

CIN : L23200MH1985PLC035187

REGD. OFFICE  
51-52, FREE PRESS HOUSE,  
FREE PRESS JOURNAL MARG,  
NARIMAN POINT,  
MUMBAI 400 021.

TEL : (91-22) 2283 3355 / 2283 4182  
FAX : (91-22) 2204 9946  
E-MAIL : rama@ramagroup.co.in  
WEB : www.ramapetrochemicals.com

Ref : RPCL/PJ/332  
Date : September 27, 2018

To,

Bombay Stock Exchange Limited  
**Corporate Relationship Department**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
MUMBAI : 400 001

Name of the Company : **RAMA PETROCHEMICALS LIMITED**  
BSE Script Code : **500358**

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Annual Report for the Financial Year 2017 - 2018 which was approved and adopted at the Annual General Meeting held on 25/09/2018.

Kindly take the same on your record.

Yours faithfully,  
For **RAMA PETROCHEMICALS LIMITED**



**H. D. RAMSINGHANI**  
CHAIRMAN  
DIN : 00035416

Encl : a/a



**RAMA PETROCHEMICALS LIMITED**  
**Thirty Second Annual Report**  
**2017 - 2018**

**BOARD OF DIRECTORS**

**CHAIRMAN**

MR. H. D. RAMSINGHANI

**TECHNICAL DIRECTOR**

MR. D. N. SINGH

**REGISTERED OFFICE**

51/52, FREE PRESS HOUSE,

NARIMAN POINT,

MUMBAI 400 021.

CIN: L23200MH1985PLC035187

Email : rama@ramagroup.co.in

Website:www.ramapetrochemicals.com

Tel.No. 022-2283 3355 / 2283 4182

Fax : 022-2204 9946

**DIRECTORS**

MR. R. G. KULKARNI

MRS. N. H. RAMSINGHANI

MR. N. R. JOSHI

**PLANT**

VILLAGE VASHIVALLI,

SAVROLI KHARPADA ROAD,

PATALGANGA,

DIST RAIGAD

MAHARASHTRA

**AUDITORS**

DAYAL & LOHIA

CHARTERED ACCOUNTANTS

MUMBAI

**REGISTRARS AND TRANSFER AGENT**

LINK INTIME INDIA PVT. LTD.

C-101, 247 PARK,

L. B. S. MARG,

VIKROLI (WEST),

MUMBAI 400 083.

TEL : 91-22-49186000

FAX : 91-22-49186060

EMAIL: rnt.helpdesk@linkintime.co.in

Website : www.linkintime.co.in

## **NOTICE**

NOTICE is hereby given that the Thirty Second Annual General Meeting of the members of RAMA PETROCHEMICALS LIMITED will be held on Tuesday, the 25th day of September, 2018 at 10.00 a.m at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400001 to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt:
  - (a) the Audited Financial Statements of the Company for the year ended March 31, 2018 together with the Reports of the Directors and Auditors thereon and;
  - (b) the Audited Consolidated Financial Statements of the Company for the year ended March 31, 2018.
2. To appoint a Director in place of Mr. H D Ramsinghani (DIN 00035416) who retires by rotation and is eligible for reappointment.
3. 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 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under including any statutory modification or re-enactment thereof for the time being in force the retiring Statutory Auditors M/s Dayal and Lohia (Registration No 102200W), Chartered Accountants be and they are hereby reappointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting on such remuneration as may be finalized by the Board of Directors of the Company.”

### **SPECIAL BUSINESS**

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with rules, circulars, orders and notifications issued there under and subject to such approvals as may be necessary, the consent of the Members be and it is hereby accorded to the Board of Directors (the Board) for selling, transferring or otherwise disposing off at prevailing market rates, either as a whole or in smaller parcels as the Board may deem fit, the vacant plot of land situated at Village Vashivalli and Vadgaon, Taluka Khalapur. District Raigad, Maharashtra (the said Plot).”

“RESOLVED FURTHER THAT the Board (which term shall include a committee thereof) be and it is hereby authorized to take all such steps and do all such acts, deeds, matters and things, including the authority to negotiate with prospective buyers, finalize the terms and conditions for the said sale/transfer and execute documents etc, as may be required, necessary and expedient to give effect to the above Resolution to the end and intent that no further approval of the Members shall be required for the sale, transfer and disposal of the said Plot.”

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

“RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecation in addition to the existing charges, mortgages and hypothecation created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company

in certain events in favor of various lenders to secure loans availed / to be availed from time to time up to an amount not exceeding Rs. 50 Crores (Rupees Fifty Crore Only)”

“RESOLVED FURTHER THAT the Board (which term shall include a committee thereof) be and is hereby authorized to take all such steps and do all such acts, deeds, matters and things and execute documents etc, as may be required, necessary and expedient to the end and intent that no further approval of the Members shall be required to give effect to the above Resolution.”

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

“RESOLVED THAT pursuant to Section 180(1)(a) and Section 188 other applicable provisions, if any, of the Companies Act, 2013, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecation in addition to the existing charges, mortgages and hypothecation created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favor of various lenders being related parties to secure loans availed/ to be availed from time to time up to an amount not exceeding Rs. 60 Crores (Rupees Sixty Crore Only)”

“RESOLVED FURTHER THAT the Board (which term shall include a committee thereof) be and is hereby authorized to take all such steps and do all such acts, deeds, matters and things and execute documents etc, as may be required, necessary and expedient to the end and intent that no further approval of the Members shall be required to give effect to the above Resolution.”

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

“RESOLVED THAT pursuant to the provisions of section 12(5) of the Companies act, 2013 and the rules made thereunder and subject to such consents, sanctions and approvals as may be necessary, the consent of the Members be and it is hereby accorded for the shifting of the registered Office of the Company from 51/52, Free Press House, Nariman Point, Mumbai 400021 to Village Vashivalli, Taluka Khalapur, District Raigad, Maharashtra, within the jurisdiction of the same Registrar of Companies, with effect from October 01, 2018.”

“RESOLVED FURTHER THAT the Board (which term shall include a committee thereof) be and is hereby authorized to take all such steps and do all such acts, deeds, matters and things and execute documents etc, as may be required, necessary and expedient to the end and intent that no further approval of the Members shall be required to give effect to the above Resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a), Section 188 and other applicable provisions, if any, of the Companies act, 2013 read with rules, circulars, orders and notifications issued there under and subject to such approvals as may be necessary, the consent of the Members be and it is hereby accorded to the Board of Directors (the Board) for selling, transferring or otherwise disposing off at prevailing market rates, all or any of the 10 residential flats and a Guest House situated at MIDC Colony, Mohpada, Taluka Khalapur, District Raigad, Maharashtra (the said flats).”

“RESOLVED FURTHER THAT the Board (which term shall include a committee thereof) be and it is hereby authorized to take all such steps and do all such acts, deeds, matters and things, including the authority to negotiate with prospective buyers, finalize the terms and conditions for the said sale/transfer and execute documents etc, as may be required, necessary and expedient to give effect to the above Resolution to the end and intent that no further approval of the Members shall be required for the sale, transfer and disposal of the said Flats.”

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

“RESOLVED THAT subject to consents, approvals and/or permissions as may be required and in terms of provisions of Section 180 (1)(a) of Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force) and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, the consent of the Members be and is hereby accorded to the Board of Directors to sell the entire stake held by the Company in Rama Capital and Fiscal Services Pvt Ltd in one or more tranches to such persons and at such price as the Board may in its absolute discretion deem fit.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company or a Committee thereof, be and is hereby authorised to take such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed sale and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith”.

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with rules, circulars, orders and notifications issued there under and subject to such approvals as may be necessary, the consent of the Members be and it is hereby accorded to the Board of Directors (the Board) for selling, transferring or otherwise disposing off at prevailing market rates, either as a whole or in smaller parcels as the Board may deem fit, the vacant plot of land situated at Village Vashivalli and Vadgaon, Taluka Khalapur. District Raigad, Maharashtra (the said Plot).”

“RESOLVED FURTHER THAT the Board (which term shall include a committee thereof) be and it is hereby authorized to take all such steps and do all such acts, deeds, matters and things, including the authority to negotiate with prospective buyers, finalize the terms and conditions for the said sale/transfer and execute documents etc, as may be required, necessary and expedient to give effect to the above Resolution to the end and intent that no further approval of the Members shall be required for the sale, transfer and disposal of the said Plot.”

## **NOTES**

- 1 The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business specified in the Notice is annexed thereto.
- 2 **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**  
**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
- 3 The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday the 18th day of September, 2018 to Tuesday the 25th day of September, 2018 (both days inclusive).
- 4 Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, Sundays and Public Holidays from 10.00 am to 1.00 pm up to the date of the meeting.

- 5 Members desirous of seeking any information concerning the Accounts are requested to address their queries, in writing, to the Company at its Registered Office at least seven days before the date of the Meeting so that the requested information can be made available at the time of the meeting.
- 6 Members/Proxies should bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
- 7 The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green initiative in Corporate Governance' and allowed companies to share documents with its shareholders through electronic mode. Members are requested to support this green initiative by registering / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Link Intime India Private Limited.
- 8 The Company is pleased to provide e-voting facility through Central Depository Services (India) Limited (CDSL) to enable all the Members to cast their votes electronically on the resolutions mentioned in the Notice dated August 6, 2018 for the 32nd Annual General Meeting of the Company. The instructions for members voting electronically are given below:

**e-Voting instructions**

The instructions for members for voting electronically are as under;

- (I) The voting period begins on 22/09/2018 at 9.00 am and ends on 24/09/2018 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 18, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

(II) Procedure :

The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

- (i) Click on Shareholders.
- (ii) Now Enter your User ID
  - a. For CDSL: 16 digit beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digit Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iii) Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier resolution of any company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on address slip in the PAN field.</li></ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"><li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li></ul>

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (ix) 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.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xiv) If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xvi) Note for Non – Individual Shareholders and Custodians.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (III) The Company has appointed Mr. Sanjay Dholakia, Practicing Company Secretary (Membership Number FCS 2655) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (IV) The results shall be declared after the Annual General Meeting. The results along with the Scrutinizer’s report shall be placed on the website of the Company and also communicated to the stock Exchange.



(V) In case you have any queries or issues regarding e-voting, you may refer the “Frequently Asked Questions” (FAQs) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

By Order of the Board  
**For RAMA PETROCHEMICALS LTD**

**H.D. RAMSINGHANI**  
**CHAIRMAN**  
**(DIN 00035416)**

Place: Mumbai  
Date : August 6, 2018

Registered Office ;  
51-52, Free Press House,  
Nariman Point, Mumbai 400021  
Tel: 912222834123  
Fax: 912222049946  
CIN No. L23200MH1985PLC035187  
E-mail: [rama@ramagroup.co.in](mailto:rama@ramagroup.co.in)  
Website: [www.ramapetrochemicals.com](http://www.ramapetrochemicals.com)

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 WITH REFERENCE TO THE SPECIAL BUSINESS SPECIFIED IN THE NOTICE CONVENING THE THIRTY SECOND ANNUAL GENERAL MEETING OF THE COMPANY.**

**ITEM NO 4**

The Company has a plot of land admeasuring about 12 acres (the said plot) situated at Village Vashivalli and Vadgaon, Taluka Khalapur. District Raigad, Maharashtra which was purchased by the Company for setting up the Methanol Project. The Methanol Project has been set up at an adjacent plot and the said Plot has remained unutilized till date and the said plot is no longer required for the business of the Company. Hence it is proposed to dispose off the said plot at prevalent market rates after obtaining all requisite approvals, for which the resolution is placed before the Members for their approval.

All the Directors and the Key Managerial Personnel along with their relatives may be deemed to be concerned or interested in the resolution to the extent of their shareholding, if any.

**ITEM NO 5**

The borrowings of the Company from time to time may, if necessary, are required to be secured by way of charge / mortgage / hypothecation on the Company’s assets in favour of the various lenders and which may contain provision to take over substantial assets of the Company in certain events of default. It is therefore necessary to pass a resolution under Section 180(1)(a) of the Act, for creation of charge / mortgage / hypothecation for an amount not exceeding Rs. 50 crores.

All the Directors and the Key Managerial Personnel along with their relatives may be deemed to be concerned or interested in the resolution to the extent of their shareholding, if any.

**ITEM NO 6**

The borrowings of the Company from time to time from related parties are required to be secured by way of charge / mortgage / hypothecation on the Company’s assets and which may contain provision to take over substantial assets of the Company in certain events of default. It is therefore necessary to pass a resolution under Section 180(1)(a) and section 188 of the Act, for creation of charge / mortgage / hypothecation for an amount not exceeding Rs. 60 crores. The information as required under Rule 15 of the Companies (Meetings of the Board and its Powers) Rules, 2014 is as under:

- A. Name of the Related Party : Rainbow Agri Industries Ltd.
1. Name of the Director or KMP who is related: Mr H D Ramsinghani and Mr R G Kulkarni.
  2. Nature of relationship: The aforesaid Directors of the Company are also the Directors of Rainbow Agri Industries Ltd.
  3. Nature, material terms, monetary value and particulars of the contract: The loans granted by Rainbow Agri Industries Limited to the Company to meet its day to day working capital requirements up to an amount of Rs 25 crore are proposed to be secured by a charge over the movable and/or immovable properties of the Company subject to receipt of all requisite approvals.
- B. Name of the Related Party : Blue Lagoon Investments Pvt Ltd.
1. Name of the Director or KMP who is related: Mr H D Ramsinghani.
  2. Nature of relationship: The relatives of the aforesaid Director of the Company are the majority shareholders in Blue lagoon Investments Pvt
  3. Nature, material terms, monetary value and particulars of the contract: The loans granted by Blue Lagoon Investments Pvt Ltd. to the Company to meet its day to day working capital requirements up to an amount of Rs 25 crore are proposed to be secured by a charge over the movable and/or immovable properties of the Company subject to receipt of all requisite approvals.
- C. Name of the Related Party : Rama Phosphates Ltd.
1. Name of the Director or KMP who is related: Mr H D Ramsinghani, Mr D N Singh, Mrs N H Ramsinghani and Mr N R Joshi.
  2. Nature of relationship: The aforesaid Directors of the Company are also the Directors of Rama Phosphates Ltd.
  3. Nature, material terms, monetary value and particulars of the contract: The loans granted/ to be granted by Rama Phosphates Limited to the Company to meet its capital requirements up to an amount of Rs 10 crore are proposed to be secured by a charge over the movable and/or immovable properties of the Company subject to receipt of all requisite approvals.

#### **ITEM NO 7**

The Registered Office of the Company is presently situated at 51/52, Free Press House, Nariman Point, Mumbai 400021. It is proposed to shift the Registered Office from the above address to Village Vashivalli, Taluka Khalapur, District Raigad, Maharashtra for administrative reasons effective from October 01, 2018.

None of the Directors and the Key Managerial Personnel along with their relatives are concerned or interested in the resolution.

#### **ITEM NO 8**

The Company has residential flats and a Guest House at MIDC Colony, Mohapada, Taluka Khalapur, District Raigad which are no longer required for the business of the Company and hence it is proposed to dispose off the said Flats at prevailing market rates either to third parties or to related parties after obtaining all requisite approvals, for which the enabling resolution is placed before the Members for their approval.

The information as required under Rule 15 of the Companies (Meetings of the Board and its Powers) Rules, 2014 is as under:

1. Name of the Related Party : Rainbow Agri Industries Ltd.
2. Name of the Director or KMP who is related: Mr H D Ramsinghani and Mr R G Kulkarni.
3. Nature of relationship: The aforesaid Directors of the Company are also the Directors of Rainbow Agri Industries Ltd.
4. Nature, material terms, monetary value and particulars of the contract: The sale of residential flats and the Guest House to Rainbow Agri Industries Limited will be at prevailing market rates on an arm's length basis.

All the Directors and the Key Managerial Personnel along with their relatives may be deemed to be concerned or interested in the resolution to the extent of their shareholding, if any.

**ITEM NO 9**

The Company holds 100% stake in the form of Equity and Preference Shares in Rama Capital and Fiscal services Pvt Ltd, an unlisted company. The investment was made with view to carry out financial activities. However, with the manufacturing activities of the Company being suspended, the Company has not been able to carry out any meaningful financial activities and hence it is proposed to divest its entire stake comprising both Equity and Preference shares in Rama Capital and Fiscal services Pvt Ltd. The sale will be effected at fair value based on Valuation Report to be obtained from a recognized Valuer in accordance with applicable legal provisions.

All the Directors and the Key Managerial Personnel along with their relatives may be deemed to be concerned or interested in the resolution to the extent of their shareholding, if any.

**ITEM NO 10**

The Company has a plot of land admeasuring about 12 acres (the said plot) situated at Village Vashivalli and Vadgaon, Taluka Khalapur. District Raigad, Maharashtra which was purchased by the Company for setting up the Methanol Project. The Methanol Project has been set up at an adjacent plot and the said Plot has remained unutilized till date and the said plot is no longer required for the business of the Company. Hence it is proposed to dispose off the said plot at prevalent market rates after obtaining all requisite approvals, for which the resolution is placed before the Members for their approval.

The information as required under Rule 15 of the Companies (Meetings of the Board and its Powers) Rules, 2014 is as under :

1. Name of the Related Party : Rainbow Agri Industries Ltd.
2. Name of the Director or KMP who is related: Mr H. D. Ramsinghani and Mr R. G. Kulkarni.
3. Nature of relationship: The aforesaid Directors of the Company are also the Directors of Rainbow Agri Industries Ltd.
4. Nature, material terms, monetary value and particulars of the contract: The sale of residential flats and the Guest House to Rainbow Agri Industries Limited will be at prevailing market rates on an arm's length basis.

