end September'18 that the good quality of Anatase production at full market pricing commenced.

Due to the start-stop nature of operations mentioned above, the Company could not achieve any significant production and sales till Sep'18, thereby leading to operational losses which were partially funded by fresh infusions of further funds by the Promoters. Post Sep'18, it was no longer possible for the Promoters to infuse further funds and default in Bank interest servicing commenced, leading to Bank accounts becoming in operational and consequently, Plant operations have not been able to continue from Oct' 18.

FUTURE OUTLOOK

The Company and Promoters have been looking for fresh funding options through Bankers/Investors etc. and are optimistic of positive developments in this regard, which would assist in regularizing the financial position with the Banks and creditors and restarting the production operations at the earliest.

EQUITY DIVIDEND

During the year Company has started its operations and due to technical issues, mainly with pipelines, valves, pumps etc. These teething problems caused sequential delays in achieving steady production, and it was only in end September'18 that the good quality of Anatase production at full market pricing commenced. Due to the start-stop nature of operations mentioned above, the Company could not achieve any significant production and sales till Sep'18, thereby leading to operational losses which were partially

funded by fresh infusions of further funds by the Promoters. Post Sep'18, it was no longer possible for the Promoters to infuse further funds and default in Bank interest servicing commenced, leading to Bank accounts becoming in operational and consequently, in such scenario Directors felt it prudent to skip dividend on Equity Shares for the year.

TRANSFER TO RESERVES

During the year under review, your directors do not propose to transfer any amount to any reserve. The profit/ loss for the year under review has been shown under the head Reserve and surplus.

DEPOSITS

The company has not accepted any deposit from the public and shareholders falling within the ambit of section 73 of the companies Act 2013, read with the Companies (Acceptance of Deposits) Rules, 2014

PARTICULARS OF LOAN GURANTEES OR INVESTMENTS

Details of Loan, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013, are given in the notes to the financial Statements.

SHARE CAPITAL

The paid up Equity Share Capital as on March, 31,2019 was Rs 13.90 Crores. During the year under review, the company has issued 2052377 Equity Shares of Rs 10/- each to be issued at a price not less than 65/- to promoters against conversion of loan aggregating to Rs. 13,34,05,000/- on Preferential basis. The company has not granted any stock option to employees nor issued any Sweat Equity Shares or buy back of Shares of the Company.

EXTRACT OF THE ANNUAL RETURN

Pursuant to section 92 (3) of the Companies Act 2013 (the Act) and Rules 12 (1) of the Companies (Management and Administration) Rules 2014, The details forming part of the extract of the Annual Return in the form MGT 9 is annexed herewith as annexure no. 1

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Companies Act 2013 (the Act) and accounting standard (AS)-21 on Consolidated Financial Statements read with As -23 on accounting for Investments in Associated and As -27 on financial Reporting of Interests in Joint Ventures, the Audited Consolidated Financial Statement is not applicable to the company as company has no subsidiary, Joint Ventures and Associate company as define in Companies Act, 2013

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The company does not have any Subsidiary, Joint-Venture and Associate Company as per the Companies Act, 2013.

CORPORATE GOVERNNANCE

Pursuant to the provisions contained in the Listing Agreement with Stock Exchanges, a Report on Corporate Governance together with the Auditors' Certificate on the compliance of the conditions of the Corporate Governance is annexed herewith. The Management Discussion and Analysis Report has not been annexed as the company does not have any business after Wind Mill Division sold.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

.All the Independent Directors have given declarations that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act 2013 and as per Regulation 25 of Listing Obligations

and Disclosure Requirements, Regulation 2015 of the Listing Agreement.

Shri Sandeep Kumar Jalan – Managing Director of the Company, Shri Ashim Dutta -Executive Director, Shri Manoj Sureka – Chief Financial Officer and Shri Mukesh Sharma –Company Secretary are Key Managerial Personnel of the company.

PERFORMANCE EVALUATION BOARD EVALUATION

In Compliance with the Companies Act 2013 and Regulation 17 of the Listing Regulations, the performance evaluation of the Board and its Committees were carried out during the year under review.

More details on the same is given in the Corporate Governance Report.

DETAILS OF BOARD AND COMMITTEE MEETING

During the year under review, the Board of Directors has met 7 times. Details of Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee meeting, its members and their attendance and terms of reference has been provided in the Corporate Governance Report.

The company has already framed a policy on remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board. More Details on the same is provided in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that :

A) In the preparation of the annual accounts for the year ended March 31,2019, the applicable accounting standards read with requirements set out under Schedule III of the act, have been followed and there are no material departures from the same

B) The Directors have selected such accounting policies and applied them consistently and made judgments' and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31,2019 and of the profit of the company for year ended on that date,

C) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,

D) The Directors have prepared the annual accounts on a going concern basis

E) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively ; and

F) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act 2013 and the Listing Regulations. There are no materially significant related party transactions made by the company with promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the company at large or which warrants the approval of shareholders. Accordingly no transactions are being reported in Form AOC-2 in terms of section 134 of the act read with Rule -8 of the Companies (Accounts) Rules 2014. However the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

All related party transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtain which are of a repetitive nature.

CORPORATE SOCIAL RESPONSIBILTY

In line with the provisions laid down under Section 135 of the Companies Act, 2013 and Rules made thereunder. CSR committee will decide the amount to be spent in CSR programs and activities mentioned in Schedule Vii of the Companies Act, 2013

Details of the CSR activities undertaken by the company is annexed to this report as annexure-5

VIGIL MACHANISM POLICY

The Company has in place a Vigil Mechanism also known as Whistle Blower Policy pursuant to the requirements of the Companies Act 2013 and the Listing Agreement. The Policy empowers all the stakeholders to raise concerns and provided for adequate safeguards any employee and/or person dealing with the company can make disclosure about any wrong doing in company operations through a e-mail or through telephone or letter to the Chairman of the Audit Committee.

The policy on vigil mechanism or whistle Blower policy may be accessed on the company website at the link www.kilburnchemicals.com

POLICY ON NOMINATION AND REMUNERATION

The Company follows a policy on Remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination &Remuneration Committee and the Board. The main objective of the said policy is to ensure that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, KMP and senior management employees. The Remuneration Policy for the Directors and senior management employees is given in the Corporate Governance Report.

RISK MANAGEMENT

The Company has formulated risk management Policy which is well defining mechanism to identify, assess, monitor and mitigate various risks to key business objectives.

On continuous basis risks are indentify by the functional heads and which discussed at various Committee or group level including Audit Committee and Board of Directors and systematically address to mitigate risk.

INTERNAL FINANCIAL CONTROLS

The company has in place the adequate internal financial controls systems with reference to Financial Statements. During the year, such controls were tested and no reportable material weakness was observed.

AUDITORS AND AUDITORS' REPORT

M/s. V. Singhi & Associates, Chartered Accountants, the Statutory Auditors of the company to retire at the ensuing Annual General Meeting of the company and are eligible for reappointment. They have furnished certificate regarding their eligibility,pursuant to Section 139(1) of the Companies Act, 2013 and read with relevant Rules. The Board of Directors recommends their re-appointment for one year.

The notes to the accounts referred to in the Auditors' Report are self explanatory.

The Auditors' Report for FY 2018-19 forms part of this Annual Report and does not contain any qualification, reservation or adverse remark.

Board of directors has reappointed M/S R C Jhawer & Company, Chartered Accountants as Internal Auditors of the company.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of section 204 of the Companies Act 2013 read with the Rules thereof, the company has re appointed M/s Sunil Kumar Banerjee, Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of Secretarial Auditors is annexed to this report as annexure -2. There are no adverse observation in the Secretarial Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

There are no significant material orders passed by the regulators/ Court/Tribunals which would impact the going concern status of the Company and its future operations.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The Company has, during the year under review, transferred a sum of Rs.443938/- to Investor Education and Protection Fund, in compliance with the provisions of Section 123,124 & 125 the companies Act, 2013. The said amount represents dividend for the financial year 2011-2012 which remained unclaimed by the members of the company for a period exceeding 7 years from its due date of payment.

PARTICULARS OF EMPLOYEES

Industrial relations in the Company continued to be cordial and satisfactory. Particulars or details of the employees cover under the provisions of Section 197 of the Companies Act, 2013, read with Rules - 5 of the Companies (Appointment and Remuneration of Managerial Personnel)Rules,2014 are attached to this report as annexure -3

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARING AND OUT GO

Statement pursuant to the provisions of section 134 (3)(m) of the Companies Act 2013 read with Rules 8 of the Companies (Accounts) Rules 2014 is annexed herewith as Annexure -4 During the year under review the company is setting up a new plant which has already focused on and matter related to energy saving equipment and latest technology. The further measure will be taken after the commencement of plant.

ACKNOWLEDGEMENT

Your Directors are grateful for the co-operation and continued guidance and support extended by various agencies of Central Government and State Government (s) and various Government Departments and Agencies, Bank of Baroda and State Bank of India. Your Directors thank and express their gratitude to various stakeholders i.e. customers, dealers, suppliers, advisors and consultants for their committed engagement with the Company. The Directors greatly appreciate the dedicated and sincere services rendered by the employees at all levels. Finally, the Directors express their gratitude to all the Shareholders for their support.

For and on behalf of the Board,

Place : Kolkata

Date : 30th May, 2019

S. K. JALAN

MANAGING DIRECTOR

Annexure1

FORM No.MGT-9

EXTRACT OF ANNUAL RETURN
As on the Financial Year Ended 31.03.2019
(Pursuant to Section 92(3) of the Companies Act,2013 and Rule 12(1)
of the Companies (Management & Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS

(i)	CIN	:	L24117WB1990PLC199409
(ii)	Registration Date	:	31.08.1990
(iii)	Name of the Company	:	KILBURN CHEMICALS LTD
(iv)	Category/Sub-Category of the Company	:	COMPANY LIMITED BY SHARES
(v)	Address of the Registered Office and Contact details	:	SHANTINIKETAN, 16TH FLOOR 8,CAMAC STREET, KOLKATA-700017 WEST BENGAL, Tel : 033-22828501
(vi)	Whether Listed Company	:	YES/NO YES
(vii)	Name, Address and Contact details of Registrar & Transfer Agent, if any	:	MAHESHWARI DATAMATICS PVT.LTD. 23 R.N MUKHERJEE ROAD 5TH FLOOR,KOLKATA- 700001 033-22435029

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl.No.	Name/Description of Main Products & Services	NIC Code of Product/Service	%Total Turnover of the Company
1	Titanium Dixoide	N.A.	100

III PARTICULARS OF HOLDING ,SUBSIDIARY AND ASSOCIATE COMPANIES

SI No.	Name and Address of the company	CIN/ GLN	Holding, Subsidiary/ Associate	%of shares held	Applicable Section
	N A	N A	N A	N A	N A

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 [As on 01/Apr/2018]				No of Shares held at the end of the year [As on 31/Mar/2019]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	25555	0	25555	0.2156	25555	0	25555	0.1838	-0.0318
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	7869192	0	7869192	66.3787	7869342	2052377	9921719	71.3414	4.9627
e) Banks/Fi									
f) Any other									
Sub-total (A)(1)	7894747	0	7894747	66.5943	7894897	2052377	9947274	71.5252	4.9309
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
Sub-total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	7894747	0	7894747	66.5943	7894897	2052377	9947274	71.5252	4.9309
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	1600	1600	0.0135	0	1600	1600	0.0115	-0.0020
b) Banks/FI	0	950	950	0.0080	0	900	900	0.0065	-0.0015
c) Central Govt	100	0	100	0.0008	100	0	100	0.0007	-0.0001
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2018]				No of Shares held at the end of the year [As on 31/Mar/2019]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors									
Provident Funds / Pension Funds									
Qualified Foreign Investor									
Sub-total(B)(1):-	100	2550	2650	0.0223	100	2500	2600	0.0187	-0.0036
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1671529	9400	1680929	14.1791	1676564	9300	1685864	12.1221	-2.0570
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	901026	580919	1481945	12.5006	927490	505969	1433459	10.3072	-2.1934
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	493426	0	493426	4.1622	489680	0	489680	3.5210	-0.6412
c) Others (Specify)									
Non Resident Indians	6861	0	6861	0.0579	12404	0	12404	0.0892	0.0313
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	10706	0	10706	0.0903	2360	0	2360	0.0170	-0.0733
Trusts									
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI	50	0	50	0.0004	50	0	50	0.0004	0.0000
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2018]				No of Shares held at the end of the year [As on 31/Mar/2019]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Investor Education and Protection Fund Authority	283686	0	283686	2.3930	333686	0	333686	2.3993	0.0063
Sub-total(B)(2):-	3367284	590319	3957603	33.3835	3442234	515269	3957503	28.4562	-4.9273
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3367384	592869	3960253	33.4058	3442334	517769	3960103	28.4749	-4.9309
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	11262131	592869	11855000	100.0000	11337231	2570146	13907377	100.0000	0.0000

iv(ii) SHAREHOLDING OF PROMOTERS

Sl No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/Apr/2018]			Shareholding at the end of the year [As on 31/Mar/2019]			% change in share holding during the Year	PAN
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares		
1	SHREE DURGA AGENCIES LTD	2208170	18.6265	0.0000	2755860	19.8158	0.0000	1.1893	AAECS0556L
2	SUPRIYA FINANCE LIMITED	1819423	15.3473	0.0000	1819423	13.0824	0.0000	-2.2649	AAPCS8720B
3	MARYADA ADVISORY SERVICES PVT LTD	1232457	10.3961	0.0000	1543995	11.1020	0.0000	0.7059	AACCM0957B
4	NIRVAN COMMERCIAL COMPANY LTD	1154465	9.7382	0.0000	1228618	8.8343	0.0000	-0.9039	AAACN9221F
5	ANA VINCOM PRIVATE LIMITED	800000	6.7482	0.0000	800000	5.7523	0.0000	-0.9959	AACCA5723F
6	ARHAM VYAPAAR PVT LTD	240000	2.0245	0.0000	626538	4.5051	0.0000	2.4806	AAGCA6925P
7	SUPRIYA FINANCE LTD	0	0.0000	0.0000	431153	3.1002	0.0000	3.1002	AAPC38720B
8	SANDEEP INVESTMENTS LIMITED	414677	3.4979	0.0000	414677	2.9817	0.0000	-0.5162	AADCS6054J
9	ANA VINCOM PVT LTD	0	0.0000	0.0000	231152	1.6621	0.0000	1.6621	AACLA5723F
10	PUSPDANT VYAPAAR PVT LTD	0	0.0000	0.0000	70303	0.5055	0.0000	0.5055	AADCP6603J
11	SANDEEP KUMAR JALAN	25000	0.2109	0.0000	25000	0.1798	0.0000	-0.0311	AAFHS4476P
12	SANDEEP KUMAR JALAN	355	0.0030	0.0000	355	0.0026	0.0000	-0.0004	ACQPJ4806M
13	ALAKA JALAN	100	0.0008	0.0000	100	0.0007	0.0000	-0.0001	ACOPJ4203C
14	DIVYA JALAN	100	0.0008	0.0000	100	0.0007	0.0000	-0.0001	ACLPJ1478J
	TOTAL	7894747	66.5942	0.0000	9947274	71.5252	0.0000	4.9310	

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

Sl No	Name	Shareholding at the beginning [01/Apr/18]/end of the year [31/Mar/19]		Cumulative Shareholding during the year [01/Apr/18 to 31/Mar/19]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	NIRVAN COMMERCIAL COMPANY LTD					AAACN9221F
	4/1/2018	1154465	9.7382			
	31/03/2019 - Transfer	74153	0.5332	1228618	8.8343	
2	ANA VINCOM PRIVATE LIMITED					AACCA5723F
	4/1/2018	800000	6.7482			
	3/31/2019	800000	5.7523	800000	5.7523	
3	MARYADA ADVISORY SERVICES PVT LTD					AACCM0957B
	4/1/2018	1232457	10.3961			
	31/03/2019 - Transfer	311538	2.2401	1543995	11.1020	
4	ANA VINCOM PVT LTD					AACLA5723F
	4/1/2018	0	0.0000			
	31/03/2019 - Transfer	231152	1.6621	231152	1.6621	
	3/31/2019	231152	1.6621	231152	1.6621	
5	PUSHPDANT VYAPAAR PRIVATE LIMITED					AADCP6603J
	4/1/2018	0	0.0000			
	29/09/2018 - Transfer	150	0.0013	150	0.0013	
	31/03/2019 - Transfer	70153	0.5044	70303	0.5055	
6	SANDEEP INVESTMENTS LIMITED					AADCS6054J
	4/1/2018	414677	3.4979			
	3/31/2019	414677	2.9817	414677	2.9817	
7	SHREE DURGA AGENCIES LTD					AAECS0556L
	4/1/2018	2208170	18.6265			
	31/03/2019 - Transfer	547690	3.9381	2755860	19.8158	
8	SANDEEP KUMAR JALAN					AAFHS4476P
	4/1/2018	25000	0.2109			
	3/31/2019	25000	0.1798	25000	0.1798	

Sl No	Name	Shareholding at the beginning [01/Apr/18]/end of the year [31/Mar/19]		Cumulative Shareholding during the year [01/Apr/18 to 31/Mar/19]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
9	ARHAM VYAPAAR PVT LTD					AAGCA6925P
	4/1/2018	240000	2.0245			
	31/03/2019 - Transfer	386538	2.7794	626538	4.5051	
10	SUPRIYA FINANCE LTD					AAPC38720B
	4/1/2018	0	0.0000			
	31/03/2019 - Transfer	431153	3.1002	431153	3.1002	
	3/31/2019	431153	3.1002	431153	3.1002	
11	SUPRIYA FINANCE LIMITED					AAPCS8720B
	4/1/2018	1819423	15.3473			
	3/31/2019	1819423	13.0824	1819423	13.0824	
12	DIVYA JALAN					ACLPJ1478J
	4/1/2018	100	0.0008			
	3/31/2019	100	0.0007	100	0.0007	
13	ALAKA JALAN					ACOPJ4203C
	4/1/2018	100	0.0008			
	3/31/2019	100	0.0007	100	0.0007	
14	SANDEEP KUMAR JALAN					ACQPJ4806M
	4/1/2018	355	0.0030			
	3/31/2019	355	0.0026	355	0.0026	