All the Directors and the Key Managerial Personnel along with their relatives may be deemed to be concerned or interested in the resolution to the extent of their shareholding, if any.

By Order of the Board  
**For RAMA PETROCHEMICALS LTD**

**H.D. RAMSINGHANI**  
**CHAIRMAN**  
**(DIN 00035416)**

Place: Mumbai  
Date : August 6, 2018

Registered Office ;  
51-52, Free Press House,  
Nariman Point, Mumbai 400021  
Tel: 912222834123  
Fax: 912222049946  
CIN No. L23200MH1985PLC035187  
E-mail: rama@ramagroup.co.in  
Website: www.ramapetrochemicals.com

**INFORMATION PURSUANT TO SEBI (LODR) REGULATIONS, 2015**

As required under the SEBI (LODR) Regulations, 2015, the particulars of Director who is proposed to be reappointed at the forthcoming Annual General Meeting are as follows;

**Reappointment**

Mr. H. D. Ramsinghani (DIN 00035416) retires by rotation at the forthcoming Annual General Meeting and is eligible for reappointment.

Mr. H. D. Ramsinghani has done his Post Graduation in Management from USA and has over 34 years of rich and varied experience in the field of Textiles, Petrochemicals and Fertilizers.

Mr. H. D. Ramsinghani was a Director of the Company from incorporation till 16/08/1993 and thereafter he was the Managing Director from 11/03/1996 to 19/06/2002 and is a Director since 2005.

He is the Chairman and Managing Director of Rainbow Agri Industries Limited and Managing Director of Rama Phosphates Ltd. He is also a Director of Rainbow Denim Limited, Rama Industries Ltd and Nova Gelicon Pvt. Ltd. He is a Committee Member / Chairman in the following Companies :

<b>Name of the Company</b>	<b>Name of the Committee</b>	<b>Designation</b>
Rainbow Denim Ltd	Stakeholders Committee	Member
Rama Phosphates Ltd	Stakeholders Committee Audit Committee	Member Member
Rama Industries Ltd	Audit Committee	Member
Rama Petrochemicals Ltd	Stakeholders Committee	Member

**Map Showing Location of the venue of the AGM of Rama Petrochemicals Limited**  
**Venue : The Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path,**  
**Fort, Mumbai - 400001**



**DIRECTOR'S REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS**

Your Directors have pleasure in presenting the Thirty Second Annual Report together with the Audited Financial Statements for the year ended March 31, 2018.

**FINANCIAL RESULTS**

(₹ in lacs)

	STANDALONE		CONSOLIDATED	
	YEAR ENDED 31.03.2018	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2018	YEAR ENDED 31.03.2017
Profit/(Loss) before Depreciation	<b>361.50</b>	(132.95)	<b>361.59</b>	(134.24)
Depreciation	<b>2.61</b>	3.56	<b>2.80</b>	3.75
Profit/(Loss) before tax and extraordinary items	<b>358.89</b>	(136.51)	<b>358.79</b>	(137.99)
Extraordinary Items	<b>Nil</b>	Nil	<b>Nil</b>	Nil
Profit/(Loss) ) for the year	<b>358.89</b>	(136.51)	<b>358.79</b>	(137.99)
Other comprehensive income /(expense)	<b>0.89</b>	0.37	<b>0.89</b>	0.37
Total Comprehensive Profit/(Loss) for the year	<b>359.78</b>	(136.14)	<b>359.68</b>	(137.62)

**BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR AND THE STATE OF COMPANY'S AFFAIRS**

There was no production or sale of Methanol during the year under review. The manufacturing operations of the Company continued to be suspended during the entire year under review. The segment wise details are given in the notes forming part of the Accounts.

**DIVIDEND**

Your Directors regret their inability to recommend any dividend for the year under review.

**INDUSTRY STRUCTURE AND DEVELOPMENTS**

There is good demand for methanol in the country but the plants are not being operated due to non-availability of natural gas at competitive prices. Only few methanol manufacturers in the country are operating to limited capacity to meet their captive requirement. Situation is expected to improve once the domestic gas production increases.

**FUTURE PROSPECTS**

The demand for Methanol is increasing regularly and the same is being met by imports. It is expected that the natural gas production will improve in the near future which will be sufficient to meet domestic demand.

**RESERVES**

No appropriations were made to any specific Reserves for the year under review.

**CORPORATE GOVERNANCE**

A Report on Corporate Governance along with the Auditor's Certificate regarding Compliance of the conditions of Corporate Governance pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015 is annexed hereto.

Your Directors refer to the observations made by the Auditors in their Report on compliance with conditions of Corporate Governance and wish to state that the Company is taking steps to comply with requirement of minimum number of independent directors and appointment of KMP.

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) of the Companies Act, 2013 the Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

2. Appropriate policies have been selected and applied consistently and have 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, 2018 and the profit of the Company for the year ended March 31, 2018;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The annual accounts have been prepared on a going concern basis;
5. Internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively; and
6. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

#### **AUDIT COMMITTEE**

The Company has constituted an Audit Committee comprising of the following Directors viz., Mr. R .G. Kulkarni - Chairman, Mr. D. N. Singh, and Mr N. R. Joshi. The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board. There were no instances when the recommendations of the Audit Committee were not accepted by the Board during the year under review.

#### **OTHER COMMITTEES**

The Stakeholders Relationship Committee which presently consists of Mr. H. D. Ramsinghani (Chairman), Mr. D. N. Singh, Mr. R. G. Kulkarni and Mr. N. R. Joshi.

The Risk Management Committee which presently consists of Mr. H. D. Ramsinghani (Chairman), Mr. D. N. Singh and Mr. R. G. Kulkarni. The Board has formulated a Risk Management Policy covering various risks associated with the business of the Company.

The Nomination and Remuneration Committee comprising of Mr. R. G. Kulkarni – Chairman, Mr. H. D. Ramsinghani and Mr. N. R. Joshi.

The Company has not constituted a Corporate Social Responsibility Committee as the Company does not fulfill the prescribed criteria.

#### **WEB ADDRESS**

The Annual Return referred to in Section 92(3) of the Companies act, 2013 and other details about the Company are available on the website of the Company [www.ramapetrochemicals.com](http://www.ramapetrochemicals.com).

#### **SHARE CAPITAL**

There was no change in the share capital structure of the Company.

#### **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

Rama Capital and Fiscal Services Pvt Ltd is a wholly owned subsidiary of the Company which is engaged in the business of providing financial services. The turnover of the subsidiary during the year under review was ₹ 93,277/- and the loss after tax was ₹ 4,09,450/-. There were no other entities which became or ceased to be subsidiaries, associates or joint ventures during the year under review.

#### **DISCLOSURES**

Information relating to the conservation of energy, technology absorption, foreign exchange earnings and outgo to the extent applicable, is annexed hereto as Annexure A and forms a part of this Report.

No remuneration was paid to the Whole Time Director during the year under review and no remuneration was paid to non executive Directors other than sitting fees for attending meetings of the Board or committees thereof. The Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as Annexure B and forms a part of the Report. The details pertaining to remuneration as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as Annexure C and forms a part of the Report.

Details of loans, guarantees and investments, if any, are given under the Notes to Financial Statements.

All transactions entered in to with Related Parties during the year under review were in the ordinary course of business and at an arms length at prevailing market rates.

There were no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

There is no change in the nature of the business of the Company during the year.

The Company has formulated a Whistle Blower Policy under which all personnel have access to the Audit Committee to report genuine concerns or grievances relating to the business activities of the Company in general.

The Company has an adequate system of internal controls that ensures that all assets are protected against loss from unauthorized use or disposition and all transactions are recorded and reported in conformity with generally accepted accounting principles.

There were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year under review.

### **DIRECTORS**

During the year under review, four Board Meetings were held on May 26, 2017, August 4, 2017, December 01, 2017 and February 5, 2018

Mr. H. D. Ramsinghani retires from the Board of Directors by rotation and is eligible for re-appointment.

All Independent directors have given declarations that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (LODR) Regulations, 2015.

None of the Directors are disqualified from being appointed / reappointed as Directors of the Company as per the disclosures filed by the Directors with the Company.

The Board of Directors has framed a policy in relation to remuneration of directors, Key Managerial Personnel and senior Management and it lays down criteria for selection and appointment of Board Members. The details of the policy are available on the website of the Company [www.ramapetrochemicals.com](http://www.ramapetrochemicals.com).

The independent Directors of the Company are informed about their roles, rights, responsibilities in the Company and also about the nature of the industry in which company operates and other related matters. The details of the familiarization program are available on the website of the Company [www.ramapetrochemicals.com](http://www.ramapetrochemicals.com).

The performance evaluation of the Chairman and the non executive Directors was carried out by the Independent Directors of the Company in their meeting held on February 5, 2018. The criterion for evaluation are available on the website of the Company [www.ramapetrochemicals.com](http://www.ramapetrochemicals.com).

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes or commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and to the date of this report.

### **STATUTORY AUDITORS REPORT**

The Report submitted by the Statutory Auditors does not contain any Audit qualification for the year under review.

### **AUDITORS**

M/s. Dayal & Lohia, the Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for reappointment. The Company has received a certificate from them certifying that their appointment, if made, would be in compliance with all the applicable provisions of the Companies Act, 2013.

### **INTERNAL AUDIT**

The Company has appointed M/s. H. G. Sarvaiya & Co., Chartered Accountants as the Internal Auditors and their scope of work includes review of processes, operational efficiency and effectiveness of systems and processes and



assessment of adequacy of internal controls and safeguards apart from specific operational areas as per the directions of the Audit Committee. The findings of the Internal Auditor are reviewed by the Audit Committee at each meeting and corrective measures are taken from time to time as per the directions of the Audit Committee.

#### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate system of internal controls that are commensurate with its size and nature of business to safeguard and protect the Company from losses and unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and ensuring timely reporting of financial statements.

#### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made there under, the Company has appointed Jignesh M. Pandya & Co (Membership Number ACS 7346/CP 7318) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed hereto as Annexure D and forms a part of this Report.

Your Directors refer to the observations made by the Secretarial Auditor in the Secretarial Audit Report and wish to state that the Company is taking steps to comply with requirement of minimum number of independent directors and appointment of KMP.

#### **COST AUDIT**

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended till date, the Company was not required to undertake an audit of the cost records for the year under review.

#### **EXTRACT OF ANNUAL RETURN**

The extract of the Annual Return in Form MGT 9 pursuant to the provisions of Section 92 of the Companies Act, 2013 is annexed hereto as Annexure E and forms a part of this Report.

#### **FIXED DEPOSITS**

The Company has not accepted any public deposits and as such no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

#### **SAFETY, ENVIRONMENTAL CONTROL & PROTECTION**

The Company has taken all the necessary steps for safety and environmental control and protection.

#### **INDUSTRIAL RELATIONS**

The Industrial Relations remained cordial during the year under review.

#### **ACKNOWLEDGEMENT**

Your Directors sincerely record their appreciation with gratitude for the continued support and assistance extended to the Company by the Banks and various Government Departments and Agencies.

For and on behalf of the Board

**H. D. RAMSINGHANI**  
**CHAIRMAN**  
**DIN : 00035416**

Place : Mumbai  
Date : August 6, 2018

**ANNEXURE A TO BOARD REPORT**

**PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND ADAPTATION AND FOREIGN EXCHANGE EARNING AND OUTGO**

**I. CONSERVATION OF ENERGY :**

- A. Energy conservation measures taken :
- B. Additional investment proposals, if any, being implemented for reduction of consumption of energy :
- C. Impact of measures at (A) and (B) above for reduction of Energy Consumption and consequent impact on the cost of production of goods :

Not Applicable as the Plant was closed during the entire year under review.

- D. Particulars with respect to energy consumption per unit of production:

<b>a) POWER AND FUEL CONSUMPTION</b>		<b><u>2017- 2018</u></b>	<b><u>2016-2017</u></b>
<b>1) ELECTRICITY :</b>			
A)	Purchased (MSEB) Units (in Thousand) Total cost (₹ in lacs) Rate per Unit (₹)	<b>67.919</b> <b>6.61</b> <b>9.73</b>	71.099 6.47 9.10
B)	Own Generation : Through Diesel Generation Units (in Thousand) Units/KL of Diesel Cost/Unit (₹) Through Steam Turbine/Generator Units (in Thousand) Units/Lt Of Fuel Oil, Gas Cost/Unit	<b>NIL</b> <b>NIL</b> <b>NIL</b> <b>N. A</b> <b>NIL</b> <b>NIL</b> <b>N.A</b>	<b>NIL</b> <b>NIL</b> <b>NIL</b> <b>N.A</b> <b>NIL</b> <b>NIL</b> <b>N.A</b>
<b>2) COAL</b>		<b>NIL</b>	<b>NIL</b>
<b>3) FURNACE OIL</b>		<b>NIL</b>	<b>NIL</b>
<b>b)</b>	<b>1. CONSUMPTION PER UNIT OF PRODUCTION</b>		
	Consumption/ton of Methanol	<b>N.A</b>	<b>N.A</b>
	Electricity (KWH)	<b>N.A</b>	<b>N.A</b>
	Furnace Oil	<b>N.A</b>	<b>N.A</b>
	Coal	<b>N.A</b>	<b>N.A</b>
	Other – Diesel Oil (KL)	<b>N.A</b>	<b>N.A</b>

**II. TECHNOLOGY ABSORPTION :**

**A. RESEARCH AND DEVELOPMENT (R & D)**

- a) Specific areas in which R & D is carried out by the Company :
- b) Benefits derived as a result of R & D :
- c) Future Plan of Action :

Not Applicable as the Plant was closed during the entire year under review.

d) Expenditure on R & D

(₹ in lacs)

i) Capital	NIL
ii) Recurring	NIL
iii) Total	NIL
iv) Total R & D expenditure as a percentage of total turnover	N.A.

**B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :**

a) Efforts in brief made towards technology absorption, adaptation and innovation :

b) Benefits derived as a result of above efforts :

Not Applicable as the Plant was closed during the entire year under review.

c) Information of Imported Technology :

Technology Imported: Low pressure technology for manufacture of Methanol from M/s. Lurgi GmbH, Germany.

Year of Import : 1987 – 88

Whether the technology has been fully absorbed.

In terms of the scope of agreement with the technical collaborator, the technology has been fully absorbed.

**III. FOREIGN EXCHANGE EARNINGS AND OUTGO :**

(₹ in lacs)

Foreign Exchange used	NIL
Foreign Exchange earned	NIL

For and on behalf of the Board

**H. D. RAMSINGHANI**

**CHAIRMAN**

**DIN : 00035416**

Place : Mumbai

Date : August 6, 2018

**ANNEXURE 'B' TO BOARD REPORT  
DETAILS PERTAINING TO REMUNERATION AS REQUIRED  
UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013  
READ WITH RULE 5(1) OF THE COMPANIES  
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	Not applicable as no remuneration was paid to Directors other than sitting fees for attending meetings of the Board or Committees thereof.
(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	Not applicable as no remuneration was paid to Directors, Chief Financial Officer, Chief Executive Officer, or Manager, if any, in the financial year.
(iii) The percentage increase in the median remuneration of employees in the financial year.	The percentage decrease in the median remuneration of other employees in the financial year was 8.61%
(iv) The number of permanent employees on the rolls of company;	10
(v) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Not applicable as no remuneration was paid to Directors, Chief Financial Officer, Chief Executive Officer, or Manager, if any, in the financial year.
(vi) Affirmation that the remuneration is as per the remuneration policy of the company.	The remuneration is as per the remuneration policy of the company.

**ANNEXURE 'C' TO BOARD REPORT**

**PARTICULARS OF REMUNERATION AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES  
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- A. Employed for the entire year under review and were in receipt of Remuneration of not less than ₹ 1,02,00,000/- - NIL -**
- B. Employed for a part of the year under review and were in receipt of Remuneration of not less than ₹ 8,50,000/- p m. - NIL -**
- C. Details of Top 10 employees in terms of remuneration drawn as on 31.03.2018 will be provided on request**

For and on behalf of the Board

**H. D. RAMSINGHANI**

**CHAIRMAN**

**DIN : 00035416**

Place : Mumbai

Date : August 6, 2018

**ANNEXURE 'D' TO BOARD REPORT**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March 2018**

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

To,

The Members,

RAMA PETROCHEMICALS LIMITED

Mumbai.

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

Based on my verification of the 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 31<sup>st</sup> March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

The manufacturing operations of the Company are suspended from the year 1999.

A. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; The same is not applicable as there were no transactions during the year under review.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; There were no issue of securities during the year under review.
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ; There were no ESOPS issued during the year under review.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; There were no debts were raised during the year under review
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; There were no proposals for delisting of its Equity shares during the year under review. and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; There were no Buy Back of its Equity shares during the year under review.
- (vi) I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the. Stock Exchange(s), where the securities of the Company is Listed and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - The Company has complied with the various applicable provisions of Listing Agreement/ Listing Regulations ***except that the composition of the Board is not in accordance with Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.***

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines mentioned above ***except that the Company has not appointed a Company secretary and a Chief Financial Officer As per section 203(1) (ii) & (iii) of the Companies Act, 2013.***

I further report that

Subject to our observation in para B (ii), the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decisions of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

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.

This Report is to be read with my letter of even date which is annexed as Annexure II and forms an integral part of this Report.

**For JIGNESH M.PANDYA & CO.**

**(JIGNESH M. PANDYA)**  
**Practising Company Secretary**  
**Proprietor**

**Membership No. A7346 /CP No. 7318**

Date: August 06, 2018

Place: Mumbai

**Annexure I**

**List of applicable laws to the Company**

**Under the Major Groups and Heads are as follows:-**

1. Factories Act, 1948;
2. Industries (Development & Regulation) Act, 1951;
3. The Petroleum Act, 1934
4. Indian Explosives Act, 1984
5. Bombay Village Panchayat Act, 1958
6. Labour Laws and other incidental laws related to labour and employees appointed by the company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
7. Acts prescribed under prevention and control of pollution;
8. Acts prescribed under Environmental protection;
9. Acts as prescribed under Direct Tax and Indirect Tax;
10. Land Revenue laws of respective States;
11. Labour Welfare Act to respective States;
12. Trade Marks Act 1999 & Copy Right Act 1957;
13. The Legal Metrology Act, 2009;
14. Acts as prescribed under Shop and Establishment Act of various local authorities.
15. Local Laws as applicable to various offices and plants;
16. The Competition Act, 2002;
17. Boiler Act, 1923.
18. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

**For JIGNESH M.PANDYA & CO.**

**(JIGNESH M. PANDYA)**

**Practising Company Secretary**

**Proprietor**

**Membership No. A7346 /CP No. 7318**

Date: August 06, 2018

Place: Mumbai

**Annexure II**

To,  
The Members,  
RAMA PETROCHEMICALS LIMITED  
Mumbai.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the practices and processes, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. I have reported, in my audit report, only those non-compliances which in my opinion, are material and having major bearing on financials of the Company.

**For JIGNESH M.PANDYA & CO.**

**(JIGNESH M. PANDYA)**  
**Practising Company Secretary**  
**Proprietor**

**Membership No. A7346 /CP No. 7318**

Date: August 06, 2018  
Place: Mumbai



**ANNEXURE E TO BOARD REPORT**

**FORM MGT - 9**

**EXTRACT OF ANNUAL RETURN AS ON MARCH 31, 2018**

**I. REGISTRATION AND OTHER DETAILS**

i)	CIN:	L23200MH1985PLC035187
ii)	Registration Date [DDMMYY]	28/01/1985
iii)	Name of the Company	Rama Petrochemicals Limited
iv)	Category/ Sub Category of the Company	Public Company limited by shares
v)	Address of Registered office and contact details	51-52, Free Press House, Nariman Point, Mumbai-400021, Maharashtra Tel: 022 – 22834123, Fax: 022 - 22049946
vi)	Whether shares listed on recognized Stock Exchange(s)	Yes
vii)	Name, Address and contact details of Registrar & Transfer Agent, if any	Link Intime India Private Limited C-101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai 400083 Tel: 022-49186000, Fax: 022 - 49186060

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

SN	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Methanol	20119	100*

\* Presently, there is no sale of Methanol as the Plant is closed.

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

SR. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE
1	RAMA CAPITAL AND FISCAL SERVICES PVT. LTD. 51-52, Free Press House, Nariman Point, Mumbai 400021.	U67120MH1993PTC072255	Wholly owned Subsidiary

**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 31-March-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
a) Individual/ HUF	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
b) Central Govt	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
c) State Govt(s)	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
d) Bodies Corp.	2481621	Nil	2481621	23.70	2484890	Nil	2484890	23.73	0.03

**32<sup>nd</sup> Annual Report 2017-2018**

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Banks / FI	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
f) Any other (Directors & Relatives)	11008	Nil	11008	0.11	11008	Nil	11008	0.11	Nil
<b>Sub-total (A)(1)</b>	<b>2492629</b>	<b>Nil</b>	<b>2492629</b>	<b>23.81</b>	<b>2495898</b>	<b>Nil</b>	<b>2495898</b>	<b>23.84</b>	<b>0.03</b>
(2) Foreign									
a) NRI-Individuals	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
b) Other-Individuals	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
c) Bodies Corp.	3040000	Nil	3040000	29.04	3040000	Nil	3040000	29.04	Nil
d) Banks/FI	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
e) Any Other (Directors & relatives)	41045	Nil	41045	0.39	41045	Nil	41045	0.39	Nil
<b>Sub-total (A) (2)</b>	<b>3081045</b>	<b>Nil</b>	<b>3081045</b>	<b>29.43</b>	<b>3081045</b>	<b>Nil</b>	<b>3081045</b>	<b>29.43</b>	<b>Nil</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>5573624</b>	<b>Nil</b>	<b>5573624</b>	<b>53.24</b>	<b>5576943</b>	<b>Nil</b>	<b>5576943</b>	<b>53.27</b>	<b>0.03</b>
B. Public Shareholding									
1. Institutions	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
a) Mutual Funds	Nil	7100	7100	0.07	Nil	7100	7100	0.07	Nil
b) Banks / FI	5700	4900	10600	0.10	5700	4900	10600	0.09	Nil
c) Central Govt	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
d) State Govt(s)	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
e) Venture Capital Funds	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
f) Insurance Companies	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
g) FII's	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
h) Foreign Venture Capital Funds	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
i) Others (specify)	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
<b>Sub-total (B)(1)</b>	<b>5700</b>	<b>12000</b>	<b>17700</b>	<b>0.17</b>	<b>5700</b>	<b>12000</b>	<b>17700</b>	<b>0.17</b>	<b>Nil</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	109926	41300	151226	1.44	107214	41300	148514	1.42	(0.02)
i) Indian	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
ii) Overseas	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
b) Individuals	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1894239	1480670	3374909	32.25	1912633	1473270	3385903	32.25	0.10
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1237274	Nil	1237274	11.82	1235974	Nil	1235974	11.80	(0.02)
c) Others (specify)									
Non Resident Indians	75042	27000	102042	0.97	74485	27000	101485	0.96	(0.01)
Overseas Corporate Bodies	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
Foreign Nationals	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
Clearing Members	12475	Nil	12475	0.11	2781	Nil	2781	0.02	(0.08)
Trusts	100	Nil	100	0.00	100	Nil	100	0.00	0.00
Foreign Bodies - D R	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
<b>Sub-total (B)(2)</b>	<b>3329056</b>	<b>1548970</b>	<b>4878026</b>	<b>46.59</b>	<b>3333187</b>	<b>1541570</b>	<b>4874757</b>	<b>46.56</b>	<b>(0.03)</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>3334756</b>	<b>1560970</b>	<b>4895726</b>	<b>46.76</b>	<b>3338887</b>	<b>1553570</b>	<b>4892457</b>	<b>46.73</b>	<b>(0.03)</b>
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
<b>Grand Total (A+B+C)</b>	<b>8908430</b>	<b>1560970</b>	<b>10469400</b>	<b>100</b>	<b>8915230</b>	<b>1554170</b>	<b>10469400</b>	<b>100</b>	<b>Nil</b>

**ii) Shareholding of Promoter :**

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Blue Lagoon Investments Pvt Ltd	1655	0.02	Nil	1655	0.02	Nil	Nil
2	D. N. Singh	10998	0.10	Nil	10998	0.10	Nil	Nil
3	H. D. Ramsinghani	10	0.00	Nil	10	0.00	Nil	Nil

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
4	Silver eagle Inc	3000000	28.67	Nil	3000000	28.67	Nil	Nil
5	Silver Eagle Inc	40000	0.38	Nil	40000	0.38	Nil	Nil
6	Jupiter Corporate Services Pvt Ltd	634330	6.06	Nil	634330	6.06	Nil	Nil
7	Libra Mercantile Private Limited	1404401	13.41	12.98	1404401	13.41	12.98	Nil
8	Prarabha Trading Co. Private Limited	335	0.00	Nil	335	0.00	Nil	Nil
9	Lajwanti D. Ramsinghani	41045	0.39	Nil	41045	0.39	Nil	Nil
10	Rainbow Agri Inds Ltd	133600	1.28	Nil	136869	1.31	Nil	0.03
11	Rama Phosphates Ltd	307100	2.93	Nil	307100	2.93	Nil	Nil
12	Trishul Mercantile Private Limited	200	0.00	Nil	200	0.00	Nil	Nil
	<b>Total</b>	<b>5573674</b>	<b>53.24</b>	<b>12.98</b>	<b>5576943</b>	<b>53.27</b>	<b>12.98</b>	<b>0.03</b>

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

SN		Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	5573674	53.24		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	07 April, 2017*	550	0.00	5574224	53.24
	11 May, 2017*	1300	0.02	5575524	53.26
	05 July, 2017*	400	0.00	5575924	53.26
	11 July, 2017*	1019	0.01	5576943	53.27
	<b>At the end of the year</b>	<b>5576943</b>	<b>53.27</b>	<b>5576943</b>	<b>53.27</b>

**iv) Shareholding Pattern of top ten Shareholders:**

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	Shareholding		Date of transaction	Increase/ Decrease in share-holding	Reason	Cumulative shareholding during the year (01/04/2017 to 31/03/2018)	
		No. of shares at the beginning (01/04/2017)/ end of the year 31/03/2018	% of total shares of the Company				No. of shares	% of total shares of the company
1	R. F. Dadabhoy	2,10,000	2.01		No Change		2,10,000	2.01
		2,10,000	2.01					
2	Madhavi Arora	1,89,552	1.81		No Change		1,89,552	1.81
		1,89,552	1.81					
3	Arora Satinderjit Singh	1,01,465	0.97		No Change		1,01,465	0.97
		1,01,465	0.97					
4	Mohankumar B. B.	92,295	0.88		No Change		92,295	0.88
		92,295	0.88					
5	K. Mohan	56,380	0.54		No Change		56,380	0.54
		56,380	0.54					
6	Sheetal Ramsinghani	53,776	0.51		No Change		53,776	0.51
		53,776	0.51					
7	Prakash M Bhansali	50,119	0.48	14/04/2017	Increase	Purchase	50,269	
		50,000	0.47	21/04/2017	Decrease	Sale	50,160	
				28/04/2017	Increase	Purchase	50,483	
				22/09/2017	Decrease	Sale	50,000	0.47
8	Ganesh Puri Goswami	39,247	0.37	14/04/2017	Increase	Purchase	39,647	
		46,147	0.44	25/08/2017	Increase	Purchase	43,947	
				16/03/2018	Increase	Purchase	44,747	
				23/03/2018	Increase	Purchase	45,547	
				31/03/2017	Increase	Purchase	46,147	0.44
9	Rajendra Sagarmal Jain	40,810	0.38		No Change		40,810	0.38
		40,810	0.38					
10	Deam Consulting Pvt Ltd	27,454	0.26		No Change		27,454	0.26
		27,454	0.26					

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

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning (01-04-2017)/ end of the year (31-03-2018)	% of total shares of the company				No. of shares	% of total shares of the company
1.	D. N. Singh - Whole Time Director	10998	0.10	N A	No Change	N A	10998	0.10
		10998	0.10	N A				
2.	H. D. Ramsinghani	10	0.00	N A	No Change	N A	10	0.00
		10	0.00	N A				

**V. INDEBTEDNESS**

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

(₹ in Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01.04.2017)</b>				
i) Principal Amount	Nil	3221.25	Nil	3221.25
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>3221.25</b>	<b>Nil</b>	<b>3221.25</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	335.00	180.50	Nil	515.50
Reduction	Nil	850.00	Nil	850.00
<b>Net Change</b>	<b>335.00</b>	<b>(669.50)</b>	<b>Nil</b>	<b>(334.50)</b>
<b>Indebtedness at the end of the financial year (31.03.2018)</b>				
i) Principal Amount	335.00	2551.75	Nil	2886.75
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>335.00</b>	<b>2551.75</b>	<b>Nil</b>	<b>2886.75</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

SN.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount (₹)
		WTD	
		D.N. Singh	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil
5	Others, please specify	Nil	Nil
	Total (A)	Nil	Nil
	Ceiling as per the Act	N A	N A

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount (₹)
		H. D. Ramsinghani	R. G. Kulkarni	N. H. Ramsinghani	N. R. Joshi	
1	Independent Directors					
	Fee for attending board/ committee meetings	Nil	20,000/-	Nil	20,000/-	40,000/-
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	<b>Nil</b>	<b>20,000/-</b>	<b>Nil</b>	<b>20,000/-</b>	<b>40,000/-</b>
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	10,000/-	Nil	8,000/-	Nil	18,000/-
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total (2)</b>	<b>10,000/-</b>	<b>Nil</b>	<b>8,000/-</b>	<b>Nil</b>	<b>18,000/-</b>
	Total Managerial Remuneration <b>Total (B)=(1+2)</b>	<b>10,000/-</b>	<b>20,000/-</b>	<b>8,000/-</b>	<b>20,000/-</b>	<b>58,000/-</b>

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

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary	Nil	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil
	others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total	Nil	Nil	Nil

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

For and on behalf of the Board

Place : Mumbai  
Date : August 6, 2018

**H. D. RAMSINGHANI**  
**CHAIRMAN**  
**DIN : 00035416**



## REPORT ON CORPORATE GOVERNANCE

### 1. Company's Philosophy on Corporate Governance

As required by the Listing Regulations, the Company has implemented the Code of Corporate Governance and it is committed to the philosophy of good Corporate Governance in letter and in spirit.

### 2. Board of Directors

- a. As on the date of this Report, the Board consists of Five Directors (One Executive Director and Four Non-executive Directors out of whom one is a Woman Director and two are Independent Directors)
- b. The attendance at Board Meetings and last Annual General Meeting of each of the Directors during the financial year was as under :

Name of Director	Category Executive, Non-executive/ Independent	Attendance at		Membership of other Board (excluding alternate Directorships and Private Companies)	Membership/ Chairmanship of other Board Committees		Share- holding (No. of Shares)
		Board Meeting	Last Annual General Meeting		Chairman	Member	
Mr. H. D. Ramsinghani (Chairman)	Promoter Non - Executive	Four	Yes	Four	Nil	Five	10
Mr. D. N. Singh (Whole Time Director)	Executive	Four	Yes	Three	Three	Two	10998
Mr. R. G. Kulkarni	Non - Executive Independent	Four	Yes	Four	Nil	One	Nil
Mr N. R. Joshi	Non - Executive Independent	Four	No	Three	One	Nil	Nil
Mrs. N. H. Ramsinghani	Promoter Non - Executive	Three	No	One	Nil	Nil	Nil

Except for Mr H. D. Ramsinghani and Mrs. N. H. Ramsinghani, none of the other Directors are related to each other.

- c. During the year four Board Meetings were held on the following dates :  
May 26, 2017, August 4, 2017, December 01, 2017 and February 5, 2018.
- d. During the year one meeting of the Independent Directors was held on February 5, 2018.
- e. The Compliance Reports of all applicable laws, filings made by the Company with the BSE and the financials and minutes of the Subsidiary company are placed before the Board at each meeting. Detailed notes are circulated to all the Directors well in advance on all matters listed in the Agenda for each Board and committee meeting.

### 3. Governance Codes

The Company has formulated a Code of Conduct for the members of the Board of Directors and Senior Management personnel of the company. The declaration by the Chairman regarding compliance by the members of the Board and the Senior Management personnel with the said code of conduct is annexed hereto.

As required by SEBI (LODR) Regulations, 2015 and the various provisions of the Companies Act, 2013, the Company has also formulated the Risk Management Policy, Whistle Blower Policy, Policy on Related Party Transactions, Nomination and Remuneration Policy, Policy on Material subsidiaries and the Code of practices and procedures for fair disclosure of unpublished price sensitive information and the code of conduct to regulate, monitor and report trading by employees and other connected persons. The details of the policies are available on the website of the Company [www.ramapetrochemicals.com](http://www.ramapetrochemicals.com)

**4. Committees of the Board**

**(a) Audit Committee**

Role of the Audit Committee and its terms of reference inter alia include reviewing the financial statements, overseeing the Company’s financial reporting process and reviewing and examining the quarterly and annual financial statements, Management Discussion and Analysis of financial statements, recommending the appointment and remuneration of Statutory and Internal Auditors, reviewing Audit Reports, related party transactions and inter corporate loans and investments.

The Committee presently comprises of Mr. R. G. Kulkarni – Chairman, Mr. D. N. Singh, and Mr. N. R. Joshi. Four meetings of the Audit Committee were held during the year on May 26, 2017, August 4, 2017, December 1, 2017 and February 5, 2018. The attendance at the Audit Committee meetings of each of the Directors is as under:

Name of the Director	Attendance at Audit Committee meetings
Mr. R. G. Kulkarni	Four
Mr. D.N. Singh	Four
Mr. N. R. Joshi	Four

**(b) Share Transfer Committee**

The Board has delegated the power of share transfers to a Committee of Directors comprising of Mr. D. N. Singh - Chairman and Mr. H. D. Ramsinghani as also to the Registrars and Transfer Agent of the Company who attend to the Share Transfer formalities, transmission of shares, issue of duplicate certificates, issue of certificates on split/consolidation/renewal and demat/remat of Share certificates etc.

No investor complaint is pending for a period exceeding one month.

**(c) Nomination & Remuneration Committee**

The Nomination & Remuneration Committee formulates criterion for determining qualifications, independence and other attributes of the Directors and based thereon identifies persons qualified to be Directors. The Committee also carries out evaluation of the Directors and formulates the policy on the remuneration of Directors and KMP and determines the managerial remuneration and other employment conditions of the Managing/ Whole Time Directors and Senior Management personnel (one level below the Board) based on the policy and makes recommendations to the Board of Directors. The details about the Remuneration Policy of the Company are available on the website of the Company [www.ramapetrochemicals.com](http://www.ramapetrochemicals.com).

The Committee presently comprises of Mr. R. G. Kulkarni - Chairman, Mr. H. D. Ramsinghani and Mr N. R. Joshi. During the year no meeting of the Nomination & Remuneration Committee was held.