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

Sl No	Name	Shareholding at the beginning [01/Apr/18]/end of the year [31/Mar/19]		Cumulative Shareholding during the year [01/Apr/18 to 31/Mar/19]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	MCLEOD RUSSEL INDIA LIMITED					AAACE6918J
	4/1/2018	350000	2.9523			
	3/31/2019	350000	2.5166	350000	2.5166	
2	BABCOCK BORSIG LIMITED					AABCD4477A
	4/1/2018	855000	7.2121			
	3/31/2019	855000	6.1478	855000	6.1478	
3	NITYA HOLDINGS & PROPERTIES LTD					AABCN1002B
	4/1/2018	393180	3.3166			
	3/31/2019	393180	2.8271	393180	2.8271	
4	TARZON TRACON PVT LTD #					AABCT7675C
	4/1/2018	26398	0.2227			
	14/12/2018 - Transfer	-3295	0.0278	23103	0.1949	
	21/12/2018 - Transfer	-222	0.0019	22881	0.1930	
	3/31/2019	22881	0.1645	22881	0.1645	
5	ASHIKA STOCK BROKING LTD.					AACCA7156Q
	4/1/2018	0	0.0000			
	13/04/2018 - Transfer	300	0.0025	300	0.0025	
	20/04/2018 - Transfer	-300	0.0025	0	0.0000	
	01/06/2018 - Transfer	2	0.0000	2	0.0000	
	08/06/2018 - Transfer	-2	0.0000	0	0.0000	
	15/06/2018 - Transfer	2	0.0000	2	0.0000	
	22/06/2018 - Transfer	-1	0.0000	1	0.0000	
	29/06/2018 - Transfer	-1	0.0000	0	0.0000	
	17/08/2018 - Transfer	600	0.0051	600	0.0051	
	24/08/2018 - Transfer	1483	0.0125	2083	0.0176	

Sl No	Name	Shareholding at the beginning [01/Apr/18]/end of the year [31/Mar/19]		Cumulative Shareholding during the year [01/Apr/18 to 31/Mar/19]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
	31/08/2018 - Transfer	-1723	0.0145	360	0.0030	
	07/09/2018 - Transfer	-360	0.0030	0	0.0000	
	05/10/2018 - Transfer	37058	0.3126	37058	0.3126	
	09/11/2018 - Transfer	100	0.0008	37158	0.3134	
	16/11/2018 - Transfer	-100	0.0008	37058	0.3126	
	30/11/2018 - Transfer	-37058	0.3126	0	0.0000	
	07/12/2018 - Transfer	502	0.0042	502	0.0042	
	14/12/2018 - Transfer	-502	0.0042	0	0.0000	
	21/12/2018 - Transfer	300	0.0025	300	0.0025	
	28/12/2018 - Transfer	-300	0.0025	0	0.0000	
	18/01/2019 - Transfer	150	0.0013	150	0.0013	
	25/01/2019 - Transfer	-150	0.0013	0	0.0000	
	3/31/2019	0	0.0000	0	0.0000	
6	MEETA DHARMENDRA SHAH					ABFPS0342H
	4/1/2018	23225	0.1959			
	28/09/2018 - Transfer	600	0.0051	23825	0.2010	
	3/31/2019	23825	0.1713	23825	0.1713	
7	SANJAY JHUNJHUNWALA					ACHPJ7977L
	4/1/2018	31095	0.2623			
	06/04/2018 - Transfer	3015	0.0254	34110	0.2877	
	13/04/2018 - Transfer	2684	0.0226	36794	0.3104	
	27/04/2018 - Transfer	1123	0.0095	37917	0.3198	
	14/09/2018 - Transfer	777	0.0066	38694	0.3264	
	3/31/2019	38694	0.2782	38694	0.2782	
8	AJOY GARG					ACZPG6086H
	4/1/2018	36858	0.3109			

Sl No	Name	Shareholding at the beginning [01/Apr/18]/end of the year [31/Mar/19]		Cumulative Shareholding during the year [01/Apr/18 to 31/Mar/19]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
	01/06/2018 - Transfer	-22	0.0002	36836	0.3107	
	08/06/2018 - Transfer	272	0.0023	37108	0.3130	
	15/06/2018 - Transfer	-1	0.0000	37107	0.3130	
	29/06/2018 - Transfer	1	0.0000	37108	0.3130	
	06/07/2018 - Transfer	-37108	0.3289	0	0.0000	
	17/08/2018 - Transfer	37106	0.3130	37106	0.3130	
	24/08/2018 - Transfer	-17	0.0001	37089	0.3129	
	31/08/2018 - Transfer	15	0.0001	37104	0.3130	
	28/09/2018 - Transfer	-46	0.0004	37058	0.3126	
	05/10/2018 - Transfer	-37058	0.3126	0	0.0000	
	30/11/2018 - Transfer	37058	0.3126	37058	0.3126	
	25/01/2019 - Transfer	150	0.0013	37208	0.3139	
	3/31/2019	37208	0.2675	37208	0.2675	
9	ANURAG JHUNJHUNWALA *					AFJPJ1107M
	4/1/2018	18279	0.1542			
	06/04/2018 - Transfer	6743	0.0569	25022	0.2111	
	24/08/2018 - Transfer	250	0.0021	25272	0.2132	
	07/09/2018 - Transfer	3527	0.0298	28799	0.2429	
	3/31/2019	28799	0.2071	28799	0.2071	
10	SEEMA GOEL					AHAPG8015A
	4/1/2018	40000	0.3374			
	06/07/2018 - Transfer	-40000	0.3545	0	0.0000	
	17/08/2018 - Transfer	40000	0.3374	40000	0.3374	
	3/31/2019	40000	0.2876	40000	0.2876	

Sl No	Name	Shareholding at the beginning [01/Apr/18]/end of the year [31/Mar/19]		Cumulative Shareholding during the year [01/Apr/18 to 31/Mar/19]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
11	SRI HARI VEMURI					ALOPV1083B
	4/1/2018	67813	0.5720			
	27/04/2018 - Transfer	1	0.0000	67814	0.5720	
	11/05/2018 - Transfer	796	0.0067	68610	0.5787	
	18/05/2018 - Transfer	880	0.0074	69490	0.5862	
	25/05/2018 - Transfer	510	0.0043	70000	0.5905	
	06/07/2018 - Transfer	-70000	0.6204	0	0.0000	
	17/08/2018 - Transfer	70000	0.5905	70000	0.5905	
	3/31/2019	70000	0.5033	70000	0.5033	
12	SUBRAMANIAN P					AMBPS8931K
	4/1/2018	105550	0.8903			
	3/31/2019	105550	0.7589	105550	0.7589	
13	SHIVAM JHUNJHUNWALA					BDCPJ7544N
	4/1/2018	25000	0.2109			
	3/31/2019	25000	0.1798	25000	0.1798	
14	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS					IN30070810656671
	4/1/2018	283686	2.3930			
	23/11/2018 - Transfer	49450	0.4154	333136	2.7987	
	28/12/2018 - Transfer	550	0.0046	333686	2.8147	
	3/31/2019	333686	2.3993	333686	2.3993	

* Not in the list of Top 10 shareholders as on 01/04/2018 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2019.

\# Ceased to be in the list of Top 10 shareholders as on 31/03/2019. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2018.

v) Shareholding of Directors and Key Managerial Personnel

Sl No	Name	Shareholding at the beginning [01/Apr/18]/end of the year [31/Mar/19]		Cumulative Shareholding during the year [01/Apr/18 to 31/Mar/19]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	SANDEEP KUMAR JALAN					AAFHS4476P
	4/1/2018	25000	0.2109			
	3/31/2019	25000	0.1798	25000	0.1798	
2	VARADARAJAN VANCHI					ABSPV5058Q
	4/1/2018	3000	0.0253			
	09/11/2018 - Transfer	-1000	0.0084	2000	0.0169	
	16/11/2018 - Transfer	-186	0.0016	1814	0.0153	
	30/11/2018 - Transfer	-300	0.0025	1514	0.0128	
	3/31/2019	1514	0.0109	1514	0.0109	

(vi-A) Remuneration of Directors and Key Managerial Personnel

Remuneration to Managing Director, Whole Time Directors and /or Manager (Rs.in Lacs)

Particulars of Remuneration	Name of MD/ WTD/Manager	
	S K Jalan	Total Amount
Gross Salary		
(a) Salary as per Provisions contained in section 17 (I) of the Income Tax Act ,1961	19.80	19.80
(b) Value of Perqusitites u/s 17(2) of Income Tax ,1961	0.97	0.97
(c) Profit in lieu of Salary under section 17 (3) Income		
Tax Act, 1961	0.00	0.00
Stock Option	0.00	0.00
Sweat Equity	0.00	0.00
Commission	0.00	0.00
- as % of Profit	0.00	0.00
Others, please specify	0.40	0.40
Total	21.17	21.17

(VI-B)Remuneration to other Directors

Sr. No.	Particulars of Remuneration	Name of The Directors					TOTAL
		Mr. V Vanchi	Mr. Ranjit Chaudhri	Mr. Anand Chatrath	Mr. Tushar M Patel	Ms. Mamta Kejriwal	
1	Independent Director						
	Fee for attending Board & Committee Meeting	0	24000	16000	0	24000	64000
	Commission	0	0	0	0	0	0
	Others, specify	0	0	0	0	0	0
	Total (1)	0	24000	16000	0	24000	64000
2	other Non Executive Director (2)	NA	NA	NA	NA	NA	
	Total Managerial Remuneration =(1+2)	0	24000	16000	0	24000	64000

Overall Ceiling As per the Act

(VI-C) Remuneration to Key Managerial Personnel other than MD / Manger / WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		C.S.	CFO	DIRECTOR
1	Gross Salary			
	(a) Salary as per Provisions contained in section 17 (I) of the Income Tax Act ,1961	**9.63**	**19.92**	33.60
	(b) Value of Perqusit ites u/s 17(2) of Income Tax,1961	0		
	(c) Profit in lieu of Salary under section 17 (3) Income	0		
	Tax Act, 1961			
2	Stock Option	0		
3	Sweat Equity	0		
4	Commission	0		
	- as % of Profit	0		
5	Others, please specify	0.37	0.30	0.30
	Total	**10.00**	**20.22**	33.90

NOTE The above figures for remuneartion are extracted from 16 of the Individual Managerial Personnel and Key Managerial Personnel for the FY 2018-19.

Whereas the figures for the Manegarial remuneration in Corporate Governance Report are preparedon the basis of accrual accounting principle and hence are not comparable

VII PENALTIES/ PUNISHMENT / COMPOUNDING OF OFFENCES:

Sr. No.	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding Fees Imposed	Authority (RD/NCLT/ Court)	Appeal Made, if Any (give Details)
A	**COMPANY**					
	Penalty	NONE	NONE	NONE	NONE	NONE
	Punishment	NONE	NONE	NONE	NONE	NONE
	Compounding	NONE	NONE	NONE	NONE	NONE
B	**DIRECTORS**					
	Penalty	NONE	NONE	NONE	NONE	none
	Punishment	NONE	NONE	NONE	NONE	none
	Compounding	NONE	NONE	NONE	NONE	none
C	**OTHER OFFICER IN DEFAULT**					
	Penalty	NONE	NONE	NONE	NONE	NONE
	Punishment	NONE	NONE	NONE	NONE	NONE
	Compounding	NONE	NONE	NONE	NONE	NONE

Annexure 2

FORM NO.MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH,2019

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

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

To,
The Members,
KILBURN CHEMICALS LIMITED
(CIN-L24117WB1990PLC199409)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KILBURN CHEMICALS LIMITED** (hereinafter called the **"Company"). Secretarial Audit** was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2019**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books,forms,returns, files and other records maintained by the Company for the financial year ended on **31st March, 2019**, according to the provisions of : -

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended in 2015.
   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(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; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

6. (i) Employees Provident Fund and Miscellaneous Provisions Act,1952 and Employees Pension Scheme,1995.

   (ii) The Employees State Insurance Act (ESIC), 1952.

7. Employers Liability Act,1948.
8. Equal Remuneration Act,1976.
9. Indian Contract Act,1872.
10. Income Tax Act,1961 and Indirect Tax Laws including Goods and Services Act,2017.
11. Indian Stamp Act,1999.
12. Negotiable Instruments Act,1881.
13. Payment of Bonus Act,1965.
14. Payment of Gratuity Act,1972.
15. The Factories Act,1948 and other incidental Laws and Regulations applicable to the Factories.
16. The Environmental Pollution Control Act(including Air,Water and Energy)

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

(i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India. Secretarial Standards SS-3 relating to Dividend was not applicable since Dividend was not declared during the year under review.

(ii) The erstwhile Listing Agreement entered into by the Company with the Mumbai Stock Exchange which has been replaced by The Securities & Exchange Board of India(Listing Obligations and Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations as placed below as “ANNEXURE-A”(which forms part of the report).

I further report that the Board of Directors of the Company was constituted with one Managing Director,One Whole Time Executive Director ,One Non-Executive and Independent Director for a period during the year due to resignation of a section of Non-Executive and Independent Directors. It is therefore stated that the Corporate Governance norms in relation to the composition of the Board, Audit Committee and Nomination and Remuneration Committee were deviated from 24th December,2018 to 30th May, 2019. However,the Company filled up the position of One Woman Indepenedent Director with effect from 30-05-2019. Due to the said appointment,there was reconstitution in the board by way of two non-executive and independent directors keeping in alignment with the compliance of the Corporate Governance pursuant to Regulation 27 of the SEBI, LODR, 2015. Reconstitution of the Board, Audit Committee and Nomination and remuneration Committee were duly complied with effect from 30th May, 2019.

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

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

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

I further report that during the audit period,there are no instances of:-

(i) Public/Right/ issue of shares / debentures/sweat equity, etc. *

(ii) Redemption / buy-back of securities

(iii) Major decisions taken by the members in pursuance to section 180 (1)(c)of the Companies Act, 2013

(iv) Merger / amalgamation / reconstruction, etc.

(v) Foreign technical collaborations.

(vi) Issue and Listing of Debt Securities.

(vii) Delisting of Equity Shares.

*At the beginning of the year,the Company had issued,subscribed and paid-up capital of Rs.11,85,50,000/= having 1,18,55,000 Equity Shares of Rs.10/= per share each.During the year under review,20,52,377 Equity Shares having face value of Rs.10/= each were issued to Promoter Group Companies thus enhancing the subscribed and paid-up Equity Share Capital to Rs.13,90,73,770/=comprising 1,39,07,377 equity shares of Rs.10/= each pursuant to Section 42 of the Companies Act,2013.In this respect, Note No.3 of Annexure-A,respecting observation may be referred to.

SUNIL KUMAR BANERJEE
PRACTISING COMPANY SECRETARY
FCS No. : 2189
C P No : 4652

Place : KOLKATA
Date : 30th May, 2019

ANNEXURE-A

OBSERVATIONS

1. The Company complied with the provisions,rules,regulations guidelines and standards so far as stated and there has been no delay in filing of forms/returns during the year under review.It is however felt that there should be sustained efforts to further strengthen the system.
2. Section 203 of the Companies Act,2013 ,in regard to the appointment of Key Managerial Personnel(KMP) has been checked.The Company is having Managing Director,Chief Financial Officer and Company Secretary.
3. It has been noted that the Company has issued and allotted 20,52,377 Equity Shares of Rs.10/= each at a Securities Premium of Rs.55/= each to its Promoter/Promoter Group on 30-03-2019 aggregating Rs.13,34,04,505/- (Rupees Thirteen Crores Thirty Four Lacs Four thousand five hundred and five only). Out of 20,52,377 Equity Shares of Rs.10/= each,outstanding loan of Rs. 8,38,74,765/= was converted by issue and allotment of 12,90,381 equity shares of Rs.10/= each at a securities premium of Rs.55/= each to its Promoter/Promoter Group and balance were issued and allotted by way of 7,61,996 equity shares of Rs.10= each at a securities premium of Rs. 55/= each to its Promoter/Promoter Group.The total subscribed and equity capital of the company stood at Rs.13,90,73,770/= as on 30-03-2019,comprising 1,39,07,377 equity shares of Rs.10/= each.The trading approval for the aforesaid allotment has been received on 9th May, 2019.
4. According to the information and explanations given to me,the Company has not accepted any public deposits pursuant to the provisions of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules,2014 during the year under audit.
5. According to the information and explanations given to me and on checking the records ,it was noted that Company had availed Credit facilities Loans under Consortium Finance from State Bank of India and Bank of Baroda.As reported by the management,the Company has defaulted in the repayment of two quarterly instalments resulting in accumulation of interest, thus raising the borrowing amount significantly from both the Banks.
6. Regulation 27 of the SEBI's (Listing Obligations and Disclosure Requirements),Regualtions,2015,w as not complied with from 24th December,2018 to 30th May,2019 due to non-composition of Non-executive and independent directors.
7. The Employees Provident Fund and Miscellaneous Provisions Act,1952 and The Employees Pension Scheme,1995 are applicable.It was observed that there were some arrears in payment of the PF and other statutory dues of the employees as on the 31st March,2019.The Employees State Insurance Act,1956 is not apparently applicable during the year under audit.
8. It was observed that the Company has taken unsecured loans from Directors during the year under review.
9. Revenue from operations being insignificant , no specific sector law can be defined at this point of time. However,the specific sector law can be set only when production starts at large scale.
10. The Company has transferred Rs.4.21 lakhs for the Year 2010-11 to Investor Education and Protection Fund(IEPF)
11. (a) Income Tax Demand of Rs.1705.20 lacs for the Assessment year 2012-13 is disputed in

Appeal.As reported by the management,favourable order received in appeal for Rs.625.56 lakhs.Further appeal has been made and the management is hopeful that the disputed demand raised by the Tax authority shall stand settled.

(b) Income Tax Demand of Rs.62.93 lacs for the Assessment year 2013-14 is disputed in Appeal(out of which tax dues paid Rs.9.50 Lacs)

(c) Income Tax Demand of Rs.10.02 lacs for the Assessment year 2014-15 is disputed in Appeal out of which tax dues paid Rs.1.50 Lacs)

12. An amount of Rs.90.28 lacs is remaining outstanding towards bank guarantee (Previous year 2018-Rs.166.69 lacs)

13. Estimated liability towards gratuity as on 31st March,2019 is Rs.28.32 lacs.The Acturial valuation was carried out on 23.05.2019.

14. As explained and declared by the Management,the Related Party Transactions under Section 177 and 188 of the

    Companies Act, 2013 have been disclosed as given at note no.40 of the notes to accounts of the financial statements.

    Outstanding unsecured loan earlier given to a company maintained under Section 189 of the Companies Act,2013 stood at Rs.276.57/= lakhs as on 31-3-2019, though during the year the Company has not granted any loan- secured or unsecured.

15. It is noted that export obligations in respect of EPCG Licence stands at Rs.3570.51 Lakhs(P.Y-Rs.3363.97 lakhs).

16. As explained by the management,the Company has obtained necessary clearances from concerned authorities as were required for starting production from end March, 2019.