**(d) Stakeholders Relationship Committee**

The Stakeholders Relationship Committee specifically looks into the redressing of Shareholder’s and Investor’s complaints relating to Share transfers, non receipt of Balance Sheet and demat/remat of Share Certificates etc. In terms of SEBI (LODR) Regulations, 2015, the Company has appointed Mr. Pritesh Jhaveri as the Compliance Officer and the investors are requested to register their complaints, if any, on the exclusive email ID: [pritesh@ramagroup.co.in](mailto:pritesh@ramagroup.co.in). One meeting of the Stakeholders Relationship Committee was held during the year on February 5, 2018.

The committee presently comprises of Mr H. D. Ramsinghani – Chairman, Mr. D. N. Singh, Mr. R. G. Kulkarni and Mr N. R. Joshi.

A summary of complaints received and resolved by the Company during the year under review is given below :

	<b>Received</b>	<b>Resolved</b>
Non - Receipt of Share Certificates duly transferred	-	-
Non - Receipt of Annual Report	-	-
Non Receipt of DRF	1	1
Letters from Stock Exchanges, SEBI and Ministry of Corporate Affairs	-	-

**5. Remuneration of Directors:**

**(a) Executive Director:**

No remuneration was paid to the Whole Time Director (Technical Director) during the year under review.

**(b) Non - Executive Directors:**

The Non-Executive Directors are not paid any remuneration except sitting fees for attending meetings of the Board or committees thereof. Details of Sitting Fees paid to the Non-Executive Directors are as follows:

<b><u>Name of the Director</u></b>	<b><u>Sitting Fees (₹)</u></b>
Mr. H. D. Ramsinghani	10,000/-
Mr. R. G. Kulkarni	20,000/-
Mrs. N. H. Ramsinghani	8,000/-
Mr. N. R. Joshi	20,000/-
<b>TOTAL</b>	<b>58,000/-</b>

**6. General Body Meetings :**

<b>Financial Year</b>	<b>Date</b>	<b>Time</b>	<b>Location</b>
2014-2015	30/09/2015	10.00 A.M.	Babasaheb Dahanukar Hall, Fort, Mumbai 400001
2015-2016	26/09/2016	10.00 A.M.	Babasaheb Dahanukar Hall, Fort, Mumbai 400001
2016-2017	26/09/2017	10.00 A.M.	Babasaheb Dahanukar Hall, Fort, Mumbai 400001

**7. Postal Ballot**

During the year under review no resolutions were passed through the Postal Ballot process.

The details of Special Resolutions passed in the previous Three Annual General Meetings are as under :

<b>Date</b>	<b>Particulars</b>
30/09/2015	Approval of Related Party transactions
26/09/2016	Reappointment of Mr. D. N. Singh (DIN 00021741) as a Whole Time Director w.e.f. May 01, 2016
26/09/2017	No Special Resolutions passed.

**8. Disclosures**

- a) The Company is in compliance with all mandatory requirements of the Listing Regulations except as regards to the composition of the board and appointment of KMP.
- b) All transactions entered in to with Related Parties, as defined under the Companies Act, 2013 and the Listing Regulations, during the financial year were in the ordinary course of business and on arms length basis.
- c) There were no transactions of material nature with the Directors or the Key Managerial Personnel or their relatives during the financial year which could have potential conflict with the interests of the Company at large. Transactions with related parties are disclosed elsewhere in the Annual Report. None of these transactions have potential conflict with interest of the Company at large.

- d) No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter related to the capital markets during the last three years.
- e) The Company has formulated a Whistle Blower Policy under which all personnel have access to the Audit Committee and no personnel has been denied access to the audit Committee during the year under review.
- f) In the preparation of the financial statements, the Company has followed applicable Accounting Standards and the significant Accounting policies which are consistently applied are set out in the Notes to the financial statements.
- g) Adoption of non mandatory provisions of the Listing Regulations is reviewed by the Board from time to time.

**9. Means of communication:**

- a) The Company has not made any presentation to the institutional investors or analysts.
- b) The unaudited quarterly results are announced within forty five days from the close of the quarter and the Audited results are announced within sixty days from the close of the financial year. The financial results are immediately sent to the Stock Exchanges and published in an English language newspaper and a local language newspaper and also uploaded on the website of the Company.

**10. General Shareholder Information :**

Financial Year	:	31 <sup>st</sup> March, 2018
Annual General Meeting	:	September 25, 2018 at 10.00 a.m. At Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400001
Dates of Book Closure	:	September 18, 2018 to September 25, 2018 (both days inclusive)
Dividend payment date	:	Not Applicable
Listing on Stock Exchange	:	Bombay Stock Exchange Ltd.
Stock Code	:	500358
ISIN	:	INE 783A01013

The Company has paid listing fees to the Bombay Stock Exchange for the period up to March 31, 2019.

**11. Market Price Data (High / Low in Rupees during each month):**

<b>Month</b>	<b>High</b>	<b>Low</b>
April 2017	5.20	3.41
May 2017	4.90	4.80
June 2017	--	--
July 2017	4.89	4.65
August 2017	--	--
September 2017	--	--
October 2017	4.88	4.50
November 2017	4.28	4.28
December 2017	4.20	3.61
January 2018	4.27	3.43
February 2018	4.84	3.60
March 2018	5.00	3.70

As the equity shares are not frequently traded on the Bombay Stock Exchange, the stock performance viz a viz the Index has not been given.

## 12. Registrars & Transfer Agent

Link Intime India Private Limited

C - 101, 247 Park,

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

Mumbai 400083

Tel: 49186000; Fax : 49186060;

Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website: [www.linkintime.com](http://www.linkintime.com)

## 13. Share Transfer System

The Share Transfers which are received in the Physical Form are processed well within prescribed statutory period from time to time, subject to the documents being valid and complete. The Transfers etc. approved by the Share Transfer Committee are also noted at every meeting of the Board of Directors.

## 14. Distribution of Equity Shareholding as of March 31, 2018 :

Number of Equity Share Holdings	Number of Shareholders	Percentage of Shareholders	Number of Shares	Percentage of Shareholding
1 – 500	13820	93.71	2143345	20.47
501 – 1000	524	3.55	438794	4.19
1001 – 2000	195	1.32	298846	2.85
2001 – 3000	67	0.46	169388	1.62
3001 – 4000	32	0.22	112124	1.07
4001 – 5000	21	0.14	100056	0.96
5001 – 10000	41	0.28	283371	2.71
10001 & above	47	0.32	6923476	66.13
<b>Total</b>	<b>14747</b>	<b>100.00</b>	<b>10469400</b>	<b>100.00</b>

## 15. Shareholders' Profile as on March 31, 2018 :

Category of Shareholders	No. of Shares held	% to Total Capital
Promoters	55,76,943	53.269
Foreign Collaborators	Nil	N.A.
Banks/Trusts/HUF	75,985	0.726
Financial Institutions	600	0.006
Foreign Institutional Investors	Nil	N.A.
Mutual Funds	7,100	0.068
Domestic Companies	1,51,295	1.445
Non - Domestic Companies	Nil	N.A.
Non - Resident Indians	1,01,485	0.969
General Public	45,55,992	43.517
<b>Total</b>	<b>1,04,69,400</b>	<b>100.000</b>

**16. Dematerialization of shares as on March 31, 2018:**

85.16% of the Company's total equity share capital representing 8915230 shares are held in dematerialised form.

**17. Plant Location:**

Village Vashivalli, Savroli Kharpada Road, Patalganga, Dist. Raigad, Maharashtra

**18. Address for Correspondence:**

Shareholders should address all correspondence to the Company at its Registered Office at 51/52, Free Press House, Nariman Point, Mumbai 400 021 or to the Registrars and Transfer Agent - Link Intime India Private Limited at C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400 083.

**19. Appointment/Reappointment of Directors:**

Mr. H D Ramsinghani is proposed to be reappointed at the forthcoming Annual General Meeting. The relevant information about the said Director is given in the Notice convening the Annual General Meeting.

For and on behalf of the Board

**H. D. RAMSINGHANI**  
**CHAIRMAN**  
**DIN 00035416**

Place : Mumbai  
Dated : August 6, 2018

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**DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT**

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company.

As required under Regulation 26(3) of SEBI (LODR) Regulations, 2015 the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the said Code for the year ended March 31, 2018.

For and on behalf of the Board

**H. D. RAMSINGHANI**  
**CHAIRMAN**  
**DIN 00035416**

Place : Mumbai  
Dated : August 6, 2018

**Independent Auditor's Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To**

**The Members of**

**Rama Petrochemicals Limited**

1. The Corporate Governance Report prepared by Rama Petrochemicals Limited ("the Company"), contains details as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2018. This certificate is required by the Company for annual submission to the Stock exchange and to be sent to the shareholders of the Company.

**Management's Responsibility**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**Auditor's Responsibility**

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC 1), Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

### **Opinion**

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2018, referred to in paragraph 1 above, except that :
- (i) proviso to Regulation 17(1)(b) of (Listing Obligations and Disclosure Requirements) Regulations, 2015 which requires 50% of the directors on the board to be independent directors, has not been complied with.
  - (ii) in the absence of the Chief Financial Officer (CFO), the financial statements submitted to the Board are certified by the Whole Time Director only.
  - (iii) in the absence of the Company Secretary, the Compliance Officer acts as the Secretary to the Audit Committee.

### **Other matters and Restriction on Use**

10. This Certificate 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.
11. This Certificate is addressed to and provided to the Members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

**For Dayal and Lohia**  
Chartered Accountants  
(Firm Regn. No.102200W)

Rinkit Uchat  
(Partner)  
Membership No. 165557

Place : Mumbai.

Dated : 6<sup>th</sup> August, 2018



**INDEPENDENT AUDITOR'S REPORT**

To the members of,

**Rama Petrochemicals Limited**

**Report on the Standalone Financial Statements**

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

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

**Opinion**

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- (b) in the case of the Statement of Profit and Loss, of the Profit including Other Comprehensive Income for the year ended on that date;
- (c) in the case of the Statement of Changes in Equity, of the changes in equity for the year ended on that date; and
- (d) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Emphasis of Matters**

We draw attention to the following matters in the Notes to the standalone financial statements:

Without qualifying the report we like to bring to your attention that the company's net worth has been completely eroded. As explained in Note 28, the management is of the view that the Company can be revived and made viable and accordingly the company's accounts have been prepared on Going Concern assumption. The revival of the Company's operations depends upon the Company being able to obtain the alternative main feed stock. In absence of any other information indicating to the contrary, we have accepted this view and accordingly the accounts have been prepared on the basis of "Going Concern Concept".

Our opinion is not modified in respect of this matter.

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

1. As required by the Companies (Auditor's Report) Order, 2016("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraph 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 purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015;
  - e. On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in Note 27 of the standalone financial statements.
    - ii) The Company did not have any long term contracts including derivatives contract for which there were any material foreseeable losses.
    - iii) There were no amounts which were required to be transferred to Investor Education & Protection Fund by the Company.

For Dayal and Lohia  
**Chartered Accountants**  
**Firm's Regn. No. 102200W**

**Rinkit K. Uchat**  
**Partner**  
**Membership No.165557**

**Place: Mumbai**  
**Date: May 29, 2018.**

**Annexure A to Independent Auditors' Report**

The Annexure referred to in our report to the members of **Rama Petrochemicals Limited** ('the Company') for the year Ended on 31<sup>st</sup> March, 2018.

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Management of the Company has physically verified the fixed assets in accordance with its policy of physical verification at reasonable intervals. The discrepancies, if any noticed during such verification have been suitably adjusted in the books of account.
- 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) a) According to the information and explanations given to us, the management has conducted physical verification of the inventories at reasonable intervals.
- b) In our opinion and according to the information and explanations given to us, the procedures followed by the management for physical verification of inventory are reasonable and adequate in relation to the size of the Company and the nature of the business.
- c) No material discrepancies have been noticed on physical verification of the stocks as compared to book records in so far as it appears from our examination of the books.
- iii) According to the information and explanations given to us and on the basis of our examination of books of account, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provision of clauses 3(iii)(a), (b) and (c) of the said Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made and guarantee and security provided.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi) According to the information and explanation given to us, the government has prescribed maintenance of cost records pursuant to Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act. Since, there is no turnover of manufacturing goods in the preceding financial year, the same is not applicable.
- vii) a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employee's State Insurance, Sales Tax, Income Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date it became payable except:

Name of the statute	Nature of the dues	Amount ₹	Period to which the amount relates	Due Date
The Customs Act, 1962	Custom Duty on import of Catalyt	59,32,740/-	1998-1999	21.02.1998
Sales Tax Act,	Deferral Sales Tax Liability	31,03,44,140/-	1988-1997	30.04.2014

- b) According to the records of the Company and information and explanations given to us the following are the dues of Income Tax on account of disputes:

<b>Name of the statute</b>	<b>Amount involved ₹</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Income Tax	34,53,167	AY 1997-98	High Court
Income Tax	1,19,98,802	AY 1998-99	High Court
Income Tax	34,43,296	AY 2009-10	ITAT

According to the information and explanations given to us and the records of the Company examined by us there are no dues of Service Tax, Sales Tax, Excise Duty, Custom Duty or Value Added Tax, Goods and Service Tax which have not been deposited on account of any dispute.

- viii) On the basis of our examination of the books and according to the information and explanations given to us, there are no borrowings from financial institutions, banks or debenture holders.
- ix) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not raise any money by way of initial public offer or further public offer (including debt instruments). Term loans raised during the year is applied for the purpose for which it is obtained.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) The Company has not paid/provided for any managerial remuneration during the year. Hence, the compliance of provisions of section 197 read with Schedule V to the Act, are not applicable.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Dayal and Lohia  
Chartered Accountants  
Firm's Regn. No. 102200W

**Rinkit K. Uchat**  
Partner  
Membership No.165557

**Place: Mumbai**  
**Date: May 29, 2018.**

**ANNEXURE – ‘B’ TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE  
STANDALONE FINANCIAL STATEMENTS OF RAMA PETROCHEMICALS LIMITED**

**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 **Rama Petrochemicals Limited** (“the Company”) as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

**Auditors’ Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide

reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Dayal and Lohia  
**Chartered Accountants**  
**Firm's Regn. No. 102200W**

**Place: Mumbai**  
**Date: May 29, 2018.**

**Rinkit K. Uchat**  
**Partner**  
**Membership No.165557**

**BALANCE SHEET AS AT MARCH 31, 2018**

(Amount in ₹)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipments	2	87,27,715	97,16,980	1,00,73,193
Capital Work in progress		2,41,20,371	2,41,20,371	2,41,20,371
Financial Assets:				
Investments	3	-	-	-
Other Financial Assets	4	21,10,320	21,10,320	21,09,375
<b>Total Non-Current Assets</b>		<u>3,49,58,406</u>	<u>3,59,47,671</u>	<u>3,63,02,939</u>
<b>Current Assets</b>				
Inventories	5	3,07,07,323	3,07,40,414	3,07,43,202
Financial Assets:				
Trade Receivables	6	10,76,472	-	-
Cash and Cash Equivalents	7	34,41,007	26,86,177	15,86,846
Loans	8	2,11,492	2,11,492	2,11,292
Other Financial Assets	9	33,95,404	4,72,998	2,76,586
Other Current Assets	10	1,24,27,240	1,26,81,760	78,55,477
Current Tax Assets (Net)		1,96,658	47,916	22,415
<b>Total Current Assets</b>		<u>5,14,55,596</u>	<u>4,68,40,757</u>	<u>4,06,95,818</u>
<b>TOTAL ASSETS</b>		<u><u>8,64,14,002</u></u>	<u><u>8,27,88,428</u></u>	<u><u>7,69,98,757</u></u>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	11	10,46,94,000	10,46,94,000	10,46,94,000
Other Equity	12	(66,94,32,110)	(70,54,09,971)	(69,17,95,688)
<b>Total Equity</b>		<u>(56,47,38,110)</u>	<u>(60,07,15,971)</u>	<u>(58,71,01,688)</u>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
Financial Liabilities				
Borrowings	13	28,86,75,000	32,21,25,000	15,49,00,000
Other Financial Liabilities	14	31,03,44,140	31,03,44,140	31,03,44,140
Provisions	15	9,75,985	10,75,017	10,61,185
<b>Total Non-Current Liabilities</b>		<u>59,99,95,125</u>	<u>63,35,44,157</u>	<u>46,63,05,325</u>
<b>Current Liabilities</b>				
Financial Liabilities :				
Trade Payables	16	29,87,322	20,72,376	33,65,650
Other Financial Liabilities	17	6,17,250	4,80,000	14,99,60,000
Other Current Liabilities	18	4,53,68,537	4,56,20,294	4,29,54,223
Provisions	19	21,83,878	17,87,572	15,15,247
<b>Total Current Liabilities</b>		<u>5,11,56,987</u>	<u>4,99,60,242</u>	<u>19,77,95,120</u>
<b>Total Liabilities</b>		<u>65,11,52,112</u>	<u>68,35,04,399</u>	<u>66,41,00,445</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>8,64,14,002</u></u>	<u><u>8,27,88,428</u></u>	<u><u>7,69,98,757</u></u>
<b>Significant accounting policies</b>	<b>1-B</b>			
<b>The accompanying notes 1 to 37 are an integral part of the Financial Statements</b>				

As per our report of even date attached  
For DAYAL AND LOHIA  
Chartered Accountants  
(Firm Registration No. 102200W)

For and on behalf of the Board of Directors

RINKIT K. UCHAT  
Partner  
M. No. 165557

D. N. SINGH  
Technical Director  
DIN : 00021741

H. D. RAMSINGHANI  
Chairman  
DIN : 00035416

Place : Mumbai  
Date : May 29, 2018

Place : Mumbai  
Date : May 29, 2018

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

(Amount in ₹)

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>REVENUE</b>			
Revenue from Operations	20	60,82,239	34,04,483
Other Income	21	5,47,99,219	16,07,094
<b>TOTAL REVENUE</b>		<b>6,08,81,458</b>	<b>50,11,577</b>
<b>EXPENSES</b>			
Cost of Sales	22	44,88,510	24,02,336
Employee Benefits Expense	23	64,62,813	58,27,015
Finance Costs	24	22,67,475	11,86,548
Depreciation	2	2,61,480	3,56,213
Other Expenses	25	1,15,11,904	88,90,585
<b>TOTAL EXPENSES</b>		<b>2,49,92,182</b>	<b>1,86,62,697</b>
<b>Profit/(loss) before Tax</b>		<b>3,58,89,276</b>	<b>(1,36,51,120)</b>
<b>Tax Expense</b>		-	-
<b>Profit/(loss) for the year</b>		<b>3,58,89,276</b>	<b>(1,36,51,120)</b>
<b>Other Comprehensive Income / (Expenses)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement gains / (losses) on defined benefit obligations		88,585	36,837
<b>Total other comprehensive income for the year, net of tax expense</b>		<b>88,585</b>	<b>36,837</b>
<b>Total Comprehensive Profit/(Loss) for the year</b>		<b>3,59,77,861</b>	<b>(1,36,14,283)</b>
Earnings per equity shares (Face Value of ₹10/- each)	26		
Basic		3.44	(1.30)
Diluted		3.44	(0.63)

Significant accounting policies

1-B

The accompanying notes 1 to 37 are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For DAYAL AND LOHIA

Chartered Accountants

(Firm Registration No. 102200W)

RINKIT K. UCHAT

D. N. SINGH

H. D. RAMSINGHANI

Partner

Technical Director

Chairman

M. No. 165557

DIN : 00021741

DIN : 00035416

Place : Mumbai

Place : Mumbai

Date : May 29, 2018

Date : May 29, 2018



**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit / (Loss) before exceptional item and tax	3,58,89,276	(1,36,51,120)
<b>Adjustments for :</b>		
Depreciation on property, plant and equipment	2,61,480	3,56,213
Interest expenses	22,67,475	11,86,548
Actuarial Gain on Defined Benefit Plan	88,585	36,837
Dividend income	-	(4,050)
Interest income	(2,80,445)	(4,86,126)
Profit on sale of Fixed Assets	(5,32,92,107)	-
	<u>(5,09,55,012)</u>	<u>10,89,422</u>
Operating (Loss) / Profit before working capital changes	<u>(1,50,65,736)</u>	<u>(1,25,61,698)</u>
Adjustment for changes in working capital (Increase) / Decrease in:		
Inventories	33,091	2,788
Trade Receivables	(10,76,472)	-
Other Financial Assets - Non Current	-	(945)
Other Financial Assets - Current	(29,22,406)	(1,96,412)
Other Current Assets	1,05,778	(48,51,784)
Provisions - Non Current	(99,032)	13,832
Trade Payables	9,14,946	(12,93,274)
Other Current Financial Liabilities	1,37,250	(14,94,80,000)
Other Current Liabilities	(2,51,757)	26,66,071
Provisions - Current	3,96,306	2,72,325
	<u>(27,62,296)</u>	<u>(15,28,67,399)</u>
Cash generated from Operations	<u>(1,78,28,032)</u>	<u>(16,54,29,097)</u>
Direct taxes paid	-	-
Net Cash generated from Operating activities before exceptional items	(1,78,28,032)	(16,54,29,097)
Exceptional Item	-	-
<b>Net Cash generated from / (used in) Operating activities</b>	<u>(1,78,28,032)</u>	<u>(16,54,29,097)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(6,80,108)	-
Sale of Fixed Assets	5,47,00,000	-
Dividend received	-	4,050
Interest received	2,80,445	4,86,126
Loans	-	(200)
<b>Net Cash generated from / (used in) Investing activities</b>	<u>5,43,00,337</u>	<u>4,89,976</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from/(repayment) of borrowings (net)	(3,34,50,000)	16,72,25,000
Interest paid	(22,67,475)	(11,86,548)
Net Cash used in Financing activities	<u>(3,57,17,475)</u>	<u>16,60,38,452</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<u>7,54,830</u>	<u>10,99,331</u>
Cash and Cash Equivalents - at the start of the year	<u>26,86,177</u>	<u>15,86,846</u>
Cash and Cash Equivalents - at the end of the year	<u>34,41,007</u>	<u>26,86,177</u>

As per our report of even date attached  
For DAYAL AND LOHIA  
Chartered Accountants  
(Firm Registration No. 102200W)

For and on behalf of the Board of Directors

RINKIT K. UCHAT  
Partner  
M. No. 165557

D. N. SINGH  
Technical Director  
DIN : 00021741

H. D. RAMSINGHANI  
Chairman  
DIN : 00035416

Place : Mumbai  
Date : May 29, 2018

Place : Mumbai  
Date : May 29, 2018

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

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>A Equity Share Capital</b>			
Balance at the beginning of the year	10,46,94,000	10,46,94,000	10,46,94,000
Changes in equity share capital during the year	-	-	-
<b>Balance at the end of the year</b>	<b>10,46,94,000</b>	<b>10,46,94,000</b>	<b>10,46,94,000</b>
<b>B Other Equity</b>	<b>Reserve and Surplus</b>		<b>Total</b>
	<b>Capital Reserve</b>	<b>Retained Earnings</b>	<b>Other Equity</b>
<b>Balance as at 1 April 2016</b>	60,30,000	(69,78,25,688)	(69,17,95,688)
Profit/(loss) for the year	-	(1,36,51,120)	(1,36,51,120)
Other comprehensive income/(loss)	-	36,837	36,837
Total comprehensive income/(loss)	-	(1,36,14,283)	(1,36,14,283)
<b>Balance as at 31 March 2017</b>	<b>60,30,000</b>	<b>(71,14,39,971)</b>	<b>(70,54,09,971)</b>
Profit/(loss) for the year	-	<b>3,58,89,276</b>	3,58,89,276
Other comprehensive income/(loss)	-	<b>88,585</b>	88,585
Total comprehensive income/(loss)	-	<b>3,59,77,861</b>	3,59,77,861
<b>Balance as at 31 March 2018</b>	<b>60,30,000</b>	<b>(67,54,62,110)</b>	<b>(66,94,32,110)</b>

As per our report of even date attached  
For DAYAL AND LOHIA  
Chartered Accountants  
(Firm Registration No. 102200W)

**RINKIT K. UCHAT**  
Partner  
M. No. 165557

Place : Mumbai  
Date : May 29, 2018

For and on behalf of the Board of Directors

**D. N. SINGH**  
Technical Director  
DIN : 00021741

Place : Mumbai  
Date : May 29, 2018

**H. D. RAMSINGHANI**  
Chairman  
DIN : 00035416

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

### NOTE 1

#### A. Corporate Information :

Rama Petrochemicals Limited (“the Company”) is a public limited company, incorporated and domiciled in India having its registered office at 51-52, Free Press House, Nariman Point, Mumbai – 400 021, Maharashtra, India. The equity shares of the Company are listed on BSE Limited. The Company is into Methanol manufacturing, having manufacturing facility located at Patalganga (Maharashtra) and also Trading in various commodities.

#### B. Significant Accounting Policies

##### 1. Basis of Preparation :

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 (“the Act”) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities, which are measured at fair value.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (“Indian GAAP”) and the relevant provisions of the Act as applicable. These financial statements are the first financial statements of the Company under IND AS. Refer to Note 1-C for information on first time adoption of IND AS.

##### Use of Estimates and Judgements

The preparation of the Company’s financial statements requires management to make informed judgements, reasonable assumptions and estimates that affect the amounts reported in the financial statements and notes thereto. Uncertainty about these could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods. These assumptions and estimates are reviewed periodically based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit & Loss in the period in which the estimates are revised and in any future periods affected.

In the assessment of the Company, the most significant effects of use of judgments and/or estimates on the amounts recognized in the financial statements relate to the following areas :

- Financial instruments;
- Useful lives of property, plant & equipment;
- Valuation of inventories;
- Measurement of recoverable amounts of assets / cash-generating units;
- Assets and obligations relating to employee benefits;
- Provisions and Contingencies.

##### 2. Revenue Recognition :

- a. Revenue is recognized when the substantial risks and rewards of ownership is transferred to the buyer on dispatch of goods.
- b. Interest income is recognized on time proportionate basis.
- c. Dividend income from investments is recognized when the right to receive the dividend is established.
- d. Claims and damages are accounted as and when they are finalized.

##### 3. Property, Plant and Equipment :

###### Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment includes purchase price, including freight, duties, taxes and expenses incidental to acquisition and installation. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Property, plant and equipment are derecognized from financial statements, either on disposal or when no economic benefits are expected

## **NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence.

### **Subsequent expenditures**

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured. All other repair and maintenance costs are recognized in the Statement of Profit and Loss during the year in which they are incurred.

#### **4. Depreciation :**

- a. Depreciation on Fixed Assets is provided on straight line method based on the useful lives of the assets as prescribed in Schedule II of the Companies Act, 2013.
- b. Depreciation on addition / deletion is provided pro-rata basis with reference to the date of addition / deletion as the case may be.
- c. Individual assets acquired for less than ₹5,000/- are depreciated fully in the year of acquisition.
- d. The details of estimated life for each category of assets are as under :
  - i) Buildings – 5 to 60 years
  - ii) Plant and Machinery – 15 to 20 years
  - iii) Furniture and Fixture – 10 years
  - iv) Office Equipments – 5 years
  - v) Vehicles – 8 years
  - vi) Free hold land is not depreciated.
  - vii) Lease hold land is amortised over the life of the lease.

#### **5. Cash Flow Statements :**

Cash flow statement is prepared in accordance with the indirect method prescribed under IND AS - 7 “Cash Flow Statements” issued by the Institute of Chartered Accountants of India.

#### **6. Foreign Currency Transactions :**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

The gain or loss arising out of settlement / translation of the assets and the liabilities at the closing rates due to exchange fluctuations is recognized as income / expenditure in the statement of profit and loss.

#### **7. Investments :**

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

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

#### **8. Valuation of Inventories :**

- a. Raw Material and work in process are valued at cost (on “first in first out basis”) or net realisable value whichever is lower. Raw material and work in process are not written down below cost if the finished product in which they will be incorporated are expected at or above cost.
- b. Stores & Spares are valued at cost ( on “first in first out basis” ).
- c. Stocks in transit are valued at cost or market value whichever is lower.
- d. Finished goods are valued at cost or net realizable value, whichever is lower.
- e. Inventories of traded goods are valued at cost or net realizable value, whichever is lower.

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

### 9. Employee's Benefits :

#### Short Term Employee Benefits :

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

#### Long Term Employee Benefits :

##### Defined Contribution Plan :

The company has Defined Contribution plans for post employment benefits namely Provident Fund. Under the provident Fund Plan, the company contributes to a Government administered provident fund on behalf of its employees.

The Company's contributions to the above funds are charged to revenue every year.

##### Defined Benefit Plans :

The Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method as at the balance sheet date.

Actuarial gains and losses are recognised in other comprehensive income for gratuity and recognised in the Statement of Profit & Loss for leave encashment.

Remeasurement gain and losses arising from experience adjustments, changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (OCI). They are included in retained earnings in the statement of change in equity and in the balance sheet.

### 10. Borrowing Cost :

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### 11. Segment Reporting :

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated income / expenses.

### 12. Fair value measurement :

The Company's accounting policies and disclosures require the measurement of fair values for financial assets and liabilities.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018****13. 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. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

**A. Financial Assets :****Initial recognition and measurement**

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

**Subsequent measurement**

For the purpose of subsequent measurement, the financial assets are classified as under :

**Financial assets at amortised cost**

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

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (ii) 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 and fees or costs that are an integral part of the EIR. Interest income from these financial assets is included in other income using the EIR in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

**Financial assets at fair value through other comprehensive income (FVTOCI)**

Financial assets are classified as FVTOCI, if both of the following criteria are met :

- (i) These assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets; and
- (ii) 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.

Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income and foreign exchange gains or losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Profit or Loss and recognised in other income/(loss).

**Financial assets at fair value through profit or loss (FVTPL)**

Financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is recognized in profit or loss and presented net in the Statement of Profit and Loss within other income in the period in which it arises.

**Equity instruments**

All equity instruments other than investments in associates are measured at fair value. Equity instruments which are for trading are classified as FVTPL. All other equity instruments are measured at fair value through other comprehensive income (FVTOCI). The classification is made on initial recognition and is irrevocable.

Where the Company's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in profit and loss when the Company's right to receive payments is established.

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### **Impairment of financial assets**

The Company applies 'simplified approach' for recognition of impairment loss on financial assets for loans, deposits and trade receivables.

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

### **De-recognition**

A financial asset is derecognized when :

- (i) the rights to receive cash flows from the assets have expired or
- (ii) the Company has transferred substantially all the risk and rewards of the asset, or
- (iii) the Company has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

## **B. Financial Liabilities :**

### **Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction cost.

### **Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to short maturity of these instruments.

### **Loans and borrowings**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. Gain and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transaction costs. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

### **De-recognition**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have 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 recognized in the Statement of Profit and Loss.

### **Offsetting financial instruments**

Financial assets and financial liabilities are offset and the net amount is reflected in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018****14. Taxes :**

The tax expense comprises current and deferred tax. Tax is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

**(i) Current Tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantially enacted at the reporting date.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

**(ii) Deferred Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amount used for taxation purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax asset 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 asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

**15. Earnings per share :**

The Company reports basic and diluted earnings per share (EPS) in accordance with IND AS-33 on earnings per share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

**16. Cash and Cash Equivalents :**

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

**17. Current and non-current classification :**

Assets and Liabilities in the balance sheet have been classified as either current or non-current. An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current. A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.



## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

### 18. Impairment of Non-Financial Assets :

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The 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. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If such recoverable amount of the asset or cash generating unit is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is any indication that any impairment loss recognized for an asset in prior years may no longer exist or may have decreased, the recoverable amount is reassessed and such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

### 19. Provisions :

A provision is recognized when the company has a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### 20. Contingent Liabilities :

Contingent liabilities, if any are disclosed in the notes on accounts. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the approval of the accounts by the board of directors and which have material effect on the position stated in the balance sheet.

### C. First time adoption of IND AS

The accounting policies set out in note 1-B have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet as at April 01, 2016 (the Company's date of transition to Ind AS). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (as amended) and other relevant provisions of the Act ("Indian GAAP" or "previous GAAP"). The effects of the transition to Ind AS on equity, total comprehensive income and reported cash flows are presented in this section and are further explained in the following notes.

Ind AS 101 allows first-time adopters certain exemptions/exceptions from the retrospective application of certain requirements under Ind AS. In preparing these financial statements, the Company has applied the following exemptions:

#### **Ind AS Optional Exemptions:**

##### **Deemed cost for property, plant and equipment**

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value and use that as its deemed cost as at the date of transition (April 01,2016).

##### **Designation of previously recognized financial instruments**

Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has designated investments in equity shares (other than investments in equity shares of associates) as held at FVTOCI on the basis of the facts and circumstances that existed at the date of transition.

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

**Reconciliation**

The following reconciliations provide the effect of transition to Ind AS from previous GAAP in accordance with Ind AS 101:

Equity as at April 01, 2016 and as at March 31, 2017

Total comprehensive income for the year ended March 31, 2017

Reconciliation of total equity as at March 31, 2017 and April 01, 2016

(Amount in ₹)

Particulars	As at March 31, 2017 (End of last period presented under previous GAAP)	As at April 01, 2016 (Date of transition)
<b>Total equity under previous GAAP</b>	<b>(60,07,15,971)</b>	(58,71,01,688)
<b>Total adjustment to equity</b>	-	-
<b>Total Equity under IND AS</b>	<b>(60,07,15,971)</b>	(58,71,01,688)

**Reconciliation of total comprehensive income for the year ended March 31, 2017**

Particulars	For the year ended March 31, 2017
<b>Net Profit / (Loss) after tax under previous GAAP</b>	<b>(1,36,14,283)</b>
<b>Other Comprehensive Income (Net of Tax)</b>	<b>36,837</b>
<b>Net Profit/(Loss) after tax as per IND AS</b>	<b>(1,36,51,120)</b>

**Impact of IND AS adoption on the Statement of Cash Flow for the year ended March 31, 2017**

There were no material differences between the Cash Flow Statement presented under Ind AS and the previous GAAP.

Notes:

- a) Defined benefit liabilities- Under Ind AS, remeasurements i.e. actuarial gain and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income.
- b) Under Ind AS, all items of income and expenses recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expenses that are not recognized in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes fair value gains or (loss) on FVTOCI equity instruments and remeasurements of defined benefit plans.