SUNIL KUMAR BANERJEE

PRACTISING COMPANY SECRETARY

FCS No. : 2189

C P No : 4652

Place : KOLKATA

Date : 30th May, 2019

ANNEXURE -3

REMUNERATION AND OTHER SPECIFIED PARTICULARS OF EMPLOYEES

As per the provisions of section 197 of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and remuneration of Managerial Personnel)Rules 2014 and amened from time to time.

i	The Ratio of the remuneartion of each director to the median remuneartion of the employees of the company for the financial year	ratio of remuneration to median remuneration of employees for 2018-19
	Managing Director Shri Sandeep Kumar Jalan	2.99:1
	Except Shri Sandeep Kumar Jalan all other directors did not get any remuneration during the financial year except siting fee.	
ii	**Percentage increase in remuneration of each Director, Chief Executive Officer Chief Financial Officer and Company Secretary or Manager, if any, in the financial**	percentage increase in remuneration in financial year 2018-19
	Shri S K Jalan -Managing Director	Nil
	Shri Ashim Kumar Dutta - Resigned from Post of CFO w.e.f 10.11.2017	Nil
	Shri Sunil G. Somani- Chief financial Officer	Nil
	Shri.Manoj Sureka - Appointed as CFO w.e.f10.11.2017	Nil
	Shri Mukesh Sharma	Nil
iii	Percentage increase in the median remuneration of employees in the financial year	Nil
iv	Number of permanent employees on the roll of company	
v	Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparision with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional cirmustances for increase in the managerial remuneration	
	Average percentage increase in managerial remuneration =Nil	
vi	During the year, Mr. Ashim Dutta Director of the company received remuneration in excess of the highest paid director.	4.79:1
vii	we affirm that the remuneration paid to the Managerial and non Managerial Personnel is as per the remuneration policy of the company	
	The Remuneration paid during the financial year ended 31st March 2018 in terms of the Remuneration Policy of the company	

ANNEXURE - 4

INFORMATION REQUIRED UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 (3) OF THE COMPANIES (ACCOUNTS) RULES 2014 PERTAINING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

(A)	**Conservation of Energy**	
	(i) the step taken or impact on conservation of energy:	Nil
	(ii) the step taken by the company for utilizing alternate source of energy:	Nil
	(iii) the capital investment on energy conservation equipment :	Nil
(B)	**Technology absorption**	
	(i) the effort made towards technology absorption:	Nil
	(ii) the benefit derived like product improvement, cost reduction,	
	product development , or import substitution :	Nil
	(iii) the company has not imported any technology in last three years :	Nil
	(iv) expenditure incurred on research and development :	Nil
(C)	**Foreign exchange earning and out go**	
	Foreign exchange inflow / earning	Nil
	Foreign exchange out go	Rs .0.78

ANNEXURE-5

CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT

(1) A brief outline of the Companies Act, 2013 and the rules made there under, the Company has framed its CSR Policy to carry out its CSR activities in accordance with Schedule VII of the Act. The Company has been promising organizational integrity and ethical business practices through transparency in disclosure and reporting procedures, leveraging green technologies, processes and standards to produce goods and services that contribute to social and environment sustainability, contributing to inclusive growth and equitable development in society through capacity building measures, empowerment of the marginalised and under privileged sections/communities, promoting welfare of the employees and labour (casual or contractual)by addressing their concerns of safety , security, professional enrichment and healthy working conditions, whether mandated or otherwise. The Company wishes to formalise and institutional its effort made in the domain of Corporate Social Responsibility and this policy shall serve as a guiding document to help identify , execute and monitor CSR projects in keeping with the spirit of the policy. This policy shall apply to all CSR initiatives and activities taken up by the Company for the benefit of different sections of the Society.

The Company's CSR policy is posted on its website i.e. kilburnchemicals.com

(2) The Composition of the CSR Committee,: Mr. Dilip Mukherjee(Chairman), Mr.Sandeep Jalan, Member & Ms.Manimala Dey, Member.

(3) Company was supposed to spent during the financial year 2018-2019 Rs. .51 lacs which was let unspent from last year and due to Losses in Current year CSR was not applicable.

(4) Reason for not spending the amount earmarked: small portion of amount remain unspent for the f.y,17-18, will spent in the year 2019-20

(5) Responsibility statement of the CSR Committee: The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the Company.

	S.K. Jalan	**Dilip Mukherjee**
Date: 30th May, 2019	**Managing Director**	**Chairman of the CSR Committee**

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 27 of LODR, 2015]

A. MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company firmly believes in transparency, professionalism and accountability in its dealings and lays emphasis on integrity and compliance of regulatory provisions and has constantly endeavoured to practice good Corporate Governance. The above policies adopted by the Company recognize the accountability of the Board and assist its top management in the efficient conduct of the business of the Company and at the same time in meeting its social obligations.

The Company has taken a series of steps to put in place appropriate Corporate Governance Policies for your Company and to comply the regulations framed in this regard by the Securities & Exchange Board of India.

2. BOARD OF DIRECTORS

The Board of Directors of your Company consists of eminent persons with considerable professional expertise and experience in business and industry, finance management, legal and marketing. The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors, meets with the requirements of Regulation 17 (1) of the LODR, 2015.

As required by section 165 (1) of the Companies Act,2013 and Regulation 26 of the LODR,2015, none of the Directors holds Directorships in more than 20 Companies (Public or Private), 10 public companies, membership of Board Committees (Audit & Stakeholders Relationship Committees) in excess of 10 and Chairmanship of Board Committee in excess of 5.None of the directors serves as Independent Director in more than 7 Listed Companies. None of the Director who serves as Whole Time Director in any listed Company serves as Independent Director in more than 3 listed Companies.

The composition, status, attendance at the Board Meetings and the last Annual General Meeting (AGM), outside Directorships and other Board Committees as at 31st March, 2019 is as under :-

Name of the Director	Status i.e., Executive, Non Executive and Independent	No. of Membership in other Boards or other Committees as a Member or Chairman (other than Private Limited Companies and Kilburn Chemicals Ltd.)		Number of Board Meetings		Whether attended last A.G.M.
		Board	Committee	Held during the year	Attended during the year	
Mr. S. K. Jalan	Managing Director	7	1	7	7	YES
Mr. V. Vanchi (Resigned on 30.03.19)	Non-Executive Director	4	1	7	1	NO
Mr. Ranjit Chaudhri (Resigned on 24.12.18)	Independent Director	2	-	7	4	YES
Mr. Anand Chatrath (Resigned on 24.12.18)	Independent Director	2	1	7	3	NO

Name of the Director	Status i.e., Executive, Non Executive and Independent	No. of Membership in other Boards or other Committees as a Member or Chairman (other than Private Limited Companies and Kilburn Chemicals Ltd.)		Number of Board Meetings		Whether attended last A.G.M.
		Board	Committee	Held during the year	Attended during the year	
Mr. Tushar Mahendrabhai Patel (Resigned on 14.11.18)	Independent Director	1	1	7	1	NO
Mrs. Mamta Kejriwal (Resigned on 24.12.18)	Independent Director	-	-	7	4	YES
Mr.Ashim Dutta	Executive Director	-	-	7	7	YES
Mr.Dilip Mukherjee (Appointed on 24.12.18)	Independent Director	1	1	7	3	N.A.
Ms.Manimala Dey (Appointed on 30.03.19)	Independent Director	-	-	7	1	N.A

Seven Board Meetings were held on 30.05.2019, 13.08.2018, 24.08.2018, 14.11.2019, 24.12.2019, 09.02.2019 & 30.03.2019 during the year.

(i) INDUCTION AND FAMILIARIZATION PROGRAM FOR DIRECTORS

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, functions, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, and Regulation 25 (7) of the LODR,2015 and other relevant regulations and his affirmation taken with respect to the same. By way of an introduction to the Company, the Directories presented with a relevant Annual Reports. Further, with a view to familiarize him with the Company's Operations, the Director is explaining through presentations giving an over arching perspective of the industry.

The company senior staffs gives the details of organisational set up of the Company, the functioning of various divisions / departments, the Company's market share and the markets in which it operates, governance and internal control processes and other relevant information pertaining to the Company's business. The MD also has a one-to-one discussion with the newly appointed Director. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfil his role as a Director of the Company. This also helps the Company to know about the Skills/ expertise/competencies required by the Director for working with the Company and vice versa, Directors also get information about the working of the Company.

Independent Directors of the Company are no where connected to the Company and has all independency in taking the decision at the Board and to the management. During the year many Independent Directors of the Company resigned from the Company, due to pre-occupation and due to the problems faced by the company under the period of review.There was no other reasons other than provided.

(ii) COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are tabled at the Board Meetings.

3. Independent Directors' Meeting

During the year under review, the Independent Directors met on 24th August, 2018, inter alia, to discuss: Independent Directors and the Board of Directors as a whole; Chairman of the committee, taking into account the views of the Executive and Non Executive Directors. Timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at the Meeting.

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views. The Independent Director takes appropriate steps to present Independent Directors' views to the Managing Director.

The Company has conducted the familiarization program for Independent Directors during the year and the same can be found from website of Company i.e at www.kilburnchemicals.com.
The attendance of each member of the Committee is given below.

Date of Independent Directors Meeting held and attended by the Members	Mr.Ranjit Chaudhri	Mr.Anand Chatrath	Ms. Mamta Kejriwal
14.11.2018	Yes	Yes	Yes

Mr.Mukesh Sharma, act as the Secretary to the Committee.

4. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of Board and of the committees of Board by way of individual and collective feed back from Directors.

The following were the Evaluation Criteria :

For Independent Directors:

- Knowledge and Skills
- Professional Conduct
- Duties, Role And functions

For Executive Director / Managing Director

- Performance of Team Leader/ Member
- Evaluating business Opportunity
- Key set goals and achievements
- Professional conduct
- Sharing of information with the Board

5. AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company, inter-alia, provides assurance to the Board on the adequacy of the Internal Control Systems and financial disclosures.

The terms of reference of the Audit Committee covers the matter specified for Audit Committee under Regulation 18 of the LODR, 2015 and the Companies Act, 2013 and is vested with the following powers :

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advices.
- To secure attendance of outsiders with relevant expertise, if considered necessary.
- Review of Company's Financial reporting process.
- Review of quarterly, Half yearly and annual financial statements, before submission to the Board.
- Review with External Auditors, on areas of concern.
- Review the adequacy of internal control systems.
- Recommendations for the appointment/remuneration & terms of appointment of auditors of the Company.
- Reviewing, with the management with the statement of uses and applications of funds raised through issue(public, right, preferential issue etc)
- Scrutiny of inter-corporate loans & investments.
- Evaluations of internal financial controls of risk management system.
- To review the function of whistle blower mechanism.
- Carry out any other functions as mentioned in terms of reference of audit committee.

The Audit Committee while reviewing the Annual Financial Statements also reviewed the applicability of various Accounting Standards (AS) issued by The Institute of Chartered Accountants of India. Compliance of the AS as applicable to the Company has been ensured in the Financial Statements for the year ended 31st March 2019.

The Board of Directors of the Company had constituted an Audit Committee comprising of Shri. Ranjit Chaudhri,, Shri. Anand Chatrath and Smt.Mamta Kejriwal.All the members resigned on 24.12.2018 and re-construction of Audit Committee was done and new members were appointed which comprised of Shri. Dilip Mukherjee (Chairman) & Shri Ashim Dutta (Member).

The Audit Committee is constituted in accordance with the provisions of Regulation 18 (1) of the

LODR,2015 and Section 177 of the Companies Act 2013 till 24.12.2018, but due to resignation of many Independent Directors proper Composition of Committee was not there and after resignation of many Independent Directors committee was re-consituted and Committee was comprised of Shri. Dilip Mukherjee and Shri Ashim Dutta posses, who posses vast experience in field of Accounts & Finance.The Statutory Auditor, Internal Auditor are also invited to the Meetings. The quorum for the Audit Committee Meetings is two members. Mr. Mukesh Sharma, acts as the Secretary of the Committee.

The attendance of each member of the Committee is given below.

Date of Audit Committee Meeting held and attended by the Members	Mr.Ranjit Chaudhri	Mr. Anand Chatrath	Ms. Mamta Kejriwal	Mr. Dilip Mukherjee	Mr.Ashim Dutta
30.05.2018	YES	NO	YES	N.A.	N.A.
13.08.2018	YES	YES	YES	N.A.	N.A.
24.08.2018	YES	YES	YES	N.A.	N.A.
14.11.2018	YES	NO	YES	N.A.	N.A.
09.02.2019 (Appointed on 24.12.2018)	N.A.	N.A.	N.A.	YES	YES
30.03.2019	N.A.	N.A.	N.A.	YES	YES

6. Nomination and Remuneration Committee

Pursuant to the provisions of Section 178 of the Companies Act,2013 and regulation 19 of the LODR,2015, the Nomination and Remuneration Committee comprises of three Directors viz. Mr. R. Chaudhri (Chairman), Mr. Anand Chatrath and Ms.Mamta Kejriwal. All the members resigned on 24.12.2018 and re-construction of Nomination & Remuneration Committee was done and new members were appointed which comprised of Shri. Dilip Mukherjee (Chairman) & Shri Ashim Dutta (member)

The terms of reference of the Committee cover the matter specified for Nomination and Remuneration Committee under the provision of LODR,2015 and Companies Act 2013 and rules made there under. After 24.12.2018, many Independent Directors left the Board and due to which Board & Commiittee Composition was formed properly and same was informed to the exchange, and certain time was requested from the Company, in order to form the Board and Committee, as per the regulation of SEBI (LODR)2015

7. Corporate Social Responsibility Committee

The committee was constituted vide the Board Meeting held on 30.05.2018 To formulate and recommend to the Board, a corporate Social Responsibility Policy indicating the activity to be undertaken by the company as specified in schedule VII and the committee recommend the amount of expenditure to be incurred and monitors the expenses on corporate Social Responsibility from time to time.

Composition: Till 24.12.2018,the Corporate Social Responsibility Committee comprises of three Directors namely

Mr Ranjit Chaudhuri Chairman (Independent Director)

Mr S K Jalan Member (Managing Director)

Ms. Mamta Kejriwal Member (Independent Director)

Mr. Ranjit Chaudhuri & Ms.Mamta Kejriwal resigned from board on 24.12.2018 and new committee comprises of the following as on 31.03.2019.

Mr Dilip Mukherjee Chairman (Independent Director)

Mr S K Jalan Member (Managing Director)

After 24.12.2018, many Independent Directors left the Board and due to which Board & Commiittee Composition was formed properly and same was informed to the exchange, and certain time was requested from the Company, in order to form the Board and Committee, as per the regulation of SEBI (LODR)2015

The attendance of each member of the Committee is given below.

Date of Audit Committee Meeting held and attended by the Members	Mr.Ranjit Chaudhri	Mr. S K Jalan	Ms. Mamta Kejriwal	Mr. Dilip Mukherjee
14.11.2018	YES	YES	YES	N.A.
30.03.2019	N.A.	YES	N.A.	YES

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

1.1 Appointment criteria and qualification

a) A person who is proposed to be appointment as director of the company should be eligible to be appointed as Director and must hold Director Identification Number issued by the Central Government and possess such qualification, expertise and experience as prescribed under the Act.

b) Without prejudice to generality of the above, a person who is proposed to be appointed as an Independent Director shall also be subject to compliance of provisions of section 149(6)

c) KMP or senior Management personnel shall have adequate qualification, expertise and experience in the relevant field for which the appointment is proposed to be made.

d) The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

1.2 Term / Tenure

a) Managing Director/ Whole Time Director/ Manager (Managerial Personnel)

The company shall appoint or re appoint any person as its Managerial Personnel for a term not exceeding five years at a time. No re appointment shall be made earlier than one year before the expiry of term.

b) Independent Director

An Independent Director shall hold office for a term of up to five consecutive years on the Board of the Company and will be eligible for re appointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent that an Independent Director shall not, during the said period of three years, be appointed in or be associate with the company in any other capacity, either directly or indirectly.

1.3 EVALUATION

The committee shall carry out evaluation of performance of every Director, KMP and senior Management Personnel at such interval as deemed fit.

1.4 REMOVAL

The Committee may recommend the Board for removal of a Director, KMP or Senior Management Personnel for reason recorded in writing.The procedure for removal of any Director shall be as per the provisions of the Act in this regard.

1.5 RETIREMENT

The Directors, KMP and senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the company. The Company will have the discretion power to retain the Directors, KMP, senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the company.

2.1 REMUNERATION POLICY

a) The remuneration / compensation / commission etc. to the Managerial Personnel will be determined by the committee and recommended to the Board for approval which shall be subject to the prior / post approval of the shareholders of the company and Central Government, wherever required.

b) The remuneration and commission to be paid to the Managerial Personnel shall be in accordance with the percentage/ slabs / conditions as per the provisions of the Act.

c) Increments to the existing remuneration / compensation structure may be recommended by the committee to the Board which should be within the limits approved by the shareholders in case of Managerial Personnel.

d) Where any insurance is taken by the company on behalf of its Managerial Personnel, Chief Executive Officers, Chief Financial Officer, Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

2.2 REMUNERATION TO MANAGERIAL PERSONNEL, KMP, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

a) Fixed Pay

The Managerial Personnel shall be eligible for a monthly remuneration as may approved by the Board on the recommendation of the Committee in accordance with the provisions of the Companies Act,2013 and rules made there under for the time being in force. The breakup of the pay scale and quantum of perquisites including employer's contribution to P. F. pension scheme,

medical expenses, club fees, other non monetary benefits etc. Shall be decided and approved by the Board on the recommendation of the committee and approved by the shareholders and Central Government, wherever required.

b) Variable Pay

The Managerial Personnel may be eligible to performance linked incentives as may be determined by the Board from time to time.

c) Commission

The Managerial Personnel may be paid commission if approved by the shareholders. The Shareholders may authorize the Board to decide commission to be paid to any Managerial Personnel of the Board.

d) Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the central Government.

f) Provision For Excess Remuneration

If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the company and until such sum is refunded, hold it in trust for the company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

f) Remuneration To Other

The remuneration to Company Secretary, Chief Financial Officers, Chief Executive Officer,Senior Managerial Personnel and other employees of the company shall be governed by the H R Policy of the company.

2.3 REMUNERATION TO NON EXECUTIVE /INDEPENDENT DIRECTORS

(a) Remuneration

The remuneration shall be in the accordance with the provisions of the Companies Act,2013 and rules made there under for the time being in force.

(b) Sitting Fees

The Non Executive / Independent Director may receive fees for attending meeting of the company. Provided that the amount of such fee shall not exceed Rs one lacs per meeting of the Board or Committee or such amount as may be prescribed under the Act. Additionally the Non Executive Directors shall be reimbursed travelling and incidental expenses incurred for attending the meeting

(c) Commission

Commission may be paid within the monetary limit approved by the shareholders, subject to the limit as prescribe under the Act.

(d) Stock Option

An Independent Director shall not be entitled to any stock option of the company.

DETAILS OF REMUNERATION PAID TO DIRECTORS

The Details of Remuneration paid to Directors for the year ended 31st March, 2019 are as follows :

Name of the Director	Sitting Fees	Salaries & Perquisites	Commission	No. of Shares held	
				Equity	Preference
Mr. S. K. Jalan	–	Rs.21,16,671/-	–	25355	–
Mr. V. Vanchi	–	–	–	1514	–
Mr. Ranjit Chaudhri	Rs.32000/-	–	–	–	–
Mr. Anand Chatrath	Rs.28000/-	–	–	–	–
Mr. Tushar M. Patel	–	–	–	–	–
Ms. Mamta Kejriwal	Rs.32000/-	–	–	–	–
Mr. Dilip Mukherjee	–	–	–	–	–

The Company does not have any Employee Stock Option Scheme.

The remuneration of the Managing Director is determined by the Board within the statutory limits subject to shareholder's approval and on the basis of recommendation of the Remuneration Committee.

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees.

7. Stakeholders' Relationship Committee

As per Regulation 20 of LODR,2015 and other applicable provisions of the companies Act, the terms of reference of the Committee are transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;

- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;

The Committee is headed by Mr. V. Vanchi, Non-Executive Director. The other members of the Committee include Mr. S. K. Jalan, Managing Director and Mr. Ranjit Chaudhri, Independent Director. Due to resignation of the Directors, re-constiution of Committee was done and New Committee Includes Mr.Dilip Mukherjee (Chairman), Mr S.K Jalan (member) & Mr.Ashim Dutta (member).

The Committee generally meets once a month.

A	No. of Pending Complaints as on 01.04.2018	NIL
B	No. of complaints received from Stock Exchanges/SEBI/Investors	1
C	No. of complaints resolved	1
D	No. of pending complaints as on 31.3.2018	NIL

Mr. Mukesh Sharma is the Compliance Officer.

9. Risk Management policy

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management policy comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the Board risk management policy and framework in line with local legal requirements and SEBI guidelines;
- Defining framework for identification, assessment, monitoring, and mitigation and reporting of risks.
- Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, and potential impact analysis and mitigation plan.

10. DISCLOSURE

i. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

ii. Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

iii. Vigil Mechanism / Whistle Blower Policy

In staying true to our values of Strength, Performance and Passion and in line with our vision of the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has a framed whistle blower Policy to deal with instances of fraud and mismanagement, if any. The whistle blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

iv. Subsidiary Companies

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. Accordingly, a policy on material subsidiaries has not been formulated.

v. Internal Controls and Accounting standard

The Company has a formal system of internal control system which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances.

Internal Controls and Governance Processes

- ▲ Review the adequacy and effectiveness of the Company's system and internal controls.
- ▲ Review and discuss with the Management the Company's major financial risk exposures and
- ▲ steps taken by the Management to monitor and control such exposure.
- ▲ To oversee and review the functioning of a vigil mechanism and
- ▲ To review the findings of investigation into cases of material nature and the actions taken in respect there of

The Company has followed the Accounting Standards notified by the companies (Accounting Standards) Rules 2006 as amended from time to time, read with Companies (Accounts)Rules, 2014 in preparation of its financial Statements.

vi. Details of Compliance with Mandatory Requirements and adoption of Non mandatory requirements as per LODR, 2015

Mandatory Requirements

The Companies complies with all the mandatory requirements of LODR, 2015 of the on Code of Corporate Governance.

Discretionary Requirements under Regulation 27 of listing Regulation

a) Office for Non Executive Chairman at company's expenses : not applicable

b) Shareholders Rights : As the Quarterly and Half yearly financial performance along with significant events are published in the news papers and are also posted on the Company website, the same are not being sent to the shareholders.

c) Modified Opinion in Auditors Report : The Company's financial statement for the year 2018-19 does not contain any modified audit opinion.

d) Separate post of Chairman & CEO : Not Complied

e) Reporting of Internal Auditors directly to Audit Committee : Complied

vii. Shareholding of NON Executive Directors

Mr. V. Vanchi Director of the Company holds 1514 Shares only,no other directors hold any other shares of the Company.

viii. Disclosure of relationship between directors inter-se

None of the Directors of the company is related to any other Directors

ix. Disclosure under the Sexual Harassment of women at Work place (Prevention, Prohibition and Redressal) Act 2013

The Company has in place a policy on prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of women at the work place (Prevention, Prohibition & redressal) Act, 2013

Internal Complaint Committee has been set up to redress complaints received regarding sexual harassment.

All employees (Permanent, contractual, temporary, trainees) are covered under this policy.

During the year, the company has not employed any woman.

x. Code of Conduct:

Boards of Directors of the Company have laid down the Code of Conduct for all its Members and Senior Management Personnel who have affirmed their compliance therewith. The Code has also been displayed on the Company's Website.

xi. prevention of insider trading code

As per SEBI (prohibition of Insider Trading)Regulation,2015 the company has follow Code of Conduct for Prevention of Insider Trading. All the Directors, employees and third parties such as auditors, consultants etc. Who could have access to the unpublished price sensitive information of the Company are governed by this code. The Company Secretary as Compliance Officer, who is responsible for setting forth procedure and implementation of the code.

xii. CEO/CFO Certification

In terms of LODR,2015 Regulation 17(8)of the Listing Agreement, the certification by the Managing Director & CEO and Chief Financial Officer on the financial statements and internal controls relating to financial reporting has been obtained.The said certificate is annexed and forms part of the Annual Report.

xiii. Credit Rating

During the year under review, Company obtained rating D from CARE rating Agency.

11. GENERAL BODY MEETINGS

(i) Details of Annual General Meeting

The location and time of the General Meetings held during the last three years is as follows :

AGM/EGM	Date	Venue	Time	No. of special resolutions Passed
AGM	26.09.2018	Bharatiya Bhasha Parishad, 36A,Shakespeare Sarani, Kolkata-17	10.00 A.M.	1
AGM	08.09.2017	Bharatiya Bhasha Parishad, 36A,Shakespeare Sarani, Kolkata-17	2.00 P.M.	NIL
AGM	06.09.2016	Bharatiya Bhasha Parishad, 36A,Shakespeare Sarani, Kolkata-17	11.00 A.M.	1
EGM	27.02.2016	Bharatiya Bhasha Parishad, 36A,Shakespeare Sarani, Kolkata-17	11.00 A.M.	2

12. MEANS OF COMMUNICATION

Quarterly, half yearly and annual results are published in prominent dailies such as The Political Business Daily (English) and Sukhabar (Bengali) newspapers and also displayed on the Company's website: www.kilburnchemicals.com

13. GENERAL SHAREHOLDER INFORMATION

i) **Next Annual General Meeting**

DATE	-	30.09.2019
TIME	-	10.00 A.M.
VENUE	-	Bharatiya Bhasha Paishad 36A, Shakespeare Sarani, Kolkata - 700017

ii) **FINANCIAL CALENDAR :** (tentative) for the year 2019-2020

a) First Quarter Results	-	2nd Week of July, 2019
b) Second Quarter Results	-	1st Week of November, 2019
c) Third Quarter Results	-	1st Week of February, 2020
d) Results for the year ending March 2020	-	May, 2020

iii) **Date of Book Closure** - 24.09.2019
30.09.2019
(both days inclusive)

iv) **Dividend Payment Date** - N.A.

v) **Listing on Stock Exchange** - The Stock Exchange, Mumbai

Listing Fee for the financial year 2019 -2020 has been paid to the Stock Exchange, Mumbai STOCK CODE :

The Stock Exchange, Mumbai - 524699

Demat ISIN No.for NSDL & CDSL - INE655C01027

MONTHLY STOCK PRICE DATA :

Month	Highest Rate (Rs.)	Lowest Rate (Rs.)
April, 2018	118.75	98.00
May, 2018	110.50	81.55
June, 2018	89.15	61.20
July, 2018	82.90	56.40
August, 2018	64.75	43.00
September, 2018	80.90	59.05
October, 2018	69.50	58.10
November, 2018	72.00	56.00
December, 2018	67.95	58.10
January, 2019	54.65	38.05
February, 2019	40.80	30.10
March, 2019	33.10	25.75

(relates to trading in The Stock Exchange, Mumbai)

Distribution of Shareholding as on 31.03.2019

No.of Equity Shares held	No.of Folios	%	No.of Shares	%
1 to 500	12270	97.0651	880212	6.3291
501 to 1000	152	1.2024	124281	0.8936
1001 to 2000	90	0.7120	136719	0.9831
2001 to 3000	41	0.3243	102104	0.7342
3001 to 4000	22	0.1740	77945	0.5605
4001 to 5000	15	0.1187	67613	0.4862
5001 to 10000	19	0.1503	127357	0.9158
10001 and above	32	0.2531	12391146	89.0976
	12641	100.0000	13907377	100.0000

Shareholding Pattern as on 31.03.2019 is as follows :

Category	No. of Folios	No. of shares	%
Promoters	14	9947274	71.5252
Mutual Fund	2	1600	0.0115
Bank, Financial Institutions	4	1000	0.0072
Private Corporate Bodies	113	1685864	12.1221
Indian Public	12451	1841113	10.8390
NRI/OCBs	57	12404	0.0892
	12641	13907377	100.0000

DEMATERIALISATION OF SHARES AND LIQUIDITY

As on 31st March, 2019 15,68,550 shares were converted from physical to electronic form. Over 13.23% equity shares have been dematerialised upto 31st March, 2019. Trading in Equity Shares of the Company is permitted only in dematerialised form with effect from 29.1.2000 as per notification issued by the Securities and Exchange Board of India. (SEBI).

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date

And likely impact on equity	:	Not Applicable.
REGISTRAR & SHARE TRANSFER AGENT	:	MAHESHWARI DATAMATICS PVT. LTD. 23 R.N.Mukherjee Road, 5th Floor KOLKATA 700 001.
Address of Registered office & Correspoendence	:	SHANTINIKETAN, 8, CAMAC STREET, 16TH FLOOR, KOLKATA -17
Address of Plant	:	D2/CH-170, Dahej –II, Industrial Estate, Village - Jolwa, Taluka - Vagra, Dahej, Bharuch-392130, Gujarat
Website for Policies and other Information:	:	www.kilburnchemicals.com
Share Transfer System	:	Share Transfers in physical Form are processed by the Share Transfer Agent and approved by the Stake Holders Relation Ship committee which meets at regular intervals. Share Transfers are registered and returned generally within 15 days from date of receipt, provided the documents are complete in all respects

Place : Kolkata **S.K. JALAN**

Date : 30th May,2019 **MANAGING DIRECTOR**

ANNEXURE TO THE DIRECTORS' REPORT

CERTIFICATION BY CFO UNDER REGULATION 17(8) OF SEBI LISTING REGULATIONS

The Board of Directors,
Kilburn Chemicals Limited

We have reviewed the financial statements and the cash flow statement of Kilburn Chemicals Limited for the year ended March 31, 2019 and to the best of our knowledge and belief:

(a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and 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 for rectifying these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee:

(i) significant changes in internal control over financial reporting during the year;

(ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

MANOJ SUREKA
CHIEF FINANCE OFFICER

Place: Kolkata
Date: 30.05.2019

DECLARATION BY THE MANAGING DIRECTOR REGULATION 34(3) PART D OF THE SEBI LISTING REGULATIONS

To,
The Members
Kilburn Chemicals limited

I hereby declare that all the Directors and the designated employees in the Senior management of the Company have affirmed compliance with their respective codes for the financial year ended March 31, 2019.

Place : Kolkata **S.K. JALAN**
Date : 30th May,2019 **MANAGING DIRECTOR**

AUDITORS' CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE

The Members,
Kilburn Chemicals limited

We have examined the compliance of conditions of Corporate Governance by Kilburn Chemicals Limited (the Company), as stipulated in Clause 49 of the Listing Agreement of the Company with the stock exchanges (for the eight months period ended 30 November 2015) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Regulations') (for the four months period ended 31 March 2016).

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

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

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

For **V.SINGHI & ASSOCIATES**
(V.K. SINGHI) Partner

Membership No.050051
Chartered Accountants
Firm Registration No.311017E
Four Mangoe Lane,
SURENDRA MOHAN GHOSH SARANI
Kolkata – 700 001

Place : Kolkata
Date: 30.05.2019

ANNEXURE TO THE DIRECTORS' REPORT

CERTIFICATION BY CFO UNDER REGULATION 17(8) OF SEBI LISTINGREGULATIONS

The Board of Directors,
Kilburn Chemicals Limited

We have reviewed the financial statements and the cash flow statement of Kilburn Chemicals Limited for the year ended March 31, 2019 and to the best of our knowledge and belief:

(a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and 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 for rectifying these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee:

(i) significant changes in internal control over financial reporting during the year;

(ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

MANOJ SUREKA
CHIEF FINANCE OFFICER

Place: Kolkata
Date: 30.05.2019

DECLARATION BY THE MANAGING DIRECTOR REGULATION 34(3) PART D OF THE SEBI LISTING REGULATIONS

To ,
The Members
Kilburn Chemicals Limited

I hereby declare that all the Directors and the designated employees in the Senior management of the Company have affirmed compliance with their respective codes for the financial year ended March 31, 2019.

Place : Kolkata
Date : 30th May, 2019

S.K. JALAN
MANAGING DIRECTOR

AUDITORS' CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE

The Members,
Kilburn Chemicals Limited
We have examined the compliance of conditions of Corporate Governance by Kilburn Chemicals Limited (the Company), as stipulated in Clause 49 of the Listing Agreement of the Company with the stock exchanges (for the eight months period ended 30 November 2015) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Regulations') (for the four months period ended 31 March 2016).
The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement and the SEBI Regulations.
We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For V.SINGHI & ASSOCIATES
(V.K. SINGHI) Partner

Membership No.050051
Chartered Accountants
Firm Registration No.311017E
Four Mangoe Lane,
SURENDRA MOHAN GHOSH SARANI
Kolkata – 700 001

Place : Kolkata
Date: 30.05.2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Kilburn Chemicals Limited

Report on theAudit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Kilburn Chemicals Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), theStatement of Changes in Equity andthe Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "Financial Statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31stMarch, 2019, its losses (including OtherComprehensive Income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention tothe Statement of Profit and Loss, which indicates that the Company incurred a net loss of Rs. 5029.54 Lakhs during the year ended 31st March, 2019 and, as of that date, the Company's current liabilities exceeded its current assets by Rs. 4020.15 Lakhs. As stated above these events or conditions, along with other matters as set forth in Note 46, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Key Audit Matters

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

Key Audit Matters	Response to Key Audit Matters
Property, Plant and Equipment There are areas where management judgement impacts the carrying value of property, plant and equipment, intangible assets and their respective depreciation rates. These include the decision to	• We assessed the controls in place over the fixed assets, evaluated the appropriateness of capitalisation process, performed tests of details on costs capitalised, the timeliness of the capitalisation of the assets and the de-recognition criteria for asset retired from active use.

capitalise or expense costs; the annual asset life review; the timeliness of the capitalisation of assets and the measurement and recognition criteria for assets retired from active use. We do not consider this management judgement to be of high risk of significant misstatement or to be subject to significant level of judgment. However due to their materiality in the context of the Balance Sheet of the Company, this is considered to be an area which had the significant effect on the overall audit strategy and allocation of resources in planning and completing our audit.	• In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realizable value of the assets retired from active use; the appropriateness of assets lives applied in the calculation of depreciation; the useful lives of assets prescribed in Schedule II to the Act and the useful lives of certain assets as per the technical assessment. We observed that the management has regularly reviewed the aforesaid judgments and there are no material changes.
Capital Work-in-Progress The Company is in the process of setting up of a plant for Rutile grade production which is a value addition of Anatese grade Titanium Dioxide.	• Our audit process included a review of the progress of the project and the intention and ability of the management to carry forward and bring the asset to its state of intended use.
Provisions and Contingent Liabilities The Company is involved in various taxes and other disputes for which final outcomes cannot be easily predicted and which could potentially result in significant liabilities. The assessment of the risks associated with the litigations is based on complex assumptions, which require the use of judgement and such judgement relates , primarily , to the assessment of the uncertainties connected to the prediction of the outcome of the proceedings and to the adequacy of the disclosures in the standalone financial statements. Because of the judgements required, the materiality of such litigations and the complexity of the assessment process, the area was a key matter for our audit.	Our audit procedure in response to this Key Audit Matter included, among others, • Assessment of the process and relevant controls implemented to identify legal and tax litigations, and pending administrative proceedings. • Assessment of assumptions used in the evaluation of potential legal and tax risks performed by the legal and tax department of the Company considering the legal precedence and other rulings in similar cases. • Inquiry with the legal and tax departments regarding the status of the most significant disputes and inspection of the key relevant documentation. • Analysis of opinion received from the experts where available. • Review of the adequacy of the disclosures in the notes to the Financial Statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholders Information but does not include the Financial Statements and our Auditor's Report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of theFinancial Sta¬tements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

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

Responsibilities of Management and those charged with governance for theFinancial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence

obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Emphasis of Matter Paragraph

- Reference is invited to Note 46(j) of the Financial Statements that due to liquidity crunch and losses faced by the Company, it could not continue its operation from October 2018.
- We further draw attention to Note 35 in the Financial Statements thatduring the year ended on 31st March, 2019 the Company could not repay two quarterly installments aggregating to Rs. 664 Lakhs besides interest amounting to Rs. 1116.15 Lakhs to the Bankers against the credit facilities availed under consortium arrangement. As a result, the loan has been classified as NPA and Bank of Baroda, the lead banker under the consortium arrangement has issued notice under Section 13(2) of the SARFAESI Act, 2002 dated 13th March, 2019 to repay the entire borrowings of Rs. 17,736.28 Lakhs (including interest upto 31st December, 2018) within 60 days from the date of issuance of such notice. The Company has responded to the notice vide its letter dated 22nd March, 2019 informing that proposals for fresh funding is under consideration by Banks/ Investors and a positive outcome is expected by the Company's management. Pending outcome the Company has disclosed, amount of outstanding loans of Rs. 13,612.00 lakhs from Banks under "Long Term Borrowings".
- Note No. 46 (b) regarding non provision against Trade Receivables and other receivables of Rs. 110.93 Lakhs.

Our opinion is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms ofsub-section (11) of section 143 of the Act and on the basis of such checks of the books and records of the Company as weconsidered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statementon the matters specified in paragraphs 3 and 4 of the Order

to the extent applicable.

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

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

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

   c. the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows 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 specifiedunder Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e. on the basis of the written representations received from the directors as on 31st March,2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31stMarch, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

   g. with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act. The Company has complied with the provisions of Section 197 read with Schedule V to the Actrelating to managerial remuneration.

   h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,in our opinion and to the best of our information and according to the explanations given to us:

      i. the Company has disclosed the impact of pending litigations on its financial position in its Financial Statements;Refer Note 35(A)(i) to the Financial Statements

      ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

      iii. there has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Act and the Rules made thereunder.

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E
(V.K.SINGHI)
Partner
Membership No. 050051

Place: Kolkata
Date: 30th May, 2019

Annexure - A to the Independent Auditor's Report

Referred to in paragraph-1 on other Legal and Regulatory Requirements of our Report of even date to the members of Kilburn Chemicals Limited on the Financial Statements for the year ended 31st March, 2019,

i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.

b) As explained to us, Fixed Assets have been physically verified by the management at regular intervals which, in our opinion is reasonable having regard to the size of the Company and the nature of the assets. As informed to us, no material discrepancies were noticed on such verification.