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

**2 Property, Plant and Equipments**

Particulars	Gross Carrying Amount				Depreciation			Net Carrying Amount		
	As at April 01, 2017	As at Additions during the year	Deductions/ Adjustments during the year	As at March 31, 2018	Upto March 31, 2017	Provided during the year	On Deductions/ Adjustments	Upto March 31, 2018	As at March 31, 2018	As at March 31, 2017
Land Free-hold	36,10,057	-	-	36,10,057	-	-	-	-	36,10,057	36,10,057
Land lease-hold	1,76,449	-	-	1,76,449	2,691	2,691	-	5,382	1,71,067	1,73,758
Buildings	61,90,311	6,57,061	14,48,714	53,98,658	2,71,145	2,49,949	40,821	4,80,273	49,18,385	59,19,166
Plant & equipment	96,221	-	-	96,221	82,377	7,261	-	89,638	6,583	13,844
Office	60	-	-	60	-	-	-	-	60	60
Equipments	90	23,047	-	23,137	-	1,579	-	1,579	21,558	90
Furniture and fixtures	5	-	-	5	-	-	-	-	5	5
<b>Total</b>	<b>1,00,73,193</b>	<b>6,80,108</b>	<b>14,48,714</b>	<b>93,04,587</b>	<b>3,56,213</b>	<b>2,61,480</b>	<b>40,821</b>	<b>5,76,872</b>	<b>87,27,715</b>	<b>97,16,980</b>

Particulars	Gross Carrying Amount				Depreciation			Net Carrying Amount		
	As at April 01, 2016	As at Additions during the year	Deductions/ Adjustments during the year	As at March 31, 2017	Upto March 31, 2016	Provided during the year	On Deductions/ Adjustments	Upto March 31, 2017	As at March 31, 2017	As at March 31, 2016
Land Free-hold	36,10,057	-	-	36,10,057	-	-	-	-	36,10,057	36,10,057
Land lease-hold	1,76,449	-	-	1,76,449	2,691	2,691	-	2,691	1,73,758	1,76,449
Buildings	61,90,311	-	-	61,90,311	-	2,71,145	-	2,71,145	59,19,166	61,90,311
Plant & equipment	96,221	-	-	96,221	-	82,377	-	82,377	13,844	96,221
Office	60	-	-	60	-	-	-	-	60	60
Equipments	90	-	-	90	-	-	-	-	90	90
Furniture and fixtures	5	-	-	5	-	-	-	-	5	5
<b>Total</b>	<b>1,00,73,193</b>	<b>-</b>	<b>-</b>	<b>1,00,73,193</b>	<b>-</b>	<b>3,56,213</b>	<b>-</b>	<b>3,56,213</b>	<b>97,16,980</b>	<b>1,00,73,193</b>

2.1 Lease hold land is taken on lease for the period of 95 years and cost of the same is amortised over the period of lease.

2.2 Immovable properties of the Company are also mortgaged on first pari-passu charge basis in favour of Financial Institution and Banks to secure Term loan sanctioned to denim division of the company. In the year 1999 - 2001, denim division of the company was demerged as Rainbow Denim Ltd.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>3 Investments</b>			
<b>Non Current Investments (At Cost)</b>			
<b>Investment in Unquoted Shares (Other than trade)</b>			
<b>5,00,300</b> (31st March 2017 - 5,00,300 and 01st April 2016 - 5,00,300) Equity Shares of Rama Capital & Fiscal Services Pvt. Ltd. Of ₹ 10/- each fully paid up.	<b>50,21,735</b>	50,21,735	50,21,735
<b>25,00,000</b> (31st March 2017 - 25,00,000 and 01st April 2016 - 25,00,000) 9% Cumulative Convertible Preference Shares of Rama Capital & fsical Services pvt. Ltd. Of ₹10/- each fully paid up.	<b>2,50,00,000</b>	2,50,00,000	2,50,00,000
<b>Less : Provision for diminution in value of investment</b>	<b>3,00,21,735</b>	3,00,21,735	3,00,21,735
<b>Total</b>	<b>-</b>	-	-
 <b>Aggregate Value of Unquoted Investments :</b>	<b>NIL</b>	NIL	NIL
 <b>4 Other Financial Assets</b>			
<b>Other Financial Assets (Non Current)</b>			
Security Deposits			
Considered doubtful	<b>2,06,600</b>	2,06,600	2,06,600
Considered Good	<b>21,10,320</b>	21,10,320	21,09,375
	<b>23,16,920</b>	23,16,920	23,15,975
Less : Provision for doubtful deposits	<b>2,06,600</b>	2,06,600	2,06,600
<b>Total</b>	<b>21,10,320</b>	21,10,320	21,09,375
 <b>5 Inventories</b>			
Stores & Spares	<b>3,07,07,323</b>	3,07,40,414	3,07,43,202
( for Mode of valuation refer Note 1(B-8))			
<b>Total</b>	<b>3,07,07,323</b>	3,07,40,414	3,07,43,202
 <b>6 Trade Receivables</b>			
Unsecured Considered Good unless stated otherwise			
Due more than six months			
considered good	-	-	-
considered doubtful	<b>3,84,116</b>	3,84,116	3,84,116
	<b>3,84,116</b>	3,84,116	3,84,116
Due less than six months			
considered good	<b>10,76,472</b>	-	-
	<b>14,60,588</b>	3,84,116	3,84,116
Less : provision for doubtful debts	<b>3,84,116</b>	3,84,116	3,84,116
<b>Total</b>	<b>10,76,472</b>	-	-

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>7 Cash and Cash Equivalents</b>			
Balances with banks:			
In current accounts	14,87,479	13,27,071	4,69,292
Fixed Deposits	12,70,944	12,36,763	8,29,350
Cash on hand	6,82,584	1,22,343	2,88,204
<b>Total</b>	<b>34,41,007</b>	<b>26,86,177</b>	<b>15,86,846</b>
<b>8 Loans</b>			
<b>Loans (Current)</b>			
<b>Unsecured - considered good</b>			
Loans to employees	2,11,492	2,11,492	2,11,292
<b>Total</b>	<b>2,11,492</b>	<b>2,11,492</b>	<b>2,11,292</b>
<b>9 Other Financial Assets</b>			
<b>Other Financial Assets (Current)</b>			
Interest receivable	3,04,028	2,72,102	1,55,451
Net Tax Assets	76,466	78,635	78,635
Others	30,14,910	1,22,261	42,500
<b>Total</b>	<b>33,95,404</b>	<b>4,72,998</b>	<b>2,76,586</b>
<b>10 Other Current Assets</b>			
Balances with Govt Authorities	83,10,805	79,28,652	73,11,639
Prepaid expenses	2,63,266	3,11,997	3,63,142
Others			
considered doubtful	35,06,39,889	35,02,39,889	35,02,39,889
considered good	38,53,169	44,41,111	1,80,696
	<b>35,44,93,058</b>	<b>35,46,81,000</b>	<b>35,04,20,585</b>
Less : Provisions for doubtful	35,06,39,889	35,02,39,889	35,02,39,889
	<b>38,53,169</b>	<b>44,41,111</b>	<b>1,80,696</b>
<b>Total</b>	<b>1,24,27,240</b>	<b>1,26,81,760</b>	<b>78,55,477</b>

10.1 During the year 1998-99, company had imported some material and could not pay custom duty due to financial crisis. The material was stored in Central Warehousing Corporation bonded warehouse. During the year 2012-13, the company came to know that the material was auctioned by the Custom Authority for non-payment of duty. Since the matter is pending with High Court, claims for the same amounting to ₹ 1,87,71,179/- is provided in the books of accounts included in doubtful provisions.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>11 Equity Share Capital</b>			
<b>Authorised</b>			
5,00,00,000 (31 March 2017 - 5,00,00,000 and 01 April 2016 - 5,00,00,000) Equity Shares of ₹10/- each	<u>50,00,00,000</u>	<u>50,00,00,000</u>	<u>50,00,00,000</u>
<b>Issued, Subscribed and Paid up</b>			
1,04,69,400 (31 March 2017- 1,04,69,400 and 01 April 2016- 1,04,69,400) Equity shares of ₹10/- each fully paid up	<u>10,46,94,000</u>	<u>10,46,94,000</u>	<u>10,46,94,000</u>
<b>Total issued, subscribed and fully paid up share capital</b>	<u>10,46,94,000</u>	<u>10,46,94,000</u>	<u>10,46,94,000</u>

**a Reconciliation of the equity shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number	Amount in ₹	Number	Amount in ₹	Number	Amount in ₹
<b>Shares outstanding at the beginning of the year</b>	1,04,69,400	10,46,94,000	1,04,69,400	10,46,94,000	1,04,69,400	10,46,94,000
Shares issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<u>1,04,69,400</u>	<u>10,46,94,000</u>	<u>1,04,69,400</u>	<u>10,46,94,000</u>	<u>1,04,69,400</u>	<u>10,46,94,000</u>

**b Terms/rights attached to the equity shares**

Details of the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital.

**Equity Shares :** The Company has only one class of Equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share. Dividend is payable in the proportion to the Capital Paid up. 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 proportion to the number of equity shares held by the shareholders.

**c Details of the shareholders holding more than 5% shares in the Company**

Name of Shareholder	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Silver Eagle Inc	30,40,000	29	30,40,000	29	-	-
Indo US Investment INC	-	-	-	-	30,00,000	29
Libra Mercantile Pvt Ltd	14,04,401	13	14,04,401	13	14,04,401	13
Jupiter Corporate Services Pvt. Ltd.	6,34,330	6	6,34,330	6	5,93,280	6

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>12 Other Equity</b>			
<b>Capital Reserve</b>			
Opening balance	60,30,000	60,30,000	60,30,000
Addition during the year	-	-	-
Closing balance	<u>60,30,000</u>	<u>60,30,000</u>	<u>60,30,000</u>
<b>Retained Earnings</b>			
Opening balance	(71,14,39,971)	(69,78,25,688)	(69,78,25,688)
Profit / (Loss) for the year	3,58,89,276	(1,36,51,120)	-
Items of other comprehensive income recognised directly in retained earnings:			
Remeasurement of defined benefit obligation (net of tax)	88,585	36,837	-
Closing Balance	<u>(67,54,62,110)</u>	<u>(71,14,39,971)</u>	<u>(69,78,25,688)</u>
<b>Other Equity</b>	<b>Total</b>	<b>(66,94,32,110)</b>	<b>(69,17,95,688)</b>
<b>13 Borrowings</b>			
<b>Borrowings (Non Current)</b>			
<b>Secured Loans</b>			
From Others	3,35,00,000	-	-
<b>Total</b>	<b><u>3,35,00,000</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>13.1 Terms and Condition of Borrowings</b> : Loan from others is secured by a personal guarantee of a director. Interest on the loans is payable @ 9% p.a. quarterly at the end of the quarter. Loan is repayable in two installment, on 22/11/2020 ₹ 20,00,000/- and on 23/11/2020 ₹13,50,000/-			
<b>Unsecured Loans</b>			
From related parties	12,39,50,000	15,75,50,000	8,84,00,000
From others	13,12,25,000	16,45,75,000	6,65,00,000
<b>Total</b>	<b><u>25,51,75,000</u></b>	<b><u>32,21,25,000</u></b>	<b><u>15,49,00,000</u></b>
<b>14 Other Financial Liabilities</b>			
<b>Other Financial Liabilities (Non Current)</b>			
Sales Tax Deferral	31,03,44,140	31,03,44,140	31,03,44,140
<b>Total</b>	<b><u>31,03,44,140</u></b>	<b><u>31,03,44,140</u></b>	<b><u>31,03,44,140</u></b>

14.1 The company had a liability of ₹ 3,12,33,405/- payable from 30th April 2001 to 30th April 2014 to sales tax department of Government of Maharashtra in respect of sales tax deferral scheme. The company had paid ₹ 19,89,265/- against the same.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>15 Provisions</b>			
<b>Provisions (Non Current)</b>			
For employee benefits - (refer note 31)			
Gratuity	8,27,166	8,66,714	8,03,957
Leave benefits	1,48,819	2,08,303	2,57,228
<b>Total</b>	<b>9,75,985</b>	<b>10,75,017</b>	<b>10,61,185</b>
<b>CURRENT FINANCIAL LIABILITES</b>			
<b>16 Trade Payables</b>			
Amount Due to MSME	14,33,622	14,33,622	14,33,622
Others	15,53,700	6,38,754	19,32,028
<b>Total</b>	<b>29,87,322</b>	<b>20,72,376</b>	<b>33,65,650</b>
16.1 Based on the information available with the company, one party has been identified as MSME a defined under "Micro, Small and medium Enterprise Development Act, 2006" which has claimed ₹14,33,622/- towards supply. This liability has been disputed by the company. The party has filed a complaint against the company, with Micro and Small Enterprises Facilitation Council. Under these circumstances interest, if any, will be accounted as and when becomes payable.			
<b>17 Other Financial Liabilities</b>			
<b>Other Financial Liabilities (Current)</b>			
Securtiy Deposits	1,65,000	4,80,000	1,85,000
Share application money	-	-	14,97,75,000
Others	4,52,250	-	-
<b>Total</b>	<b>6,17,250</b>	<b>4,80,000</b>	<b>14,99,60,000</b>
<b>18 Other Current Liabilities</b>			
Advance received from customers	-	11,44,660	-
Statutory dues	1,18,43,868	1,14,70,561	1,10,96,542
Other liabilities	3,35,24,669	3,30,05,073	3,18,57,681
<b>Total</b>	<b>4,53,68,537</b>	<b>4,56,20,294</b>	<b>4,29,54,223</b>
<b>19 Provisions</b>			
<b>Provisions (Current)</b>			
For employee benefits - (refer note 31)			
Gratuity	15,43,973	11,76,174	10,82,257
Leave benefits	6,39,905	6,11,398	4,32,990
<b>Total</b>	<b>21,83,878</b>	<b>17,87,572</b>	<b>15,15,247</b>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>20 Revenue from Operations</b>		
Sale of products	59,84,668	34,04,483
Other operating Revenue	97,571	-
<b>Total</b>	<b>60,82,239</b>	<b>34,04,483</b>
<b>21 Other Income</b>		
Interest income	2,80,445	4,86,126
Dividends on FVOCI investments	-	4,050
Rent	12,26,667	10,28,609
Profit of sale of fixed assets	5,32,92,107	-
Other non-operating income	-	88,309
<b>Total</b>	<b>5,47,99,219</b>	<b>16,07,094</b>
<b>22 Cost of Sales</b>		
Cost of Traded Goods	44,88,510	24,02,336
<b>Total</b>	<b>44,88,510</b>	<b>24,02,336</b>
<b>23 Employee Benefit Expenses</b>		
Salaries and wages	53,41,015	50,99,219
Contribution to provident and other funds	7,84,048	4,72,788
Staff welfare expenses	3,37,750	2,55,008
<b>Total</b>	<b>64,62,813</b>	<b>58,27,015</b>
<b>24 Finance Cost</b>		
Interest expenses	22,67,475	11,86,548
<b>Total</b>	<b>22,67,475</b>	<b>11,86,548</b>
<b>25 Other Expenses</b>		
Power & Fuel	6,63,098	6,49,948
<b>Repairs to</b>		
Buildings	1,76,950	59,209
Machinery	7,28,599	4,07,928
Others	6,20,539	4,36,142
Stores & Spares	80,058	1,21,724
Insurance	4,19,487	3,90,427
Rates and taxes	8,45,757	6,51,863
Travelling and conveyance expenses	7,09,152	6,11,945
Legal and professional fees	19,89,491	6,90,167
Printing, stationery and communication expenses	5,26,864	8,68,685
Bank charges	3,567	11,801
Security charges	29,62,446	27,00,489
Sundry balances written off	2,300	19
Doubtful Advances	4,00,000	-
Sundry expenses	11,64,490	10,44,910
Directors' sitting fees	58,120	68,600
<b>Auditors' remuneration</b>		
Audit fee	1,00,000	1,00,000
Taxation matters	60,050	76,080
Reimbursement of expenses	936	648
<b>Total</b>	<b>1,15,11,904</b>	<b>88,90,585</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

**Note 26**

**Earning Per Share (EPS)**

Sr. No.	Particulars	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
i	Net Profit / (Loss) after Tax as per statement of profit and loss attributable to Equity Shareholders (Before Extraordinary items) (Amount in ₹)	3,59,77,861	(1,36,14,283)
ii	Net Profit / (Loss) after Tax as per statement of profit and loss attributable to Equity Shareholders (After Extraordinary items) (Amount in ₹)	3,59,77,861	(1,36,14,283)
iii	Weighted Average number of Equity Shares outstanding	1,04,69,400	1,04,69,400
iv	Weighted Average number of Equity Shares including diluted potential equity shares outstanding during the year	1,04,69,400	2,17,53,818
v	Face Value of Equity Shares in ₹	10.00	10.00
vi	Basic Earning per Equity Share (Before Extraordinary item)	3.44	(1.30)
vii	Diluted Earning per Equity Share (Before Extraordinary item)	3.44	(0.63)
viii	Basic Earning per Equity Share (After Extraordinary item)	3.44	(1.30)
ix	Diluted Earning per Equity Share (After Extraordinary item)	3.44	(0.63)

**Note 27**

**Contingent Liabilities :**

- a. Claims against the company not acknowledged are as follows :

(Amount in ₹)

Name of the Statute	As at March 31, 2018	As at March 31, 2017
Income Tax	1,88,95,265	1,88,95,265
Irrigation Department	25,92,05,087	25,92,05,087

The Company is in appeal for these claims.

- b. Guarantees / Counter Guarantees given to Banks, Financial Institutions and other Body Corporate ₹ 27,05,00,000/- (Previous Year ₹ 91,00,00,000/-)

**Note 28**

The operation of company's methanol division has been unviable and in turn forced the company to suspend its production activities since Sept.'1999. However, the company is making efforts to obtain alternative main feed stock for its methanol plant to make the operation viable. Considering the fact that laying of pipeline for supply of gas by Gas Authority of India Ltd. is completed, the company is hopeful to restart its plant soon. Accordingly the company continues to prepare accounts on the basis of "Going Concern Concept".

**Note 29**

As mentioned above the company had suspended its production activities since Sept.'1999, as a result of this the company has transferred some of the employees to other Division /Group Companies w.e.f. 30<sup>th</sup> October,1999. None of the transferred employees has reported to their duties and they have approached the Industrial Court. However, Company does not expect any financial liability, apart from their service benefit, which has been provided in the books of account.