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

ii. According to the information and explanations given to us, the Inventories have been physically verified during the year at reasonable intervals by the management. The discrepancies noticed on verification between the physical inventories and book records were not material in relation to the operations of the company and the same have been property dealt with in the books of account.

iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured,during the year(excluding unsecured loan of Rs. 276.57 Lakhs given to a Company in earlier years) to companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.

a) No interest is being charged on the above loan as per terms of the agreement between the parties.

b) There isno schedule as regards to repayment of principal amount and therefore we are not in a position to make any comments as to whether or not the Company was regular in receipt of principal amount.

c) In view of our comments in Para (b) above, we are not in a position to make any comments as to whether or not there were any overdue amounts of more than ninety days and whether any reasonable steps have been taken by the Company for recovery of the principal amount.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Actwith respect to the loans given, investments made and guarantees given.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the rules framed thereunder to the extent notified. Accordingly clause3(v) of the Order is not applicable.

vi. According to the information and explanations given to usby the management, the Central Government has prescribed the maintenance of cost records under Sub section 1 of Section 148 of the Act but since the criteria for minimum turnover is not complied with,clauses3(vi) of the order is not applicable.

vii. According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed applicable statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Cess and any other statutory dues to the appropriate authorities and there are no undisputed amount payable in respect of the same which were in arrears as on 31st March, 2019 for a period of more than six months from the date the same became payable.

(a) According to the information and explanations given to us, the Company has not deposited the following dues on account of disputes with the appropriate authorities:

Name of the Statue	Nature of the dues	Amount (Rs. in Lakhs)	Period to which the amount pertains	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1705.20/-	A.Y. 2012-13	Commissioner of Income Tax (Appeals), Kolkata
Income Tax Act, 1961	Income Tax	53.43/-	A.Y. 2013-14	Commissioner of Income Tax (Appeals), Kolkata
Income Tax Act, 1961	Income Tax	8.52/-	A.Y. 2014-15	Commissioner of Income Tax (Appeals), Kolkata

viii. According to the information and explanations given to us, the Company has defaulted in repayment of two quarterly instalments of Rs 664 lakhs to get herewith interest of Rs 1116.15 lakhs to two banks during the year.

ix. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has not raised any money by way of initial public offer or further public offer (including debt instruments).and term loan during the year. Accordingly, clause 3(ix) of the order is not applicable.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reportedduring the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the books and records, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has issued 20,52,377 Equity Shares of Rs. 10/-each on preferential basis to promoters against conversion of unsecured loans in view of current financial situation and liquidity position of the company.

xv. According to the information and explanations given to us and based on our examination of the books and records, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, Clause 3 (xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45–IA of the Reserve Bank of India Act, 1934.

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E
(V.K.SINGHI)
Partner
Membership No. 050051

Place: Kolkata
Date: 30th May, 2019

Annexure - B to the Independent Auditor's Report

(Referred to in paragraph-2(f) on Other Legal and Regulatory Requirements of our Report of even date to the members of Kilburn ChemicalsLimited on the Financial Statements for the year ended 31st March, 2019)

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

We have audited the internal financial controls over financial reporting of Kilburn ChemicalsLimited ("the Company") as of 31stMarch, 2019 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation offinancial

statements for external purposes in accordance with Indian Accounting Standard prescribed under section 133 of the Act. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, including the Ind AS, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E
(V.K.SINGHI)
Partner
Membership No. 050051

Place: Kolkata
Date: 30th May, 2019

BALANCE SHEET AS AT 31ST MARCH, 2019 (Rs. in Lakhs)

	Note No.	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
Non - current Assets			
(a) Property, Plant and Equipment	2	**22,874.64**	22,980.27
(b) Capital work - in - progress	3	**397.03**	397.03
(c) Other Intangible Assets	4	**19.58**	20.35
(d) Intangible Asset under Devlopment	5	**-**	-
(e) Financial Assets			
(i) Investments	6	**-**	-
(ii) Loans	7	**238.89**	239.71
(f) Income Tax Assets (net)	8	**200.63**	199.35
(g) Other Non-current Assets	9	**99.25**	80.95
		23,830.02	23,917.67
Current Assets			
(a) Inventories	10	**1,105.22**	698.71
(b) Financial Assets			
(i) Trade Receivables	11	**14.27**	13.58
(ii) Cash and Cash Equivalents	12	**19.21**	932.95
(iii) Bank Balances other than (ii) above	13	**98.29**	301.82
(iv) Loans	14	**276.57**	276.57
(v) Other Financial Assets	15	**15.62**	22.07
(c) Other Current Assets	16	**1,529.21**	1,248.81
		3,058.39	3,494.50
Total Assets		**26,888.41**	27,412.17
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	17	**1,390.74**	1,185.50
(b) Other Equity	18	**2,026.75**	5,925.35
Total Equity		**3,417.49**	7,110.85
Liabilities			
Non - current Liabilities			
(a) Financial Liabilities			
Borrowings	19	**15,333.40**	17,301.16
(b) Provisions	20	**27.85**	21.44
(c) Deferred Tax Liabilities (Net)	21	**485.88**	287.68
(d) Other Non current Liabilities	22	**545.25**	545.25
Total Non-current Liabilities		**16,392.38**	18,155.53
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	**496.14**	-
(ii) Trade Payables	24		
A. Total outstanding Dues to Micro, Small and Enterprise	-	**-**	
B. Total outstanding Dues to creditor other than Micro, Small and Enterprise		**167.23**	42.56
(iii) Other Financial Liabilities	25	**6,399.49**	2,075.99
(b) Other Current Liabilities	26	**15.21**	26.06
(c) Provisions	27	**0.47**	1.19
Total Current Liabilities		**7,078.54**	2,145.80
Total Equity and Liabilities		**26,888.41**	27,412.17
Significant Accounting Policies and Critical estimates	1		

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached
For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No.: 311017E
(V. K. SINGHI)
Partner
Membership No.: 050051
Place: Kolkata
Date: 30th May, 2019

FOR AND ON BEHALF OF THE BOARD

A. K. Dutta
Whole Time Director
DIN No: 06651961

S. K. Jalan
Managing Director
DIN No: 00015836

Manoj Sureka
Chief Financial Officer

Mukesh Sharma
Company Secretary
Membersip No: A28288

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

(Rs. in Lakhs)

	Particulars	Notes	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Income			
(I)	Revenue from Operations	28	**93.23**	11.68
(II)	Other Income	29	**26.28**	110.39
(III)	**Total Income (I+II)**		**119.51**	122.07
(IV)	**Expenses**			
	Cost of Materials Consumed	30	**361.33**	35.27
	Changes in Inventories of Finished Goods and Stock in Process	31	**(542.03)**	(26.13)
	Employee Benefits Expense	32	**710.29**	33.11
	Finance Costs	33	**2,098.33**	49.19
	Depreciation and Amortisation Expense		**1,236.59**	34.15
	Other Expenses	34	**1,086.34**	1,247.15
	Total Expenses (IV)		**4,950.85**	1,372.73
(V)	**Profit/(Loss) Before Tax (III - IV)**		**(4,831.34)**	(1,250.66)
(VI)	**Tax Expense :**			
	For Earlier Years		**-**	(1.09)
	Deferred Tax		**198.20**	285.13
(VII)	**Profit/(Loss) for the year (V-VI)**		**(5,029.54)**	(1,534.71)
	Other Comprehensive Income			
	(A) (i)Items that will not be reclassified to profit or loss		**2.13**	1.32
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**-**	-
	(B) (i) Items that will be reclassified to profit or loss		**-**	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		**-**	-
(VIII)	Other Comprehensive Income [A(i-ii)+B(i-ii)]		**2.13**	1.32
(IX)	Total Comprehensive Income for the year (VII+VIII) (Comprising of Profit/(Loss) and other Comprehensive Income for the year)		**(5,027.41)**	(1,533.39)
	Earnings per Equity Share (Face Value Rs. 10/- each): (Refer Note No.38)			
	(a) Basic		**(42.41)**	(13.18)
	(b) Diluted		**(42.41)**	(12.95)
	Significant Accounting Policies	1		

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached
For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No.: 311017E
(V. K. SINGHI)
Partner
Membership No.: 050051
Place: Kolkata
Date: 30th May, 2019

FOR AND ON BEHALF OF THE BOARD

A. K. Dutta
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DIN No: 06651961

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DIN No: 00015836

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Chief Financial Officer

Mukesh Sharma
Company Secretary
Membersip No: A28288

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in Lakhs)

		For the year ended 31st March, 2019		For the year ended 31st March, 2018	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit/(loss) before tax		**(4,831.34)**		(1,250.66)
	Adjustment for :				
	Depreciation/amortization	**1,236.59**		34.15	
	Asset/deposits Written off	**1.28**		7.45	
	Bad debts	**-**		63.47	
	Provision for Doubtful Receivables	**-**		1,109.73	
	Loss/(profit) on sale of investment	**-**		(9.16)	
	Interest Expense on Borrowings	**2,022.30**		49.06	
	Provision for Gratuity	**-**		-	
	Interest income	**(25.50)**		(38.38)	
	Sundry balances written back (net)	**-**	**3,234.67**	(62.84)	1,153.48
	Operating profit before working capital changes		**(1,596.67)**		(97.18)
	Movements in working capital :				
	Trade Payables and Other Liabilities	**1,477.90**		1,111.75	
	Inventories	**(406.52)**		(691.50)	
	Trade and Other Receivables	**(97.59)**	**973.79**	1,069.42	1,489.67
	Cash generated from /(used in) operations		**(622.87)**		1,392.49
	Less: Direct taxes paid (net of refunds)		**(1.28)**		(130.09)
	Net cash flow from/ (used in) Operating Activities (A)		**(624.15)**		1,262.40
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets	**(1,130.21)**		(32.46)	
	(Increase) / Decrease in Capital Work in progress	**-**		(10,364.46)	
	Sale of current Investments	**-**		227.86	
	Interest received	**33.26**	**(1,096.95)**	73.66	(10,095.40)
	Net cash flow from/(used in) Investing Activities (B)		**(1,096.95)**		(10,095.40)
C	**CASH FLOWS FROM FINANCING ACTIVITIES**				
	Proceeds from Issue of Share Capital and Convertible Warrants	**-**		450.45	
	Dividend Paid of earlier years	**(4.21)**		(4.32)	
	Proceeds from Non Current Borrowings	**1,690.28**		8,301.16	
	Interest paid on borrowings	**(878.71)**	**807.36**	(6.84)	8,740.45
	Net cash flow from/(used in) in Financing Activities (C)		**807.36**		8,740.46
	Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)		**(913.74)**		-92.55
	Cash and Cash Equivalents at the beginning of the year		**932.95**		1,025.51
	Cash and Cash Equivalents at the end of the year		**19.21**		932.95

Notes:

(1) The above statement is subject to and read together with the notes and observations on Financial Statements attached thereto.

(2) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flows.

(3) Figures for previous year have been regrouped wherever necessary for uniformity in presentation

This is the Cash Flow Statement referred to in our Report of even date.

As per our report of even date attached
For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No.: 311017E
(V. K. SINGHI)
Partner
Membership No.: 050051
Place: Kolkata
Date: 30th May, 2019

FOR AND ON BEHALF OF THE BOARD

A. K. Dutta
Whole Time Director
DIN No: 06651961

S. K. Jalan
Managing Director
DIN No: 00015836

Manoj Sureka
Chief Financial Officer

Mukesh Sharma
Company Secretary
Membersip No: A28288

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

Equity Share Capital

Particulars	Amount
Balance as at 1st April,2017	1,031.50
Issued during the year	154.00
Balance as at 1st April,2018	1,185.50
Issued during the year	205.24
Balance as at 31st March, 2019	**1,390.74**

Particulars	Other Equity							
	Reserves and Surplus					Other Comprehensive Income	Money received against share warrants	Total
	Capital Reserve	Securities Premium Reserve	Preference Share Capital Redemption Reserve	General Reserve	Retained Earnings			
Balance as at 1st April,2017	**19.76**	**662.15**	**391.22**	**1,347.50**	**4,590.67**	**0.84**	**150.15**	**7,162.29**
Received during the year	-	446.60	-	-	-	-	-	446.60
Converted in Equity Shares during the year	-	-	-	-	-	-	150.15	150.15
Profit/(Loss) for the year	-	-	-	-	(1,534.71)	1.32	-	(1,533.39)
Balance as at 31st March, 2018	**19.76**	**1,108.75**	**391.22**	**1,347.50**	**3,055.96**	**2.17**	**-**	**5,925.36**
Balance as at 1st April, 2018	**19.76**	**1,108.75**	**391.22**	**1,347.50**	**3,055.96**	**2.17**	**-**	**5,925.36**
Received during the year	-	1,128.81	-	-	-	-	-	1,128.81
Profit/(Loss) for the year	-	-	-	-	(5,029.54)	2.13	-	(5,027.41)
Balance as at 31st March, 2019	**19.76**	**2,237.56**	**391.22**	**1,347.50**	**(1,973.58)**	**4.30**	**-**	**2,026.76**

This is the Statement of Changes in Equity referred to in our report of even date.

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date attached
For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No.: 311017E
(V. K. SINGHI)
00015836
Partner
Membership No.: 050051
Place: Kolkata
Date: 30th May, 2019

FOR AND ON BEHALF OF THE BOARD

A. K. Dutta
Whole Time Director
DIN No: 06651961

S. K. Jalan
Managing Director
DIN No:

Manoj Sureka
Chief Financial Officer

Mukesh Sharma
Company Secretary
Membersip No: A28288

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

A. Corporate Information

The Company was incorporated in the year 1990 as a Public Limited Company under the provisions of the Companies Act, 1956 and domiciled in India. The Equity Shares of the Company are listed on Bombay Stock Exchange. The registered office of the Company is located at 'Shantiniketan, 16th floor, 8, Camac Street, Kolkata – 700017, West Bengal, India.'

The Company is engaged in the project for production of both Anatase and Rutile grade of Titanium Dioxide. Plant of the Company is located at Kilburn Chemicals Limited, Plot No. D/2/CH-170, Dahej-II, Village-Jolwa, District-Bharuch, Pin Code-392130, Gujarat, with an annual production capacity of 15000 tons.

Information on other related party relationships of the Company isprovided in Note-40.

The financial statements were approved for issue in accordance with a resolution of the Board of Directors on30th May, 2019.

Note 1 Significant Accounting Policies

1. Standard issued but not yet effective

- **Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments**

  On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. A reliable estimate of the quantitative impact of the same on the Financial Statements will only be possible once the assessment has been completed.

- Amendment to Ind AS 12 — Income taxes

  On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to which the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. A reliable estimate of the quantitative impact of the same on the Financial Statements will only be possible once the assessment has been completed.

- Amendment to Ind AS 19 — plan amendment, curtailment or settlement

  On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

  - ▲ to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. A reliable estimate of the quantitative impact of the same on the Financial Statements will only be possible once the assessment has been completed.

2. BASIS OF PREPARATION

2.1. The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 with Companies (Indian Accounting Standards)(Amendment) Rules, 2016 & Companies (Indian Accounting Standards) (Amendment) Rules, 2017 and comply in all material aspects with the relevant provisions of the Companies Act, 2013 and Companies (Amendment) Act, 2017.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer Significant Accounting Policy No. 14regarding financial instruments).

The financial statements have been presented in INR, which is also the Company's functional currency and all values are rounded to the nearest Lakhs.

2.2. Statement of Compliance with Ind AS

These financial statements comply in all material aspects with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with Companies (Indian Accounting Standards) (Amendment) Rules, 2016 & Companies (Indian Accounting Standards) (Amendment) Rules, 2017.

3. Property, Plant and Equipment, Intangible Assets, Capital Work-in-progress and Depreciation

3.1. Property, Plant and Equipment (PPE)

3.1.1. The cost of an item of PPE is recognized as an asset if, and only if:

(a) It is probable that future economic benefits associated with the item will flow to the entity; and

(b) The cost of the item can be measured reliably.

3.1.2. PPE are stated at acquisition or construction cost or historical cost less accumulated depreciation / amortization and cumulative impairment.

3.1.3. Technical know-how / license fee relating to plants/facilities and specific software that are integral part of the related hardware are capitalised as part of cost of the underlying asset.

3.1.4. Spare Parts are capitalized when they meet the definition of PPE, i.e., when the Company intends to use these during more than a period of 12 months.

3.1.5. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE recognised as at 1stApril, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

3.2. Intangible Assets

3.2.1. Costs incurred on computer software/licenses purchased resulting in future economic benefits, other than specific software that are integral part of the related hardware, are capitalised as Intangible Asset and amortised over a period of six years beginning from the quarter in which such software is capitalised.

3.2.2. Intangible assets acquired separately are measured on initial recognition at cost. The following initial recognitionof intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the Statement of Profit andLoss in the period in which the expenditure is incurred.

3.2.3. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

3.2.4. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized.

3.2.5. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at 1stApril, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

3.3. Capital Work in Progress

3.3.1. Expenses exclusively attributable to projects incurred during construction period are capitalised.

3.3.2. Finance costs incurred during construction period on loans specifically borrowed and utilized for projects are capitalized up to the date of capitalization.

3.3.3. Finance costs, if any, incurred on General Borrowings used for projects is capitalized at the weighted average cost.

3.3.4. Capital stores are valued at cost. Specific provision is made for likely diminution in value, wherever required.

3.3.5. Advances paid towards the acquisition of PPE and intangible assets outstanding at each Balance Sheet date is classified as capital advances and the cost of assets not put to use before such date are disclosed under capital work in progress.

3.4. Depreciation/Amortization

3.4.1. Cost of Tangible Fixed Asset (net of residual value) is depreciated on straight-line method as per useful life prescribed in Schedule II to the Companies Act, 2013.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

3.4.2. Depreciation/amortization is charged on pro-rata basis reference to month of capitalization or disposal. Residual value is generally considered at 5% of cost of assets.

3.4.3. The Company depreciates components of the main asset that are significant in value and have different useful lives as compared to the main asset separately. The Company depreciates capitalized spares over the life of the spare from the date it is available for use.

3.4.4. Item of PPE and Intangible Assets, costing uptoRs.5,000/- per item are depreciated fully in the year of capitalization.

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

4. LEASES

4.1. A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

4.2. Finance leases as lessee:

(i) Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

(ii) A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

For arrangements entered into prior to 1st April 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

5. IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's(CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

6. BORROWING COSTS

Borrowing costs that are attributable to the acquisition and construction of the qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

7. FOREIGN CURRENCY TRANSACTIONS

7.1. The Company's financial statements are presented in Indian Rupee, which is also its functional currency.

7.2. Transactions in foreign currency are initially recorded at exchange rates prevailing on the date of transactions.

7.3. Monetary items denominated in foreign currencies (such as cash, receivables, payables etc) outstanding at the end of reporting period, are translated at exchange rates prevailing as at the end of reporting period.

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss under the head foreign exchange fluctuation.

7.4. Non-monetary items denominated in foreign currency (such as investments, PPE and intangible assets etc.) are valued at the exchange rate prevailing on the date of the transaction other than those measured at fair value.

7.5. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items

7.6. measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive income (OCI) or profit or loss are also recognised in OCI or profit or loss, respectively).

8. INVENTORIES

8.1. Raw Materials & Stock-in-Process

8.1.1. Raw materials are valued at cost determined on weighted average basis or net realizable value, whichever is lower.

8.1.2. Stock in Process is valued at raw material cost plus conversion costs as applicable or net realizable value, whichever is lower.

8.1.3. Raw materials in Transit are valued at cost or net realizable value, whichever is lower.

8.2. Finished Products and Stock-in-Trade

8.2.1. Finished products and stock in trade are valued at cost determined on 'First in First Out' basis or net realizable value, whichever is lower. Cost of Finished Products produced is determined based on raw material cost and processing cost.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

8.3. Stores and Spares

8.3.1. Stores and spares are valued at weighted average cost.

8.3.2. Stores & Spares in transit are valued at cost.

9. PROVISIONS, CONTINGENT LIABILITIES, CONTINGENT ASSETS& CAPITAL COMMITMENTS

9.1. Provisions

9.1.1. Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

9.2. Contingent Liabilities

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

9.2.1. Show-cause Notices issued by various Government Authorities are not considered as Obligation.

9.2.2. When the demand notices are raised against such show-cause notices and are disputed by the Company, these are classified as disputed obligations.

9.2.3. The treatment in respect of disputed obligations are as under:

a) A provision is recognized in respect of present obligations where the outflow of resources is probable;

b) All other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.

9.3. Contingent Assets

Contingent Assetsare not recognised but are disclosed when an inflow of economic benefits is probable.

9.4. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account are considered for disclosure.

10. REVENUE RECOGNITION

10.1. Revenue is recognised to the extent that it is probable that theeconomic benefits will flow to the Company and the revenuecan be reliably measured, regardless of when the paymentis being made. Revenue is measured at the fair value of theconsideration received or receivable, taking into accountcontractually defined terms of payment and excluding taxes orduties collected on behalf of the government.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Goods and Services Tax(GST) is not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

10.2. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns, allowances and trade discounts.

The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreement.

10.3. Interest income is accrued on a time proportion basis, by reference to the outstanding principal and at the interest rate applicable.

10.4. Claims are recognized at cost when there is reasonable certainty regarding its ultimate collection.

11. TAXES ON INCOME

11.1. Current Income tax

11.1.1.Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

11.1.2.Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxationauthorities.The tax rates and tax laws used to compute theamount are those that are enacted or substantively enacted, atthe reporting date.

11.1.3.Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in othercomprehensive income or in equity). Management periodicallyevaluates positions taken in the tax returns with respect tosituations in which applicable tax regulations are subject tointerpretation and establishes provisions where appropriate.

11.2. Deferred Tax

11.2.1. Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are measured based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

11.2.2. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

11.2.3. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

11.2.4. 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 taxes relate to the same taxable entity and the same taxation authority.

12. EMPLOYEE BENEFITS

12.1. Short Term Benefits:

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

12.2. Post-Employment Benefits and Other Long Term Employee Benefits:

a) The Company's contribution to the Provident Fund is remitted to Provident Fund Authorities based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss.

b) The Company operates defined benefit plan for Gratuity. The cost of providing such defined benefit is determined using the projected unit creditmethod of actuarial valuation made at the end of the year.

c) The Company does not have any policy in respect of other long term employee benefits, viz., leave encashment etc.

12.3. Remeasurements:

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

13. CURRENT VERSUS NON-CURRENT CLASSIFICATION

13.1. The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

13.2. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

13.3. A liability is current when:

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

All other liabilities are classified as non-current.

Based on the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months.

14. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

14.1. Financial Assets

Initial recognition and measurement of all financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement

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

- Financial Assets at amortised cost
- Debt Instruments at fair value through other comprehensive income (FVTOCI)
- Equity instruments at fair value through other comprehensive income (FVTOCI)
- Financial assets and derivatives at fair value through the Statement of Profit andLoss (FVTPL)

14.1.1. Financial Assets at Amortised Cost

A financial asset is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit andLoss. This category generally applies to trade and other receivables.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

14.1.2. Debt Instrument at FVTOCI

A 'Debt Instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the

Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

14.1.3. Equity Instrument at FVTOCI

A. Equity Investments (Other than Subsidiaries, JVs and Associates)

All equity investments in scope of Ind AS 109 are measured at fair value. The Company has made an irrevocable election to present subsequent changes in the fair value in other comprehensive income, excluding dividends. The classification is made on initial recognition/transition and is irrevocable.

There is no recycling of the amounts from the OCI to the Statement of Profit and Loss, even on sale of investments.

14.1.4. Debt Instruments and Derivatives at FVTPL

FVTPL is a residual category for debt instrument. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Interest income on such instruments has been presented under interest income.

14.1.5. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarilyderecognised (i.e. removed from the Balance Sheet) when:

- The rights to receive cash flows from the asset have expired,or
- The Company has transferred its rights to receive cash flowsfrom the asset or has assumed an obligation to pay thereceived cash flows in full without material delay to a thirdparty under a 'pass-through' arrangement; and either

a) The Company has transferred substantially all the risks and rewardsof the asset, or

b) The Company has neither transferred norretained substantially all the risks and rewards of the asset,but has transferred control of the asset.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

When the Company has transferred its rights to receivecash flows from an asset or has entered into a pass-throughrarrangement, it evaluates if and to what extent it has retainedthe risks and rewards of ownership. When it has neithertransferred nor retained substantially all of the risks andrewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset tothe extent of the Company's continuing involvement. In thatcase, the Company also recognises an associated liability. Thetransferred asset and the associated liability are measured on abasis that reflects the rights and obligations that the Companyhas retained.

Continuing involvement that takes the form of a guarantee overthe transferred asset is measured at the lower of the originalcarrying amount of the asset and the maximum amount ofconsideration that the Company could be required to repay.

14.1.6. Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balances.

Simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

General Approach

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly,

12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates provision on trade receivables at the reporting date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Financial guarantee contracts: ECL is presented as a provision in the Balance Sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

14.2. Financial Liabilities

14.2.1. Initial recognition and measurement.

Financial Liabilities are classified, at initial recognition, as financial liabilities at fair value through the Statement of Profit andLoss or financial liabilities at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of liabilities measured at amortised cost net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including financial guarantee contracts and derivative financial instruments.

14.2.2. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

A. Financial Liabilities at fair value through the Statement of Profit andLoss

Financial liabilities at fair value through the Statement of Profit andLoss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through the Statement of Profit andLoss. Financial liabilities are classifiedas held for trading if they are incurred for the purpose ofrepurchasing in the near term.

Profits or Losses on liabilities held for trading are recognisedin the Statement of Profit andLoss.

B. Financial Liabilities at Amortized Cost

Financial liabilities that are not held-for-trading and are notdesignated as at FVTPL are measured at amortised cost atthe end of subsequent accounting periods. The carryingamounts of financial liabilities that are subsequentlymeasured at amortised cost are determined based on theeffective interest method. Profit and losses are recognisedin the Statement of Profit andLoss when the liabilities are derecognised as wellas through the EIR amortisation process.

Amortised cost is calculated by taking into account anydiscount or premium on acquisition and fees or coststhat are an integral part of the EIR. The EIR

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

amortization is included as finance costs in the Statement of Profit andLoss.

C. Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

14.2.3. Derecognition

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

14.2.4. Offsetting of financial instruments

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

15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the Balance Sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

16. FAIR VALUE MEASUREMENT

16.1. The Company measures financial instruments, at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

16.2. The fair value measurement is based on the presumption thatthe transaction to sell the asset or transfer the liability takesplace either in the principal market for the asset or liability, orin the absence of a principal market, in the most advantageousmarket for the asset or liability. The principal or the mostadvantageous market must be accessible by the Company.

16.3. The fair value of an asset or a liability is measured using theassumptions that market participants would use when pricingthe asset or liability, assuming that market participants act intheir economic best interest.

16.4. A fair value measurement of a non-financial asset takes intoaccount a market participant's ability to generate economicbenefits by using the asset in its highest and best use or byselling it to another market participant that would use the assetin its highest and best use.

16.5. The Company uses valuation techniques that are appropriate inthe circumstances and for

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

which sufficient data are available tomeasure fair value, maximising the use of relevant observableinputs and minimising the use of unobservable inputs.

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

Level 1 — Quoted (unadjusted) market prices in active marketsfor identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level inputthat is significant to the fair value measurement isdirectly or indirectly observable

Level 3 — Valuation techniques for which the lowest level inputthat is significant to the fair value measurement isunobservable

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Company determineswhether transfers have occurred between levels in thehierarchy by re-assessing categorisation (based on the lowestlevel input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In case of Level 3 valuations, External valuers are also involved in some cases for valuation of assets and liabilities, such as unquoted financial assets, loans to related parties etc.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

17. GRANTS

17.1. CAPITAL GRANTS

In case of depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as Capital Grants which are recognized as income in the Statement of Profit and Loss over the period and in the proportion in which depreciation is charged.

17.2. REVENUE GRANTS

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

Revenue related grants (subsidy and budgetary support towards under recoveries) are reckoned in “Revenue from operations” as per the respective schemes notified by Government from time to time, subject to final adjustments as per separate audit wherever applicable. In case of waiver of duty under EPCG license, such grant is considered as revenue grant and recognised in “Other Income” in proportion of export obligations actually fulfilled during the accounting period. All other revenue grants has been recorded under “Other Income”.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate or NIL interest rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

18. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

19. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share are calculated by dividing:

- The profit/ loss attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

20. ACCOUNTING JUDGEMENTS ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and Intangible Assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

20.1. JUDGEMENTS

In the process of applying the Company's accounting policies, management has made the following judgments, which have the significant effect on the amounts recognised in the financial statements.

20.1.1. Lease classification in case of leasehold land

The Company has obtained land from the government for the purpose of setting up of factory. This land is having tenure of 99 year and at the end of lease term, the lease could beextended for another term or the land could be returned to thegovernment authority. Since land has an indefinite economic life, themanagement has considered 99 years and above cases for financelease if at the inception of the lease, the present value of minimum lease payments are substantially equal to fair value of leased assets.

Furthers cases between 90-99 are also evaluated for finance leaseon the basis of principle that present value of the minimum leasepayments are substantially equal to fair value of the leased asset. Inaddition, other indicators such as the lessee's ability

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

to renew leasefor another term at substantially below market rent, lessee's option to purchase at price significantly below fair value are also examinedfor classification of land lease. Leases not meeting the finance leasecriteria are classified under operating leases.

20.1.2. Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractual and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

20.2. ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

20.2.1. Defined benefit plans / Other Long term employee benefits

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

The parameter most subject to change is the discount rate. The management considers the interest rates of government securities based on expected settlement period of various plans.

20.2.2. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

20.2.3. Impairment of financial assets

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Company's past history and other factors at the end of each reporting period.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs. in Lakhs)

Note-2: Property, Plant and Equipment

	Leasehold Land and Development*	Building	Furniture and Fixtures	Plant and Machinery	Office Equipments	Vehicles	Total
Gross Block							
As at 1st April, 2018	2,661.38	4,108.69	25.72	16,199.13	15.86	5.43	23,016.23
Additions	-	239.41	0.09	871.75	16.17	-	1,127.42
Deletions/Adjustments	-	-	-	-	-	-	-
As at 31st March, 2019	2,661.38	4,348.10	25.81	17,070.88	32.03	5.43	24,143.65
Accumulated Depreciation, Amortisation and Impairment							
As at 1st April, 2018	0.82	3.32	0.41	28.46	1.28	1.68	35.96
Charge for the year	28.93	136.52	2.45	1,059.97	4.52	0.64	1,233.03
Impairment	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-
As at 31st March, 2019	29.75	139.84	2.86	1,088.43	5.79	2.32	1,268.99
Net Carrying Amount							
As at 31st March, 2019	2,631.63	4,208.26	22.95	15,982.45	26.24	3.11	22,874.64
Gross Block							
As at 1st April, 2017	1,952.81	-	2.27	-	2.94	5.43	1,963.46
Additions	-	-	5.84	-	6.32	-	12.16
Transfer from CWIP	708.57	4,108.69	17.61	16,199.13	6.60	-	21,040.61
Deletions/Adjustments	-	-	-	-	-	-	-
As at 31st March, 2018	2,661.38	4,108.69	25.72	16,199.13	15.86	5.43	23,016.23
Accumulated Depreciation, Amortisation and Impairment							
As at 1st April, 2017	-	-	0.13	-	0.79	1.03	1.95
Charge for the year	0.82	3.32	0.28	28.46	0.49	0.65	34.01
Impairment	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-
As at 31st March, 2018	0.82	3.32	0.41	28.46	1.28	1.68	35.96
Net Carrying Amount							
As at 31st March, 2018	2,660.56	4,105.37	25.31	16,170.68	14.59	3.76	22,980.27

*Represents cost incurred for Leasehold Land allotted by Gujarat Industrial Development Corporation vide Offer-cum-Allotment letter dated 18/03/2011 on License basis on a Lease of ninty nine years for which a lease deed has been executed on 02/01/2016.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

NOTE-3: Capital Work In Progress

(Rs. In Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Capital Work in Progress - Tangible Assets		
(Including unallocated capital expenditure, materials at site)		
Balance as at beginning of the year	**397.03**	7,900.10
Add: Additions during the year	-	7,875.59
Less: Allocated/ Adjusted during the year	-	
Balance as at the end of the year	**397.03**	15,775.69
Construction Period Expenses pending allocation:		
Balance as at beginning of the year	-	3,148.34
Add: Expenditure during the year (Note - 3.1)	-	2,513.62
Balance as at the end of the year	-	5,661.96
GRAND TOTAL	**397.03**	21,437.65
Less: Capitalised during the year	-	21,040.61
	397.03	397.03

Note-3.1: Construction Period Expenses

Particulars	As at 31st March, 2019	As at 31st March, 2018
Employee Benefits Expense	-	390.56
Rent	-	11.97
Travelling Expenses	-	92.34
Technical Assistance Fees	-	154.13
Finance Costs (Net)	-	1,651.36
Material Cost attributable to Trial Run	-	117.35
Others	-	95.91
Total Expenditure during the year	-	2,513.62

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs. in Lakhs)

Note-4: Intangible Assets

Particulars	CDM Project	Computer Softwares	Total
Gross Block			
As at 1st April, 2018	-	20.66	20.66
Additions	-	2.79	2.79
As at 31st March, 2019	-	23.45	23.45
Accumulated Amortisation			
As at 1st April, 2018	-	0.31	0.31
Charge for the year	-	3.56	3.56
As at 31st March, 2019	-	3.87	3.87
Net Carrying Amount			
As at 31st March, 2019	-	19.58	19.58
Gross Block			
As at 1st April, 2017	10.45	0.36	10.81
Transfer from CWIP	-	20.30	20.30
Deletions/Adjustments	10.45	-	10.45
As at 31st March, 2018	-	20.66	20.66
Accumulated Amortisation			
As at 1st April, 2017	3.01	0.16	3.17
Charge for the year	-	0.15	0.15
Deletions/Adjustments	3.01	-	3.01
As at 31st March 2018	-	0.31	0.31
Net Carrying Amount			
As at 31st March, 2018	-	20.35	20.35

NOTE - 5: Intangible Assets Under Development (Rs. in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Work in Progress - Intangible Assets		
(Including Unallocated Capital Expenditure on account of Software Development)		
Balance as at beginning of the year	-	-
Add: Expenditure during the year	-	20.30
TOTAL	-	20.30
Less: Capitalised during the year	-	20.30
	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Note-6: Non Current Investments		
Unquoted Equity Shares		
In Others		
Investments carried at Fair value through OCI		
75,000 (31st March, 2018 : 75,000) Equity Shares of Kilburn software Technologies India Limited of Rs. 10/- each	**-**	-
Total Carrying Value	**-**	-
Aggregate Book Value of unquoted Investments	**-**	-
Note-7: Loans		
(Unsecured, considered good by the management)		
a) Security Deposits		
Dakshin Gujarat Vij Company Limited (Electricity Deposit)	**146.01**	146.01
Gas Authority of India Limited	**25.47**	25.47
Gujarat VAT/CST Deposit*	**0.45**	0.45
Gujarat Industrial Development Corporation*	**24.44**	24.44
Water & Drainage Deposit with GIDC*	**42.10**	42.10
Against Rent to Related Parties (Refer Note No. 40)*	**0.42**	0.90
Gas Deposit with Munesh Gas Enterprises*	**-**	0.34
	238.89	239.71
*Security deposits are non interest bearing and recoverable at the termination of contract unless otherwise agreed.		
Note-8: Non Current Tax Assets (net)		
Advance Income Tax/ Tax deducted at source and Income Tax Refundable	**200.63**	199.35
(Net of Provision Rs.19,829/- (31st March, 2018 Rs.19,829/-)		
	200.63	199.35

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note-9: Other Non- Current Assets (Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
(Unsecured, considered good)		
i) Advances for Capital Expenditure		
To Others	**7.55**	64.86
ii) Advances Recoverable		
Advance against Rent to Related Parties (Refer Note No. 40)	**0.25**	1.05
From Others		
Sales Tax Refundable	**14.63**	14.63
Others (Refer Note 35)	**76.82**	0.41
	99.25	80.95

Note-10: Inventories

(As taken valued and certified by the management)
(Valued at cost or Net Realisable Value, whichever is lower)

a) Raw Materials	**517.95**	664.46
b) Finished Goods	**244.59**	7.92
c) Stock in Process	**330.67**	25.31
d) Packing Materials	**2.66**	1.02
e) Furnance Oil	**9.35**	-
	1,105.22	698.71

Note-11: Trade Receivables

(Unsecured)

From Others		
- Considered Good	**14.27**	13.58
	14.27	13.58

Note-12: Cash and Cash Equivalents

Balances with Banks

- In Current Accounts	**1.77**	284.54
- In Escrow Accounts	**11.93**	647.08
Cash on hand	**5.51**	1.33
(as certified by the management)		
	19.21	932.95

Note-13: Bank Balances other than above

- Unclaimed Dividend Accounts	**7.42**	11.63
- Deposits held as Margin Money*	**90.87**	290.19
	98.29	301.82

* Includes deposits of Rs. 90.28 Lakhs (Rs. 166.69 Lakhs as at 31st March, 2018) held as margin money for issuing Bank Guarantee.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note-14: Loans (Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
(Unsecured, considered good by the management)		
Loan to a Body Corporate (Free of interest)		
To Related Party (Refer Note 40)	**276.57**	276.57
	276.57	276.57

Note-15: Other Financial Assets
Unsecured
Considered Good

Interest accrued on Term deposits	**13.08**	20.85
Interest accrued on Security deposits	**2.54**	1.22
Considered Doubtful		
Others	**1,109.73**	1,109.73
	1,125.35	1,131.80
Less: Provision for doubtful debts	**1,109.73**	1,109.73
	15.62	22.07

Note-16: Other Current Assets
(Unsecured, Considered good)
Balances with Government Authorities

Input Tax Credit of GST	**1,511.73**	1,244.35
Advances Recoverable		
From Others		
i) Employees	**14.49**	-
ii) Suppliers and Service Provider	**1.78**	3.21
Prepaid Expenses	**1.21**	1.25
	1,529.21	1,248.81

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note-17: Share Capital (Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Authorised :		
1,60,00,000 Equity Shares of Rs. 10/- each	**1,600.00**	1,600.00
4,00,000 Cummulative Redeemable Preference Shares of Rs. 100/- each	**400.00**	400.00
	2,000.00	2,000.00
Issued, Subscribed and Paid up:		
1,39,07,377 (2018: 1,18,55,000) Equity Shares of Rs.10/- each fully paid up	**1,390.74**	1,185.50
	1,390.74	1,185.50

a) Reconciliation of No. of Equity Shares

Equity Shares		
As at the beginning of the year	**11,855,000**	10,315,000
Add: Issued during the year	**2,052,377**	1,540,000
As at the end of the year	**13,907,377**	11,855,000

b) The Company has issued Equity Shares having a face value of Rs. 10/- each. Each holder of the Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the Annual General Meeting.

c) In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in the proportion to the number of Equity Shares held by the shareholders.

d) Details of shareholders holding more than 5% shares

Name of the shareholder	**As at 31st March, 2019**		As at 31st March, 2018	
Equity Shares	**No. of Shares held**	**Percentage of Holding**	No. of Shares held	Percentage of Holding
Shree Durga Agencies Limited	**2,755,860**	**19.82**	2,208,170	18.63
Supriya Finance Limited	**2,250,576**	**16.18**	1,819,423	15.35
Nirvan Commercial Company Limited	**1,228,618**	**8.83**	1,154,465	9.74
Maryada Advisory Services Private Limited	**1,543,995**	**11.10**	1,232,457	10.40
Babcock Borsig Limited	**855,000**	**6.15**	855,000	7.21
Ana Vincom Private Limited	**1,031,152**	**7.41**	800,000	6.75

As per records of the Company, including its register of shareholders / members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note-18: Other Equity (Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Capital Reserve		
As per last Financial Statement	**19.76**	19.76
Securities Premium Reserve		
As per last Financial Statement	**1,108.75**	662.15
Addition during the year	**1,128.81**	446.60
As at the end of the year	**2,237.56**	1,108.75
Preference Share Capital Redemption Reserve		
As per last Financial Statement	**391.22**	391.22
General Reserve		
As per last Financial Statement	**1,347.50**	1,347.50
Retained Earnings		
As per last Financial Statement	**3,055.96**	4,590.67
Profit/(Loss) for the year	**(5,029.54)**	(1,534.71)
As at the end of the year	**(1,973.58)**	3,055.96
Other Comprehensive Income		
As per last Financial Statement	**2.16**	0.84
Addition during the year	**2.13**	1.32
As at the end of the year	**4.29**	2.16
Money received against share warrants		
As per last Financial Statement	**-**	150.15
Converted in Equity Shares during the year	**-**	(150.15)
As at the end of the year	**-**	-
Total	**2,026.75**	5,925.35

Nature and purpose of reserves

1 **Capital Reserve**

Capital Reserve was created during slump sale of chemical division of the Company in earlier years and shall be utilised as per provisions of the Act.

2 **Security Premium Reserve**

As per the Act, security premium reserve is created when the Company issues share at a price higher than its Face Value. Utilisation of this reserve is governed by the provisions of the Act.

3 **Preference Share Capital Redemption Reserve**

As per the Act Prefernce Share Capital Redemption Reserve is created when Company purchases its own share out of free reserves or Securities premium a sum equal to the nominal value of shares

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

so purchased is transferred to Capital Redemption Reserve. Utilisation of this reserve is governed by the provisions of the Act.

4 General Reserve

General Reserve are the retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations.

5 Retained Earnings

Retained Earnings is free reserve of the Company and is used for purposes like issuing bonus shares, buy back of shares and other purposes (like declaring Dividend etc.) as per the approval of BOD.

6 Other Comprehensive Income

Other Comprehensive Income includes the re-measurement of defined benefit plan as per actuarial valuations which will not be re-classified to Statement of Profit and Loss in subsequent periods.

7 Money received against share warrants

A share warrant is a financial instrument which gives the holder the right to acquire equity shares. During the year 2017-18 the Company has converted 15,40,000 Convertible Warrants of Rs.10/- each into 15,40,000 Equity Shares of Rs. 10/- each on preferential basis at a premium of Rs 29/- per Equity Share. Equity Shares issued at a price of Rs. 39/- per share (Rs. 10/- against capital and Rs. 29/- against Premium) out of which 25% consideration received at the time of allotment of warrant and balance 75% consideration received at the time of conversion of Warrants into Equity Shares.

Note-19: Borrowings (Rs. in Lakhs)

Term Loans- Secured

	As at 31st March, 2019	As at 31st March, 2018
-From Bank of Baroda (refer note below)	**7,968.00**	8,300.00
Less: Repayable within one year	**1,162.00**	332.00
	6,806.00	7,968.00
-From State Bank of India (refer note below)	**7,968.00**	8,300.00
Less: Repayable within one year	**1,162.00**	332.00
	6,806.00	7,968.00
Loan, Unsecured		
from related parties- (Refer Note No. 40)		
-From Body Corporates	**895.66**	1,100.80
-From a Director	**746.24**	125.11
from Body Corporates	**79.50**	139.25
	1,721.40	1,365.16
	15,333.40	17,301.16

Note:

The above term loans are -

(i) Secured by 1st pari-passu charge on the entire fixed assets including factory land and building and hypothecation of all plant & machinery and other fixed assets (present and future) situated at Dahej 2 Industrial Estate, Bharuch, Gujarat having a plot area of 314532 sq. mts. of the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(ii) Further collaterally secured by way of 1st pari passu charge by way of registered mortgage of the property (office space No. 1, 2, 5, 6, 7 & 8 at the 1st Floor of 2/7 Sarat Bose Road, Kolkata - 700020) situated at "Vasundhara" having an area of 6651 sq. ft. and assignment of rentals from the above office space and Corporate Guarantee of the owner Shree Durga Agencies Ltd. to the extent of value of the mortgaged property i.e. office space and personal guarantee of Mr. Sandeep Jalan, Managing Director of the Company.

(iii) The above Consortium Bankers have sanctioned and disbursed Term Loans of Rs. 16,600 Lakhs till 31st March, 2018. As per the revised Sanction letter dated 30th November, 2017 the sanctioned Term Loans are repayable to each banker as under:-

a) Rs. 498 Lakhs payable in 3 equal quarterly instalments of Rs. 166 Lakhs each commencing from 3rd quarter of the year 2018-19. Last instalment due in the 1st quarter of the year 2019-20.

b) Rs. 3,984 Lakhs payable in 12 equal quarterly instalments of Rs. 332 Lakhs each commencing from 2nd quarter of the year 2019-20. Last instalment due in the 1st quarter of the year 2022-23.

c) Rs. 830 Lakhs payable in 2 equal quarterly instalments of Rs. 415 Lakhs each commencing from 2nd quarter of the year 2022-23. Last instalment due in the 3rd quarter of the year 2022-23.

d) Rs. 2,988 Lakhs payable in 6 equal quarterly instalments of Rs. 498 Lakhs each commencing from 4th quarter of the year 2022-23. Last instalment due in the 1st quarter of the year 2024-25.

Note-20: Non Current Provisions (Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Provision for Gratuity	**27.85**	21.44
	27.85	21.44
Note-21: Deferred tax Liabilities (net)		
(Refer Note 45)	**485.88**	287.68
	485.88	287.68
Note-22: Other Non Current Liabilities		
Government Grant (Refer Note 46 a.)	**545.25**	545.25
	545.25	545.25
Note-23: Short Term Borrowings		
Cash Credit Facilities (Secured)		
a. From Bank of Baroda (Refer Note Below)	**297.87**	-
b. From State bank of India (Refer Note Below)	**198.27**	-
	496.14	-

Note: The cash credit facilities have been provided by Consortium member banks to meet the working capital requirements of the Company. The same has been secured by first Pari-passu charge on stocks and receivables and all other current assets of the Company together with other securities and guarantees, details of which are mentioned in **Note 19**.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note-24: Trade Payables (Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
A. Total outstanding Dues to Micro, Small and Enterprise	**-**	-
B. Total outstanding Dues to creditor other than Micro, Small and Enterprise	**167.23**	42.56
	167.23	42.56

Note-25: Other Financial Liabilities

a) Current maturities of long term debt	**2,988.00**	664.00
b) Interest Accrued and due on borrowings (Refer Note 2 Below)	**1,228.08**	84.49
c) Unpaid Dividend Accounts (As per Contra)	**7.42**	11.63
d) Other Payables		
For Capital Goods (Refer Note 36)	**1,441.51**	973.11
For Expenses (Refer Note 36)	**734.47**	342.76
	6,399.49	2,075.99

Note 2: Includes interest accrued and overdue on term loan and cash credit accounts booked on provisional basis Rs.1080.70 Lakhs and Rs.35.45 Lakhs respectively aggregating to Rs.1,116.15 Lakhs.

Note-26: Other Current Liabilities

Payable to Statutory Authorities	**14.59**	26.06
Advance from Customers	**0.62**	-
	15.21	26.06

Note-27: Provisions

Provision for Gratuity	**0.47**	1.19
	0.47	1.19

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note-28: Revenue from Operations (Rs. in Lakhs)

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Sale of Products	**93.23**	11.68
	93.23	11.68

Note-29: Other Income

Interest Income (Gross)		
From Term Deposits	**11.41**	36.65
From Others	**14.09**	1.36
On Income Tax Refund	**-**	0.38
Tax deducted at source for the year Rs.1,28,207/- (Previous Year Rs. 4,87,911/-)		
Provision for Doubtful Debt Written Back	**-**	62.84
Realised Gain on Current Investments	**-**	9.16
Net Gain on Foreign Currency Transactions and Translation	**0.78**	-
	26.28	110.39

Note-30: Cost of Raw Materials consumed

Opening Stock	**664.46**	-
Add: Purchases during the year	**214.82**	817.08
	879.28	817.08
Less: Material Cost attributable to trial run transferred to Preoperative expenses	**-**	117.35
	879.28	699.73
Less: Closing Stock	**517.95**	664.46
	361.33	35.27

Note-31: Changes in Inventories

Finished Goods				
Opening Stock	**7.92**		5.76	
Less: Closing Stock	**244.59**	**(236.67)**	7.92	(2.16)
Stock in Process				
Opening Stock	**25.31**		1.34	
Less: Closing Stock	**330.67**	**(305.36)**	25.31	(23.97)
		(542.03)		(26.13)

Note-32: Employee Benefits Expense

Salaries, wages, Bonus and Exgratia	**647.62**	386.64
Contribution to Provident Fund and Others	**39.75**	36.13
Staff Welfare Expenses	**22.92**	0.90
	710.29	423.67
Less: Transferred to Construction Period Expenses	**-**	390.56
	710.29	33.11

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs. in Lakhs)

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Note - 33 : Finance Costs*		
Interest Expenses		
-On Term Loans	**1,848.04**	45.43
-On Cash Credit	**47.31**	-
-On Unsecured Loans	**174.26**	3.64
-On Others	**28.72**	0.12
	2,098.33	49.19

*Excludes Rs.NIL (Previous yaer Rs.1651.36 Lakhs included under Construction period Expenses (Refer Note 3.1))

Note - 34 : Other Expenses		
Rates and Taxes	**5.55**	0.67
Consumption of Packing Materials	**4.80**	0.01
Consumption of Stores & Spares	**1.57**	-
Power & Fuel Expenses	**731.17**	9.84
Rent	**93.34**	6.68
Repairs & Maintenance		
- To Plant & Machinery	**0.12**	1.12
- To Others	**3.11**	0.06
Insurance expenses	**9.99**	0.15
Directors' Sitting Fee	**0.64**	0.84
Listing Fee	**5.35**	4.05
Share Transfer Expenses	**1.39**	2.94
Legal & Professional Charges	**73.31**	1.11
Postage and Courier Charges	**8.89**	8.35
Printing and Stationery	**11.89**	6.06
Security Service Charges	**46.13**	6.43
Asset Written off	**-**	7.45
Bad debts	**-**	63.47
Provision for Doubtful Receivables	**-**	1,109.73
Freight Outward	**0.05**	1.98
Auditor's Remuneration		
- Audit Fees	**2.30**	2.75
- For Limited Review	**0.63**	0.63
- For Other Services	**5.12**	1.71
Miscellaneous Expenses	**80.99**	11.12
	1,086.34	1,247.15

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note - 35 : Contingencies and Commitments

A. Contingent Liabilities not provided for in respect of the following:

(i) Claims against the Company not acknowledged as debts -
• Income Tax Demand disputed in Appeal
- for the Assessment Year 2013-14 of Rs. 62.93 Lakhs (Tax Paid Rs. 9.50 Lakhs)
- for the Assessment Year 2014-15 of Rs. 10.02 Lakhs (Tax Paid Rs. 1.50 Lakhs)

(ii) Outstanding Bank Guarantees of Rs. 90.28 lakhs (Previous year Rs. 166.69 lakhs).

The Company has not considered those disputed demands/claims as contingent liabilities, for which, the outflow of resources has been considered as remote.

B. Commitments

a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for [net of advances Rs.7.55 lakhs Previous year Rs. 64.86 lakhs] is Rs. 22.58 lakhs [Previous year Rs. 308.67 lakhs].

b) Export Obligation in Respect of EPCG Licences is Rs. 3,570.51 Lakhs (Previous Year Rs. 3,363.97 Lakhs)(equivalent to US$ 51,61,842.62)

C. Others

a) Gas Authority of India Limited (GAIL) has raised Invoice dated 15th January, 2019 for Rs. 101.88 Lakhs in relation to Gas Transmission Agreement executed on 28th July, 2016 by the Company and invoked bank guarantee of Rs. 76.41 Lakhs on 15th January, 2019 for non-receipt of payment. The Company has disputed the bills raised by GAIL and referred the matter for arbitration as per terms of agreement to resolve the issue. Further adjustments if required in the accounts will be made as and when matter is resolved.

b) The appeal filed against the tax demand of Rs. 625.56 Lakhs raised against the Company as per Order u/s 143 (3) of the Income Tax Act, 1961 ("the Act") for the Assessment Year 2012-13 has been decided in favour of the Company allowing full relief by the Appellate Authority. Before the passing of the favourable order, re-assessment proceedings u/s 147 of the Act, was initiated and an Order u/s 147 read with Section 143(3) of the Act, dated 05th December, 2018 was received by the Company raising tax demand of Rs. 1705.20 Lakhs (including interest) mainly on the similar issue (capital gain on slump sale). The Company has again filed an Appeal before the Appellate Authority on 16th January, 2019 and the management is confident that once the effect of the Order of the Appellate Authority is given, the disputed demand raised by the Tax Authority shall stand settled.

Note - 36 : Dues to Micro and Small Enterprises

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the company is Rs. 66.29 Lakhs out of which Rs. 40.18 Lakhs and Rs.26.11 Lakhs are classified in 'Payables for expenses' and 'Payables for Capital goods' respectively under Note 25-Other Financial Liabilities.

Note - 37 : Segment Reporting

The Company's Commercial production commenced on 22.03.18. There is only one operating segment, therefore, Ind AS 108 on "Operating Segments" is not applicable to the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note - 38: Earnings per Share

Basic and Diluted EPS amounts are calculated by dividing the profit or loss for the year attributable to equity holders of the Company by the weighted average number of Equity Shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	**31-Mar-19**	31-Mar-18
Profit/(Loss) attributable to equity holders	**(5,029.54)**	(1,534.71)
Weighted Average number of equity shares used for computing Earning Per Share (Basic)	**118.61**	116.48
Weighted Average number of equity shares used for computing Earning Per Share (Diluted)	**118.61**	118.55
Face value per share (Rs.)	**10.00**	10.00
Earning Per Share (Basic) (Rs.)	**(42.41)**	(13.18)
Earning Per Share (Diluted) (Rs.)	**(42.41)**	(12.95)

Note - 39: Employee Benefits

A. Defined Contribution Plans- General Description

Provident Fund

During the year, the Company has recognised Rs. 31.88 lakhs (31-03-2018 : Rs 22.14 lakhs) as contribution to Provident Fund which has been disclosed under the head Contribution to Provident Fund and Others in Note No. 32

B. Defined Benefit Plans- General Description

Gratuity

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the eligible salary for every completed year of service subject to maximum of Rs.20 lakhs at the time of separation from the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note - 39 Employee Benefits (Contd..)

C. The summarised position of various Defined Benefit Plans recognised in the Statement of Profit and Loss, Balance Sheet and Other Comprehensive Income are as under:

(i) Reconciliation of balance of Defined Benefit Plans (Rs. in lakhs)

	Gratuity Non-Funded
Defined Obligation at the beginning	**11.12** 11.12
Current Service Cost	**6.06** 4.91
Past Service Cost	**-** 8.27
Interest Cost	**1.76** 0.81
Contribution by employees	**-** -
Net Liability transferred In / (Out)	**-** -
Benefits paid	**-** (1.15)
Actuarial (gain)/ loss on obligations	**(2.13)** (1.32)
Defined Benefit Obligation at the end of the year	**28.32** 22.63

Note - Figures given in Unbold & Italic Font in the table are for previous year.

(ii) Reconciliation of balance of Fair Value of Plan Assets

	Gratuity Non-Funded
Fair Value of Plan Assets at the beginning of the year	**-** -
Interest Income	**-** -
Contribution by employer	**-** 1.15
Contribution by employees	**-** -
Net Liability transferred In / (Out)	**-** -
Benefit paid	**-** (1.15)
Re-measurement (Return on plan assets excluding Interest Income)	**-** -
Fair value of plan assets at the end of the year	**-** -

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note - 39 Employee Benefits (Contd..)

(iii) Reconciliation of Fair Value of Plan Assets and Defined Benefit Obligation (Rs. in lakhs)

	Gratuity Non-Funded
Fair Value of Plan Assets at the end of the year	**-** -
Defined Benefit Obligation at the end of the year	**28.32** 22.63
Amount not recognised in the Balance Sheet (as per para 64 of Ind-As 19)	**-** -
Amount recognised in the Balance Sheet	**28.32** (22.63)

(iv) Amount recognised in Statement of Profit and Loss / Construction Period Expenses (Rs. in lakhs)

	Gratuity Non-Funded
Current Service Cost	**6.06** 4.91
Past Service Cost	**-** 8.27
Net Interest Cost	**1.76** 0.81
Contribution by Employees	**-** -
Expenses for the year	**7.82** 13.99

Note - Figures given in Unbold & Italic Font in the table are for previous year.

(v) Amount recognised in Other Comprehensive Income (OCI) (Rs. in lakhs)

	Gratuity Non-Funded
Actuarial (gain)/ loss on Obligations - Due to change in demographic assumptions	**0.24** -
Actuarial (gain)/ loss on Obligations - Due to change in financial assumptions	**0.94** (0.13)
Actuarial (gain)/ loss on Obligations - Due to Experience	**(3.31)** (1.19)
Re-measurement (Return on plan assets excluding Interest Income)	**-** -
Net Loss / (Gain) recognized in OCI	**(2.13)** (1.32)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note - 39 Employee Benefits (Contd..)

(vi) Major Actuarial Assumptions (Rs. in lakhs)

	Gratuity Non-Funded
Discount rate	**7.79%** 7.73%
Expected return on plan assets	**0.00%** 0.00%
Salary escalation	**7.00%** 6.00%
Attrition Rate	**5.00%** 5.00%

(vii) Sensitivity on Actuarial Assumptions: (Rs. in lakhs)

Loss / (Gain) for:	**Gratuity Non-Funded**
Change in Discounting Rate	
Increase by 1%	**27.05** 21.73
Decrease by 1%	**29.81** 23.65
Change in Salary Escalation	
Increase by 1%	**29.52** 23.24
Decrease by 1%	**27.32** 22.12
Change in Attrition Rate	
Increase by 1%	**28.11** 22.55
Decrease by 1%	**28.54** 22.72
Mortality Rate	
Increase by 10%	**28.33** 22.64

Note - Figures given in Unbold & Italic Font in the table are for previous year.

(viii) Investment details:

The Company has not started funding the gratuity liability & has been following pay as you go method for setting the liability.

The management has relied on the overall actuarial valuation conducted by the actuary.

The Actuarial valuation has been carried out as on 23.05.2019.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note - 40: Related Party Disclosure

(a) Key Managerial Personnel:

(i) Mr. S.K. Jalan (Managing Director)

(ii) Mr. Ashim Kumar Dutta (Whole Time Director)

(iii) Mr. Manoj Sureka (CFO)

(iv) Mr. Mukesh Sharma (Company Secretary)

(b) Relatives of Key Managerial Personnel:

M/s. Bajarang Prasad & Son (HUF) [Mr. S.K. Jalan is Karta]

(c) Enterprises over which Key Managerial Personnel and relatives of such Key Managerial Personnel Exercise Significant Influence:

(i) Kilburn Office Automation Limited

(ii) Kilburn Software Technologies Limited

(iii) Shree Durga Agencies Limited

(iv) Supriya Finance Limited (formerly Buckingham Financial Services Limited)

(v) Nirvan Commercial Company Limited

(vi) Sandeep Investments Ltd.

(vii) Just Desserts Ltd.

(d) The following transactions were carried out with the related parties and their relatives in the ordinary course of business:

(Rs. in Lakhs)

		As at 31st March, 2019	As at 31st March, 2018
(i)	**Rent paid***		
	Nirvan Commercial Company Limited	**6.40**	9.60
	M/s Bajarang Prasad & Son (HUF)	**-**	0.75
(ii)	Managerial Remuneration		
	Mr. Sandeep Kumar Jalan**	**44.32**	44.36
	Mr Ashim Kumar Dutta**	**71.13**	71.13
	Mr. Sunil Gopal Somani**	**-**	11.10
	Mr. Manoj Sureka**	**21.54**	9.05
	Mr. Mukesh Sharma	**7.06**	7.17
(iii)	Director's Sitting Fees		
	Mr. V. Vanchi	**-**	0.04
	Mr. Ranjit Chaudhuri	**0.24**	0.24
	Mr. Anand Chatrath	**0.16**	0.24
	Ms. Mamta Kejriwal	**0.24**	0.32

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note - 40: Related Party Disclosure *(Contd.)*

(iv)	**Refund of Loan given**		
	Kilburn Office Automation Limited	**-**	5.00
(v)	**Loan Taken**		
	Arham Vyapaar Pvt. Ltd.	**-**	232.25
	Kilburn Software Technologies India Limited	**-**	19.50
	Maryada Advisory Pvt. Ltd.	**-**	188.00
	Mr. S. K. Jalan	**621.13**	125.11
	Nirvan Commercial Company Limited	**28.74**	25.20
	Shree Durga Agencies Limited	**902.92**	330.00
	Supriya Finance Limited	**29.50**	263.75
	Pushpdant Vyapaar Private Limited	**-**	42.10
(vi)	**Interest Expense on Loan Taken*** **		
	Arham Vyapaar Pvt. Ltd.	**-**	10.84
	Kilburn Software Technologies India Limited	**0.79**	0.91
	Maryada Advisory Pvt. Ltd.	**-**	8.72
	Mr. S. K. Jalan	**60.46**	0.37
	Nirvan Commercial Company Limited	**1.03**	1.18
	Shree Durga Agencies Limited	**70.99**	15.40
	Supriya Finance Limited	**11.52**	7.72
	Pushpdant Vyapaar Private Limited	**-**	1.96
	(vii) Amount received on Conversion of Share Warrants		
	M/s Shree Durga Agencies Limited	**-**	70.20
	M/s Nirvan Commercial Company Limited	**-**	146.25
	M/s Ana Vincom Private Limited	**-**	234.00
(viii)	**Amount received on Conversion of Unsecured Loan**		
	Nirvan Commercial Company Limited	**48.20**	-
	Shree Durga Agencies Limited	**356.00**	-
	Supriya Finance Limited	**280.25**	-

* Rent paid debited to Pre-Operative Expenditure till 22.03.18. Thereafter from 23.03.18 it is debited to the Statement of Profit and Loss.

** Managerial Remuneration debited to Pre-Operative Expenditure till 22.03.18. Thereafter from 23.03.18 it is debited to the Statement of Profit and Loss.

*** Interest Expense on Loan Taken debited to Pre-Operative Expenditure till 22.03.18. Thereafter from 23.03.18 it is debited to the Statement of Profit and Loss.

Managerial Remuneration has been paid for the period April - September 2018 and for the rest six months, the same has been provided in the books.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note - 40: Related Party Disclosure *(Contd.)*

Rs. in Lakhs

		As at 31st March, 2019	As at 31st March, 2018
(e)	**Balances as at 31st March**		
	(i) Investments Kilburn Software Technologies Limited	**7.50**	7.50
	(ii) Advances against rent Late B. P. Jalan	**-**	0.80
	Bajarang Prasad & Son (HUF)	**0.25**	0.25
	(iii) Deposits against rent Late B.P. Jalan	**-**	0.48
	Bajarang Prasad & Son (HUF)	**0.42**	0.42
	(iv) Loan given Kilburn Office Automation Ltd.	**276.57**	276.57
	(v) Loan Taken Arham Vyapaar Pvt. Ltd.	**-**	232.25
	Kilburn Soft ware Technologies India Limited	**-**	19.50
	Maryada Advisory Pvt. Ltd.	**-**	188.00
	Mr. S. K. Jalan	**746.24**	125.11
	Nirvan Commercial Company Limited	**5.74**	25.20
	Shree Durga Agencies Limited	**876.92**	330.00
	Supriya Finance Limited	**13.00**	263.75
	Pushpdant Vyapaar Private Limited	**-**	42.10
	(vi) Personal Guarantee Mr. Sandeep Kumar Jalan	**16,600.00**	16,600.00

Refer Note 19

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note - 41: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using debt equity ratio, which is borrowings divided by Equity. The Company's endeavour is to keep the debt equity ratio around 2:1. The Company also includes cash credit and accrued interest on the borrowings for the purpose of capital management.

(Rs. in Lakhs)

	31.03.2019	31.03.2018
Borrowings	**20,045.62**	18,049.65
Equity Share Capital	**1,390.74**	1,185.50
Other Equity	**2,026.75**	5,925.35
Equity	**3,417.49**	7,110.85
Debt Equity Ratio	**5.87 : 1**	2.54 : 1

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2019 and 31st March, 2018.

Note - 42: Disclosure relating to Corporate Social Responsibility (CSR) Expenditure

The disclosure in respect of CSR expenditure for FY 2018-19 is as under:

(Rs. in lakhs)

Particulars	**31.03.2019**	31.03.2018
(a) Gross amount required to be spent by the company during the year.		
Annual CSR Allocation	**-**	-
Carry forward from previous year	**0.51**	0.51
Gross amount required to be spent	**0.51**	0.51

(b) Amount spent during the year on: (Rs. in lakhs)

	31.03.2019			31.03.2018		
	In cash	**Yet to be paid In cash**	**Total**	In cash	Yet to be paid In cash	Total
(i) Construction/acquisition of any assets	**-**	**-**	**-**	-	-	-
(ii) On purposes other than (i) above						
Education/employment vocational skills	-	0.51	0.51	-	0.51	0.51
Total Expenses (ii)	**-**	**0.51**	**0.51**	**-**	**0.51**	**0.51**
Grand Total (i) and (ii)	**-**	**0.51**	**0.51**	**-**	**0.51**	**0.51**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note - 43: Disclosures as required by Regulation 34(3) of SEBI(LODR) Regulations 2015

In compliance of Regulation 34(3) of SEBI(LODR) Regulations 2015, the required information is given as under: (Rs. in Lakhs)

		Amount as on		Maximum Amount outstanding during the year ended	
		31.03.2019	**31.03.2018**	31.03.2019	31.03.2018
I.	**Loans and Advances in the nature of loans:**				
	To a Company in which directors are interested	**276.57**	**276.57**	276.57	281.57

Note

For an interest-free loan given to Kilburn Office Automation Limited, it is expected to repay the loan from available funds that will be internally generated from its business. This indicates that Kilburn Office Automation Limited has an obligation to repay this loan even though there is no specific repayment date, thus, it has been appropriately classified as a financial asset in the financial statements of the Company. Since it is not practicable to estimate the timing of repayment of this loan by Kilburn Office Automation Limited, this has been considered as repayable on demand by the company in its Financial Statements. In this scenario, Ind AS 113 states that 'the fair value of a financial liability with a demand feature is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid. Assuming that this loan is considered as repayable on demand at any time, no discounting is required on initial recognition/transition date. Accordingly, the loan to Kilburn Office Automation Limited has been considered as good and measured by the Company at its face value, which is also its fair value.

Note - 44: Financial Instruments and Risk Factors

Financial risk management objectives and policies

The Company has set up a new plant at Dahej, Gujarat for which commercial production has started with effect from 22.03.2018. The Company's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest risk and commodity risk etc.), credit risk and liquidity risk. The Company's overall risk management policy seeks to minimize potential adverse effects on Company's financial performance.

i) **Market Risk:**

Market risk is the risk that the fair value of future cash flow of financial instruments will fluctuate because of change in market prices. Market risk comprises mainly three types of risk: interest rate, currency risk and other price risk such as commodity price risk.

a) **Foreign Currency Risk:** Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Since it is a new project only some spare parts imports shall take place for which hedge shall take place depending upon quantum. After taking cognizance of the natural hedge, the Company takes appropriate hedge to mitigate its risk resulting from fluctuation in foreign currency exchange rate(s). Foreign currency sensitivity: To be covered during full period of operation.

b) **Interest rate risk:** Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any change in the interest rates environment may impact future rates of borrowing.The Company mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments,

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note - 44: Financial Instruments and Risk Factors *(Contd..)*

interest rate negotiation with the lenders for ensuring the cost effective method of financing. Interest Rate Sensitivity: Since the project is new and full operation hasn't begun in the current year, such details shall be stated when full operation begins.

c) **Commodity Price Risk:** The Company is affected by the price volatility of certain commodities. Its operating activities require the continuous supply of certain raw materials. To mitigate the commodity price risk, the Company has an approved supplier base to get competitive prices for the commodities and to assess the market to manage the cost without any compromise on quality.

ii) **Credit Risk:**

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables; inter corporate deposit, derivative financial instruments, other balances with banks, loans and other receivables. The Company does not envisage any such exposure in the near future since it is a new project.

iii) **Liquidity Risk:**

Liquidity risk is the risk, where the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

Note - 45: Taxes

(i) In compliance of Ind AS - 12 on "Income Taxes", the item wise details of Deferred Tax Liability (net) are as under: (Rs. In Lakhs)

Particulars	As on 31.03.2018	Provided during the year in Statement of Profit & Loss	Provided during the year in OCI (net)	As on 31.03.2019
Deferred Tax Liability:				
Related to Fixed Assets	293.51	594.47	-	887.98
Total Deferred Tax Liability (A)	**293.51**	**594.47**	**-**	**887.98**
Deferred Tax Assets:				
43B/40 (a)(ia)/other Disallowances etc.	5.83	1.54	-	7.36
Brought Forward Business Losses	-	394.74	-	394.74
Total Deferred Tax Assets (B)	**5.83**	**396.28**	**-**	**402.10**
Deferred Tax Asset/(Liability) (B-A)	**(287.68)**	**(198.19)**	**-**	**(485.88)**

(ii) Reconciliation between the average effective tax rate and the applicable tax rate is as below :

	31st March, 2019	31st March, 2018
Tax at the applicable tax rate on Accounting Profit	**(1,256.14)**	(322.05)
Tax effect of income that are not taxable in determining taxable profit	**1,255.22**	26.60
Tax effect of expenses that are not deductible in determining taxable profit	**0.92**	290.64
Tax effect on recognition of previously unrecognised allowance/disallowances	**-**	4.81
Tax expenses/income related to prior years	**-**	(1.09)
Tax Effect of Items that will not be allowed in future years (net)	**198.20**	285.13
Total Tax expense recognised in the statement of profit and loss A/c	**198.20**	284.04

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note - 46: Other Disclosures

a Disclosure on Revenue Grants

EPCG Grant

Grant recognized in respect of duty waiver on procurement of capital goods under EPCG scheme of Central Govt. which allows procurement of capital goods including spares for pre-production and post-production at zero duty subject to an export obligation of 6 times of the duty saved on capital goods procured. The unamortized grant as on 31.03.2019 is Rs. 545.26 lakhs (31-03-2018:Rs. 545.26 Lakhs). The Company has not yet recognised any amount in the Statement of Profit and Loss as amortisation of revenue grant. The Company expects to meet the export obligations and therefore equivalent deferred grant has not been treated as liability.

b No provision has been made against carried over balances against Trade Receivables and other Receivables amounting to Rs. 110.93 lakhs (31-03-2018: Rs. 34.52 lakhs) from earlier years considered as good and fully recoverable by the management.

c During the year ended on 31st March, 2019, the Company could not repay two quarterly instalments aggregating to Rs. 664 Lakhs besides interest amounting to Rs. 1116.15 Lakhs to the Bankers against the credit facilities availed under consortium arrangement. As a result, the loan has been classified as NPA and Bank of Baroda, the lead banker under the consortium arrangement has issued notice under Section 13(2) of the SARFAESI Act, 2002 dated 13th March, 2019 to repay the entire borrowings of Rs. 17,736.28 Lakhs (including interest upto 31st December, 2018) within 60 days from the date of issuance of such notice. The Company has responded to the notice vide its letter dated 22nd March, 2019 informing that proposals for fresh funding is under consideration by Banks/ Investors and a positive outcome is expected by the Company's management. Pending positive outcome the Company has disclosed, amount of outstanding loans of Rs. 13,612.00 lakhs from Banks under "Long Term Borrowings".

d Certain carried over balances from earlier years included in Trade Receivables, Trade Payables, other Current Liabilities and Claim Receivables are subject to confirmation/adjustments.

(Rs. in Lakhs)

		31st March, 2019	31st March, 2018
e	**C. I. F. Value of Capital Goods Imported**	**48.07**	982.62
f	**Additional information pursuant to the provisions of Schedule III of the Companies Act, 2013**		
	Expenditure in Foreign Currency		
	Travel (purchase of travelers cheques / foreign currencies/ exchange) (as certified) (Rs.)	**-**	1.05
	Installation Expense	**15.71**	94.59

g The amount of Rs. 4.43 lakhs lying in Unpaid Dividend Account for the year 2010-11 has been transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Act and rules made thereunder, on 28.11.2018. The due date of which was 30.11.2018

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

h Value of Raw Materials, Stores, Spare Parts and Packing Materials consumed: (Rs. In Lakhs)

Particulars	**For the year ended 31.03.2019**		For the year ended 31.03.2018	
	(Rs.)	**% of Consumption**	(Rs.)	% of Consumption
Raw Materials				
- Indigenous	**361.33**	**100.00%**	35.27	100.00%
- Imported	**-**	**-**	-	-
Stores, Spare Parts and Packing Material				
- Indigenous	**6.37**	**100.00%**	0.01	100.00%
- Imported	**-**	**-**	-	-

i Details of Other Loans and Guarantees given or Investment made covered under Section 186(4) of The Companies Act, 2013

Amount outstanding as at 31st March, 2018

Name of entity	**31.03.2019 (Rs. in Lakhs)**	31.03.2018 (Rs. in Lakhs)	Particulars of loan guarantees given or investment made	Purpose for which the loans, guarantees and investment are proposed to be utilized
Kilburn Office Automation Limited*	**276.57**	276.57	Loan	Business Purpose

*Enterprise over which Key Managerial Personnel exercise significant influence.

j The Company's production could not be resumed due to financial crunch after the scheduled annual maintenance period.

k During the year 2018-19 the Company has issued 20,52,377 Equity Shares of Rs.10/- each on preferential basis at a premium of Rs 55/- per Equity Share to promoters against conversion of unsecured loan aggregating to Rs. 13,34,05,000. Equity Shares has been issued at a price of Rs. 65/- per share (Rs. 10/- against capital and Rs. 55/- against Premium).

l Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

m Figures have been rounded off to Rupees in Lakhs.

As per our report of even date attached
For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No.: 311017E
(V. K. SINGHI)
Partner
Membership No.: 050051
Place: Kolkata
Date: 30th May, 2019

FOR AND ON BEHALF OF THE BOARD

A. K. Dutta
Whole Time Director
DIN No: 06651961

S. K. Jalan
Managing Director
DIN No: 00015836

Manoj Sureka
Chief Financial Officer

Mukesh Sharma
Company Secretary
Membersip No: A28288

If undelivered please return to :

MAHESWARI DATAMATICS PVT. LTD.

Unit : Kilburn Chemicals Ltd.

23, R.N. Mukherjee Road, 5th Floor

Kolkata - 700 001

CALCUTTA MARKETING 9830042594