**Note 30**

The company has obtained a valuation report from registered valuer in respect of its methanol division. On considering the same, the management is of the opinion that there is no loss on account of impairment of assets as per IND AS - 36 "Impairment of Assets" as issued by ICAI pertaining to this division.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

**Note 31**

**Employee Benefits**

**Defined Contribution Plan**

Provident Fund

Superannuation fund and Pension scheme, 1995

The company has recognized the following amounts in the statement of Profit and Loss which are included under Contribution to Provident and other funds :

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Contribution to : Provident Fund	2,55,277	2,79,205

Disclosure for Defined Benefit Plans based on actuarial valuation report :

Gratuity		
Changes in defined benefit obligations		
Present vale of defined benefit obligation as at the beginning of the year	20,42,888	18,86,214
Interest Cost	1,36,261	1,41,089
Current Service Cost	48,267	52,422
Past service cost-vested benefits	3,24,601	-
Benefit paid	(92,293)	-
Actuarial (gain)/loss due to changes in financial assumptions	(22,592)	36,825
Actuarial (gain)/loss due to changes in experience adjustments	(65,993)	(73,662)
Present value of defined benefit obligation as at end of the year	23,71,139	20,42,888

Changes in Fair Value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	-	-
Interest Income	-	-
Employer Contribution	-	-
Benefits paid	-	-
Return on Plan Assets (excluding interest income)	-	-
Fair value of Plan Assets at end of the year	-	-

Amount recognized in the Balance Sheet		
Present value of defined benefit obligation at end of the year	(23,71,139)	(20,42,888)
Fair value of Plan Assets at end of the year	-	-
Net liability recognize in the Balance Sheet	(23,71,139)	(20,42,888)
Current Provision	15,43,973	11,76,174
Non Current provision	8,27,166	8,66,714

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

<b>Particulars</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
<b>Expenses recognized in the Statement of Profit and Loss</b>		
Interest Cost /(Income)	1,36,261	1,41,089
Current Service Cost	48,267	52,422
Actuarial (Gain) / Losses	-	-
Past Service Cost – vested benefits	3,24,601	-
Expenses recognized in the Statement of Profit and Loss	5,09,129	1,93,511
<b>Expenses recognized in the Other Comprehensive Income (OCI)</b>		
Remeasurement (gain) / loss	(88,585)	(36,837)
Actuarial (gain)/loss due to change in financial assumptions	-	-
Actuarial (gain)/loss due to change in experience adjustment	-	-
Net (Income)/Expenses recognized in OCI	(88,585)	(36,837)
<b>Movement in the present value of net defined benefit obligations are as follows</b>		
Opening net liability	20,42,888	18,86,214
Expenses recognized in the Statement of Profit and Loss	5,09,129	1,93,511
Expenses recognized in OCI	(88,585)	(36,837)
Benefits paid	(92,293)	-
Closing net liability	23,71,139	20,42,888
<b>Actuarial Assumptions</b>		
Retirement age - years	58	58
Discount rate and expected Return on Plan Assets	7.18% p.a.	6.67% p.a.
Mortality	<b>Indian Assured Lives Mortality (2006-2008) Ultimate</b>	Indian Assured Lives Mortality (2006- 2008) Ultimate
Rate of Employee turnover	2% p.a.	2% p.a.
Salary escalation	5% p.a.	5% p.a.
<b>Other details</b>		
No of Active Members	10	9
Per month salary for Active Members	2,43,497	2,23,525
Weighted Average duration of the Projected Benefit Obligation	3	3
Average Expected Future Service - years	3	3
Projected Benefit obligation	23,71,139	20,42,888
Prescribed Contribution for next year (12 months)	-	-

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

Maturity analysis of defined benefit obligation from the employer	Estimated for the year ended March 31, 2018	Estimated for the year ended March 31, 2017
1 <sup>st</sup> following year	15,43,973	11,76,174
2 <sup>nd</sup> following year	1,98,562	65,230
3 <sup>rd</sup> following year	2,84,269	2,61,647
4 <sup>th</sup> following year	13,809	2,77,042
5 <sup>th</sup> following year	14,657	12,544
Sum of years 6 to 10	83,958	71,886
Sum of years 11 and above	6,85,868	6,30,309

The weighted average duration of the defined benefit obligation as at 31<sup>st</sup> March 2018 is 5.52 years (31<sup>st</sup> March 2017 is 7.52 years)

	Estimated for the year ended March 31, 2018	Estimated for the year ended March 31, 2017
<b>Sensitivity analysis</b>		
Delta impact of +1% change in discount rate	(41,246)	(45,060)
Delta impact of -1% change in discount rate	45,366	49,638
Delta impact of +1% change in salary escalation rate	45,896	49,968
Delta impact of -1% change in salary escalation rate	(42,447)	(46,161)
Delta impact of +1% change in rate of employee turnover	4,870	4,329
Delta impact of -1% change in rate of employee turnover	(5,196)	(4,628)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

**Characteristics of defined benefit plan**

The Company has a defined benefit gratuity plan in India (unfunded).

**Risks associated with defined benefit plan**

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

**Interest rate risk:** A fall in the discount rate which is linked to the government security rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds.

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

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

**Characteristics of defined benefit plans**

During the year, the company has changed the benefit scheme in line with Payment of Gratuity Act, 1972 by increasing monetary ceiling from 10 lakhs to 20 lakhs. Change in liability (if any) due to this scheme change is recognised as past service cost.

**Note 32**

**Segment Reporting IND AS-108 :**

The company has the following primary segments during the year :

- 1 Methanol
- 2 Trading Goods

Information about Primary Business Segment :

(Amount in ₹)

Particulars	Methanol		Trading		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Segment Revenue	-	-	<b>59,84,668</b>	34,04,483	<b>59,84,668</b>	34,04,483
Segment Results before interest, exceptional / extraordinary items and tax	<b>(1,23,59,121)</b>	(96,85,167)	<b>14,96,158</b>	10,02,147	<b>(1,08,62,963)</b>	(86,83,020)
Net Unallocable (Income)/Expenses					<b>(4,91,08,299)</b>	37,44,715
Finance Cost					<b>22,67,475</b>	11,86,548
Profit/(Loss) before Tax					<b>3,59,77,861</b>	(1,36,14,283)

Other Information

(Amount in ₹)

Particulars	Methanol		Trading		Unallocable		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Segment Assets	<b>8,13,25,724</b>	7,84,07,353	<b>48,15,154</b>	42,54,524	<b>2,73,124</b>	1,26,551	<b>8,64,14,002</b>	8,27,88,428
Segment Liabilities	<b>65,11,52,112</b>	68,23,59,739	-	11,44,660	-	-	<b>65,11,52,112</b>	68,35,04,399
Depreciation	<b>2,61,480</b>	3,56,213	-	-	-	-	<b>2,61,480</b>	3,56,213
Non cash expenses other than depreciation	-	-	-	-	-	-	-	-

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

**Note 33**

**Related Party Disclosure**

A. List of related parties as required by Ind AS-24 "Related Party Disclosure" are given below :

i	Subsidiary	Rama Capital & Fiscal Services Pvt. Ltd.
ii	Associates	Silver Eagle Inc
iii	Key Management personnel (KMP) & their relatives	Mr. H D Ramsinghani – Chairman Mr. D N Singh – Technical Director Relatives of Chairman Mr. D J Ramsinghani Mrs. L D Ramsinghani
iv	Non Executive Directors	Mrs. N H Ramsinghani Mr. R G Kulkarni Mr. N R Joshi Mr. M G Lodha (upto 15.06.2016)
v	Where persons mentioned in (iii) exercise significant influence	Rainbow Denim Ltd. Rama Phosphates Ltd. Rainbow Agri Industries Ltd. Bluelagoon Investments Pvt. Ltd. Rama Enterprise

B. Transactions with related parties :

(Amount in ₹)

	Type of related party	Description of nature of transaction	Volume of transaction during 2017-18	Volume of transaction during 2016-17	Balance as on 31.03.2018 Receivable / (Payable)	Balance as on 31.03.2017 Receivable / (Payable)	Balance as on 01.04.2016 Receivable / (Payable)
<b>i</b>	<b>Subsidiary</b>						
	Rama Capital & Fiscal Services Pvt. Ltd.	Loans / Advances given	4,00,000	-	30,90,44,140	30,86,44,140	30,86,44,140
<b>ii</b>	<b>Key management personnel</b>						
	Mr. H D Ramsinghani	Sitting fees paid	10,000	14,000	-	-	-
<b>iii</b>	<b>Non Executive Director</b>						
	Mrs. N H Ramsinghani	Sitting fees paid	8,000	6,000	-	-	-
	Mr. R G Kulkarni	Sitting fees paid	20,000	24,000	-	-	-
	Mr. N R Joshi	Sitting fees paid	20,000	18,000	-	-	-
	Mr. M G Lodha	Sitting fees paid	-	6,000	-	-	-

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

	Type of related party	Description of nature of transaction	Volume of transaction during 2017-18	Volume of transaction during 2016-17	Balance as on 31.03.2018 Receivable / (Payable)	Balance as on 31.03.2017 Receivable / (Payable)	Balance as on 01.04.2016 Receivable / (Payable)
<b>iv</b>	<b>Where KMP and their relatives exercise significant influence</b>						
	Rama Krishi Rasayan (A Div. of Rama Phosphates Ltd.)	Sale of goods – excluding tax	59,84,668	34,04,483	10,76,472	(11,44,660)	-
	Rainbow Denim Ltd	Loans / Advances taken	-	20,10,00,000	(10,00,000)	(10,00,000)	-
		Loans / Advances repaid	-	20,00,00,000			
	Rainbow Agri Industries Ltd.	Loans / Advances taken	1,48,50,000	6,29,00,000	(12,61,25,000)	(15,94,75,000)	(6,65,00,000)
		Loans / Advances repaid	4,82,00,000	11,97,00,000			
		Receipt of share application money converted to loan	-	14,97,75,000	-	(14,97,75,000)	(14,97,75,000)
	Bluelagoon Investments Pvt. Ltd	Loans / Advances taken	32,00,000	23,05,50,000	(12,39,50,000)	(15,75,50,000)	(8,84,00,000)
		Loans / Advances repaid	3,68,00,000	16,14,00,000			

Terms and conditions of transaction with related parties :

The sale to related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash.

**Note 34**

**Deferred Taxation :**

In view of the company not expecting any taxable profits in near future, no deferred tax asset is recognized. The details of the same are as under :

(Amount in ₹)

Particular	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016
<b>Deferred Tax Liability</b>			
Property, Plant and Equipment	9,12,266	12,82,543	13,34,487
<b>Deferred Tax Assets</b>			
Provision for doubtful receivables	1,08,63,016	1,30,35,617	1,30,35,617
Unused Tax Credit / losses	1,91,23,982	3,47,62,635	3,15,68,444
Expenses that are allowed on payment basis	38,91,148	50,04,464	47,61,113
Total Deferred Tax Asset	3,38,78,146	5,28,02,716	4,93,65,174
Net Deferred (Asset) / Liability	(3,29,65,880)	(5,15,20,173)	(4,80,30,687)



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

**Movement in deferred tax balances**

**Movement in deferred tax during the year ended March 31, 2018**

Particular	Opening balance as at April 01, 2017	Changes during the year	Closing balance as at March 31, 2018
Property, Plant and Equipment	12,82,543	-	9,12,266
Provision for doubtful receivables	1,30,35,617	-	1,08,63,016
Unused Tax Credit / losses	3,47,62,635	-	1,91,23,982
Expenses that are allowed on payment basis	50,04,464	-	38,91,148

**Movement in deferred tax during the year ended March 31, 2017**

Particular	Opening balance as at April 01, 2016	Changes during the year	Closing balance as at March 31, 2017
Property, Plant and Equipment	13,34,487	-	12,82,543
Provision for doubtful receivables	1,30,35,617	-	1,30,35,617
Unused Tax Credit / losses	3,15,68,444	-	3,47,62,635
Expenses that are allowed on payment basis	47,61,113	-	50,04,464

**Note 35**

**Financial Instruments - Fair Value and Risk Management**

**a. Accounting Classification**

The carrying value of financial instruments by categories are as follows :

(Amount in ₹)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
	Amortise Cost	Amortise Cost	Amortise Cost
<b>Financial Assets</b>			
Loans	2,11,492	2,11,492	2,11,292
Trade receivable	10,76,472	-	-
Cash and cash equivalents	34,41,007	26,86,177	15,86,846
Other financial assets	55,05,724	25,83,318	23,85,961
Total	1,02,34,695	54,80,987	41,84,099
<b>Financial Liabilities</b>			
Borrowings	28,86,75,000	32,21,25,000	15,49,00,000
Trade payable	29,87,322	20,72,376	33,65,650
Other financial liabilities	31,09,61,390	31,08,24,140	46,03,04,140
Total	60,26,23,712	63,50,21,516	61,85,69,790

**b. Risk management framework**

The Company's principal financial liabilities include borrowing, trade and other payables. The Company's principal financial assets include loans, trade receivable, cash and cash equivalents and others. The Company also holds FVTOCI investments. The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

**c. Financial Risk Management**

The Company has exposure to the following risks arising from financial instruments :

- i) Credit Risk
- ii) Liquidity Risk
- iii) Market Risk

**i) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investment in inter corporate deposit and loans given.

The carrying amount of following financial assets represents the maximum credit exposure :

Trade receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. No impairment is observed on the carrying value of trade receivables.

Other financial assets

Credit risk from balances with banks, loans, investments is managed by Company's finance department. Investments of surplus funds are made only with approved counterparties. No impairment on such investment has been recognised as on the reporting date.

**ii) Liquidity Risk**

Liquidity risk is the risk that 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 to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation.

The Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank loans and inter-corporate loans.

**Exposure to Liquidity Risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date.

March 31, 2018	Carrying Amount	Contractual Cashflows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings	28,86,75,000	28,86,75,000	-	-	-	28,86,75,000
Trade payable	29,87,322	29,87,322	29,87,322	-	-	-
Other Financial Liabilities	31,09,61,390	31,09,61,390	6,17,250	-	-	31,03,44,140

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

March 31, 2017	Contractual Cashflows					
	Carrying Amount	Total	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings	32,21,25,000	32,21,25,000	-	-	-	32,21,25,000
Trade payable	20,72,376	20,72,376	20,72,376	-	-	-
Other Financial Liabilities	31,08,24,140	31,08,24,140	4,80,000	-	-	31,03,44,140

April 01, 2016	Contractual Cashflows					
	Carrying Amount	Total	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings	15,49,00,000	15,49,00,000	-	-	-	15,49,00,000
Trade payable	33,65,650	33,65,650	33,65,650	-	-	-
Other Financial Liabilities	46,03,04,140	46,03,04,140	14,99,60,000	-	-	31,03,44,140

**iii) Market Risk**

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and commodity prices which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market exposures within acceptable parameters, while optimising the return.

**Currency Risk**

Currency risk is not material, as the Company's primary business activities are within India and does not have any exposure in foreign currency.

**Interest rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rate is not material as the Company is having fixed rate borrowings.

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss.

**Commodity price Risk**

The Company's activities are exposed to naphtha and gas price risks and therefore its overall risk management program focuses on the volatile nature of the naphtha and gas market, thus seeking to minimize potential adverse effects on the Company's financial performance on account of such volatility.

**Note 36**

**Capital Management**

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt and the total equity of the Company. For this purpose, net debt is defined as total borrowings less cash and cash equivalents.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirements are met through short-term/long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The company's net debt to equity ratio is as follows :

(Amount in ₹)

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016
Borrowings	<b>28,86,75,000</b>	32,21,25,000	15,49,00,000
Less : Cash and Cash Equivalents	<b>34,41,007</b>	26,86,177	15,86,846
Net Debt	<b>28,52,33,993</b>	31,94,38,823	15,33,13,154
Total Equity	<b>(56,47,38,110)</b>	(60,07,15,971)	(58,71,01,688)
Debt / Equity ratio	<b>(0.51)</b>	(0.53)	(0.26)

**Note 37**

Previous year figures have been regrouped / rearranged wherever necessary to make them comparable.

**As per our report of even date attached  
For DAYAL AND LOHIA  
Chartered Accountants  
(Firm Registration No. 102200W)**

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

**RINKIT K. UCHAT**  
Partner  
M. No. 165557

**D. N. SINGH**  
Technical Director  
DIN : 00021741

**H. D. RAMSINGHANI**  
Chairman  
DIN : 00035416

**Place : Mumbai  
Date : May 29, 2018**

**Place : Mumbai  
Date : May 29, 2018**

**INDEPENDENT AUDITOR'S REPORT**

**To the members of,  
Rama Petrochemicals Limited**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **Rama Petrochemicals Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors, are responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, changes in consolidated equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

**Opinion**

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

- (a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at March 31, 2018;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the Consolidated Profit including Comprehensive Income for the year ended on that date;

- (c) in the case of the Consolidated Statement of Changes in Equity, of the Consolidated changes in equity for the year ended on that date; and
- (d) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

**Emphasis of Matter**

We draw attention to the following matters in the Notes to the consolidated financial statements:

Without qualifying the report we like to bring to your attention that the holding company's net worth has been completely eroded. As explained in Note 28, the management is of the view that the holding Company can be revived and made viable and accordingly the holding company's accounts have been prepared on Going Concern assumption. The revival of the holding Company's operations depends upon the Company being able to obtain the alternative main feed stock. In absence of any other information indicating to the contrary, we have accepted this view and accordingly the accounts have been prepared on the basis of "Going Concern Concept".

Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

**1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:**

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of its subsidiary companies incorporated in India, none of the other directors of the Group's companies incorporated in India is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group in Note 27 to the consolidated financial statements.
  - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For Dayal and Lohia  
**Chartered Accountants**

**Firm's Regn. No. 102200W**  
**Rinkit K. Uchat**  
**Partner**  
**Membership No. 165557**

**Place: Mumbai**  
**Date : May 29, 2018.**

**ANNEXURE – ‘A’ TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RAMA PETROCHEMICALS LIMITED AND ITS SUBSIDIARY COMPANY**

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

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31<sup>st</sup> March 2018, we have audited the internal financial controls over financial reporting of **Rama Petrochemicals Limited** (hereinafter referred to as “the Holding Company”) and its subsidiary (the Holding Company and its subsidiaries together referred to as “the Group”), as of that date.

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

The Holding Company’s Board of Directors, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 group’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are

being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Group, have, 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, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Dayal and Lohia  
**Chartered Accountants**

**Firm's Regn. No. 102200W**  
**Rinkit K. Uchat**  
**Partner**  
**Membership No. 165557**

**Place: Mumbai**  
**Date : May 29, 2018.**



**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018**

(Amount in ₹)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipments	2	94,33,139	1,04,41,052	1,08,15,913
Capital Work in progress		2,41,20,371	2,41,20,371	2,41,20,371
Financial Assets:				
Investments	3	10,25,00,000	10,25,00,000	10,25,00,000
Other Financial Assets	4	21,11,001	21,11,001	21,10,056
<b>Total Non-Current Assets</b>		<b>13,81,64,511</b>	<b>13,91,72,424</b>	<b>13,95,46,340</b>
<b>Current Assets</b>				
Inventories	5	3,07,11,710	3,07,44,801	3,07,49,407
Financial Assets:				
Trade Receivables	6	10,76,472	-	-
Cash and Cash Equivalents	7	35,64,587	28,12,488	18,40,838
Loans	8	2,11,492	2,11,492	2,11,292
Other Financial Assets	9	33,95,404	4,73,029	2,76,586
Other Current Assets	10	1,24,38,596	1,26,88,629	78,60,802
Current Tax Assets (Net)		1,96,658	47,916	22,415
<b>Total Current Assets</b>		<b>5,15,94,919</b>	<b>4,69,78,355</b>	<b>4,09,61,340</b>
<b>TOTAL ASSETS</b>		<b>18,97,59,430</b>	<b>18,61,50,779</b>	<b>18,05,07,680</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	11	10,46,94,000	10,46,94,000	10,46,94,000
Other Equity	12	(59,66,43,304)	(63,26,11,715)	(61,88,49,250)
<b>Total Equity</b>		<b>(49,19,49,304)</b>	<b>(52,79,17,715)</b>	<b>(51,41,55,250)</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
Financial Liabilities				
Borrowings	13	31,92,02,063	35,26,52,063	18,54,27,063
Other Financial Liabilities	14	31,03,44,140	31,03,44,140	31,03,44,140
Provisions	15	9,75,985	10,75,017	10,61,185
<b>Total Non-Current Liabilities</b>		<b>63,05,22,188</b>	<b>66,40,71,220</b>	<b>49,68,32,388</b>
<b>Current Liabilities</b>				
Financial Liabilities :				
Trade Payables	16	29,87,322	20,72,376	33,65,650
Other Financial Liabilities	17	6,17,250	4,80,000	14,99,60,000
Other Current Liabilities	18	4,53,98,096	4,56,57,326	4,29,89,645
Provisions	19	21,83,878	17,87,572	15,15,247
<b>Total Current Liabilities</b>		<b>5,11,86,546</b>	<b>4,99,97,274</b>	<b>19,78,30,542</b>
<b>Total Liabilities</b>		<b>68,17,08,734</b>	<b>71,40,68,494</b>	<b>69,46,62,930</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>18,97,59,430</b>	<b>18,61,50,779</b>	<b>18,05,07,680</b>

Significant accounting policies

1-C

The accompanying notes 1 to 37 are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For DAYAL AND LOHIA

Chartered Accountants

(Firm Registration No. 102200W)

RINKIT K. UCHAT

Partner

M. No. 165557

D. N. SINGH

Technical Director

DIN : 00021741

H. D. RAMSINGHANI

Chairman

DIN : 00035416

Place : Mumbai

Date : May 29, 2018

Place : Mumbai

Date : May 29, 2018

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

(Amount in ₹)

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>REVENUE</b>			
Revenue from Operations	20	61,29,478	34,18,997
Other Income	21	5,48,45,257	16,12,707
<b>Total Revenue</b>		<b>6,09,74,735</b>	<b>50,31,704</b>
<b>EXPENSES</b>			
Cost of Sales	22	45,33,909	24,02,336
Changes in Inventories		-	1,818
Employee Benefits Expense	23	64,62,813	58,27,015
Finance Costs	24	22,68,375	11,86,548
Depreciation	2	2,80,128	3,74,861
Other Expenses	25	1,15,49,684	90,38,428
<b>Total Expenses</b>		<b>2,50,94,909</b>	<b>1,88,31,006</b>
<b>Profit/(loss) before tax</b>		<b>3,58,79,826</b>	<b>(1,37,99,302)</b>
<b>Tax Expense</b>		-	-
<b>Profit/(loss) for the year</b>		<b>3,58,79,826</b>	<b>(1,37,99,302)</b>
<b>Other Comprehensive Income / (Expenses)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement gains / (losses) on defined benefit obligations		88,585	36,837
<b>Total other comprehensive income for the year, net of tax expense</b>		<b>88,585</b>	<b>36,837</b>
<b>Total Comprehensive Profit/(Loss) for the year</b>		<b>3,59,68,411</b>	<b>(1,37,62,465)</b>
Earnings per equity shares (Face Value of ₹10/- each)	26		
Basic		3.44	(1.31)
Diluted		3.44	(0.63)

Significant accounting policies

1-C

The accompanying notes 1 to 37 are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

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Chartered Accountants

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**RINKIT K. UCHAT**

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Chairman

DIN : 00035416

Place : Mumbai

Date : May 29, 2018

Place : Mumbai

Date : May 29, 2018

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit / (Loss) before exceptional item and tax	3,58,79,826	(1,37,99,302)
<b>Adjustments for :</b>		
Depreciation on property, plant and equipment	2,80,128	3,74,861
Interest Expenses	22,68,375	11,86,548
Actuarial Gain on Defined Benefit Plan	88,585	36,837
Sale of Shares	-	(14,514)
Dividend Income	(7,717)	(7,605)
Interest Income	(2,80,510)	(4,86,157)
Profit on sale of Fixed Assets	(5,32,92,107)	-
	<u>(5,09,43,246)</u>	<u>10,89,970</u>
<b>Operating (Loss) / Profit before working capital changes</b>	<u>(1,50,63,420)</u>	<u>(1,27,09,332)</u>
<b>Adjustment for changes in working capital</b>		
<b>(Increase) / Decrease in:</b>		
Inventories	33,091	4,606
Trade Receivables	(10,76,472)	-
Other Financial Assets - Non Current	-	(945)
Other Financial Assets - Current	(29,22,375)	(1,96,443)
Other Current Assets	1,01,291	(48,53,328)
Provisions - Non Current	(99,032)	13,832
Trade Payables	9,14,946	(12,93,274)
Other Current Financial Liabilities	1,37,250	(14,94,80,000)
Other Current Liabilities	(2,59,230)	26,67,681
Provisions - Current	3,96,306	2,72,325
	<u>(27,74,225)</u>	<u>(15,28,65,546)</u>
<b>Cash generated from Operations</b>	<u>(1,78,37,645)</u>	<u>(16,55,74,878)</u>
Direct taxes paid	-	-
<b>Net Cash generated from Operating activities before exceptional items</b>	<u>(1,78,37,645)</u>	<u>(16,55,74,878)</u>
Exceptional item	-	-
<b>Net Cash generated from / (used in) Operating activities</b>	<u>(1,78,37,645)</u>	<u>(16,55,74,878)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(6,80,108)	-
Sale of Fixed Assets	5,47,00,000	-
Sale of Shares	-	14,514
Dividend received	7,717	7,605
Interest received	2,80,510	4,86,157
Loans	-	(200)
<b>Net Cash generated from / (used in) Investing activities</b>	<u>5,43,08,119</u>	<u>5,08,076</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from/(repayment) of borrowings (net)	(3,34,50,000)	16,72,25,000
Interest paid	(22,68,375)	(11,86,548)
<b>Net Cash used in Financing activities</b>	<u>(3,57,18,375)</u>	<u>16,60,38,452</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>7,52,099</u>	<u>9,71,650</u>
<b>(A+B+C)</b>		
Cash and Cash Equivalents - at the start of the year	28,12,488	18,40,838
Cash and Cash Equivalents - at the end of the year	<u>35,64,587</u>	<u>28,12,488</u>

As per our report of even date attached

For DAYAL AND LOHIA

Chartered Accountants

(Firm Registration No. 102200W)

RINKIT K. UCHAT

Partner

M. No. 165557

Place : Mumbai

Date : May 29, 2018

For and on behalf of the Board of Directors

D. N. SINGH

Technical Director

DIN : 00021741

Place : Mumbai

Date : May 29, 2018

H. D. RAMSINGHANI

Chairman

DIN : 00035416

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

(Amount in ₹)

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 01, 2016
<b>A Equity Share Capital</b>			
Balance at the beginning of the year	<b>10,46,94,000</b>	10,46,94,000	10,46,94,000
Changes in equity share capital during the year	-	-	-
<b>Balance at the end of the year</b>	<b>10,46,94,000</b>	10,46,94,000	10,46,94,000
<b>B Other Equity</b>	<b>Reserve and Surplus</b>		<b>Total</b>
	<b>Capital Reserve</b>	<b>Retained Earnings</b>	<b>Other Equity</b>
<b>Balance as at 1 April 2016</b>	60,30,000	(62,48,79,250)	(61,88,49,250)
Profit/(loss) for the year	-	(1,37,99,302)	(1,37,99,302)
Other comprehensive income/(loss)	-	36,837	36,837
Total comprehensive income/(loss)	-	(1,37,62,465)	(1,37,62,465)
<b>Balance as at 31 March 2017</b>	<b>60,30,000</b>	<b>(63,86,41,715)</b>	<b>(63,26,11,715)</b>
Profit/(loss) for the year	-	<b>3,58,79,826</b>	<b>3,58,79,826</b>
Other comprehensive income/(loss)	-	<b>88,585</b>	<b>88,585</b>
Total comprehensive income/(loss)	-	<b>3,59,68,411</b>	<b>3,59,68,411</b>
<b>Balance as at 31 March 2018</b>	<b>60,30,000</b>	<b>(60,26,73,304)</b>	<b>(59,66,43,304)</b>

As per our report of even date attached  
For DAYAL AND LOHIA  
Chartered Accountants  
(Firm Registration No. 102200W)

For and on behalf of the Board of Directors

RINKIT K. UCHAT  
Partner  
M. No. 165557

D. N. SINGH  
Technical Director  
DIN : 00021741

H. D. RAMSINGHANI  
Chairman  
DIN : 00035416

Place : Mumbai  
Date : May 29, 2018

Place : Mumbai  
Date : May 29, 2018

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

### NOTE 1

#### A. Corporate Information :

Rama Petrochemicals Limited (“the Company”) is a public limited company, incorporated and domiciled in India having its registered office at 51-52, Free Press House, Nariman Point, Mumbai – 400 021, Maharashtra, India. The equity shares of the Company are listed on BSE Limited. The Company is into Methanol manufacturing, having manufacturing facility located at Patalganga (Maharashtra) and also Trading in various commodities.

#### B. PRINCIPLES OF CONSOLIDATION :

The Consolidated Financial Statement relate to Rama Petrochemicals Ltd. ( the company) and Rama Capital & Fiscal Services Pvt. Ltd., ( the Subsidiary ). The Consolidated Financial Statements have been prepared on the following basis :

The financial statements of the Company and its subsidiary Company have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses.

The financial statements of the subsidiary used in the consolidation are drawn upto the same reporting date as that of the parent company i.e. 31st March, 2018.

The excess of cost to the Company’s of its investment in the subsidiary company over the company’s position of the equity of the subsidiary is recognized in the financial statement as Goodwill.

As the Company hold 100% equity in a subsidiary company, question of minority interest does not arise. Subsidiary company is incorporated in India.

#### C. Significant Accounting Policies

##### 1. Basis of Preparation :

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 (“the Act”) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities, which are measured at fair value.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (“Indian GAAP”) and the relevant provisions of the Act as applicable. These financial statements are the first financial statements of the Company under IND AS. Refer to Note 1-D for information on first time adoption of IND AS.

##### Use of Estimates and Judgements :

The preparation of the Company’s financial statements requires management to make informed judgements, reasonable assumptions and estimates that affect the amounts reported in the financial statements and notes thereto. Uncertainty about these could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods. These assumptions and estimates are reviewed periodically based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit & Loss in the period in which the estimates are revised and in any future periods affected.

In the assessment of the Company, the most significant effects of use of judgments and/or estimates on the amounts recognized in the financial statements relate to the following areas :

- Financial instruments;
- Useful lives of property, plant & equipment;
- Valuation of inventories;
- Measurement of recoverable amounts of assets / cash-generating units;
- Assets and obligations relating to employee benefits;
- Provisions and Contingencies.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

**2. Revenue Recognition :**

- a. Revenue is recognized when the substantial risks and rewards of ownership is transferred to the buyer on dispatch of goods.
- b. Interest income is recognized on time proportionate basis.
- c. Dividend income from investments is recognized when the right to receive the dividend is established.
- d. Claims and damages are accounted as and when they are finalized.

**3. Property, Plant and Equipment :**

**Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment includes purchase price, including freight, duties, taxes and expenses incidental to acquisition and installation. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Property, plant and equipment are derecognized from financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence.

**Subsequent expenditures**

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured. All other repair and maintenance costs are recognized in the Statement of Profit and Loss during the year in which they are incurred.

**4. Depreciation :**

- a. Depreciation on Fixed Assets is provided on straight line method based on the useful lives of the assets as prescribed in Schedule II of the Companies Act, 2013.
- b. Depreciation on addition / deletion is provided pro-rata basis with reference to the date of addition / deletion as the case may be.
- c. Individual assets acquired for less than ₹5,000/- are depreciated fully in the year of acquisition.
- d. The details of estimated life for each category of assets are as under :
  - i) Buildings – 5 to 60 years
  - ii) Plant and Machinery – 15 to 20 years
  - iii) Furniture and Fixture – 10 years
  - iv) Office Equipments – 5 years
  - v) Vehicles – 8 years
  - vi) Free hold land is not depreciated.
  - vii) Lease hold land is amortised over the life of the lease.

**5. Cash Flow Statements :**

Cash flow statement is prepared in accordance with the indirect method prescribed under IND AS - 7 “Cash Flow Statements” issued by the Institute of Chartered Accountants of India.

**6. Foreign Currency Transactions :**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

The gain or loss arising out of settlement / translation of the assets and the liabilities at the closing rates due to exchange fluctuations is recognized as income / expenditure in the statement of profit and loss.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

**7. Investments :**

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

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

**8. Valuation of Inventories :**

- a. Raw Material and work in process are valued at cost (on “first in first out basis”) or net realisable value whichever is lower. Raw material and work in process are not written down below cost if the finished product in which they will be incorporated are expected at or above cost.
- b. Stores & Spares are valued at cost ( on “first in first out basis” ).
- c. Stocks in transit are valued at cost or market value whichever is lower.
- d. Finished goods are valued at cost or net realizable value, whichever is lower.
- e. Inventories of traded goods are valued at cost or net realizable value, whichever is lower.
- f. In case of subsidiary company inventories of shares and debentures are valued at cost or market value whichever is lower on basket valuation method.

**9. Employee’s Benefits :**

**Short Term Employee Benefits :**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

**Long Term Employee Benefits :**

**Defined Contribution Plan :**

The company has Defined Contribution plans for post employment benefits namely Provident Fund. Under the provident Fund Plan, the company contributes to a Government administered provident fund on behalf of its employees.

The Company’s contributions to the above funds are charged to revenue every year.

**Defined Benefit Plans :**

The Company’s liabilities towards gratuity and leave encashment are determined using the projected unit credit method as at the balance sheet date.

Actuarial gains and losses are recognised in other comprehensive income for gratuity and recognised in the Statement of Profit & Loss for leave encashment.

Remeasurement gain and losses arising from experience adjustments, changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (OCI). They are included in retained earnings in the statement of change in equity and in the balance sheet.

**10. Borrowing Cost :**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

**11. Segment Reporting :**

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated income / expenses.

**12. Fair value measurement :**

The Company's accounting policies and disclosures require the measurement of fair values for financial assets and liabilities.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

**A. Financial Assets :**

**Initial recognition and measurement**

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

**Subsequent measurement**

For the purpose of subsequent measurement, the financial assets are classified as under :

**Financial assets at amortised cost**

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

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (ii) 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 and fees or costs that are an integral part of the EIR. Interest income from these financial assets is included in other income using the EIR in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.



**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

**Financial assets at fair value through other comprehensive income (FVTOCI)**

Financial assets are classified as FVTOCI, if both of the following criteria are met :

- (i) These assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets; and
- (ii) 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.

Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income and foreign exchange gains or losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Profit or Loss and recognised in other income/(loss).

**Financial assets at fair value through profit or loss (FVTPL)**

Financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is recognized in profit or loss and presented net in the Statement of Profit and Loss within other income in the period in which it arises.

**Equity instruments**

All equity instruments other than investments in associates are measured at fair value. Equity instruments which are for trading are classified as FVTPL. All other equity instruments are measured at fair value through other comprehensive income (FVTOCI). The classification is made on initial recognition and is irrevocable.

Where the Company's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in profit and loss when the Company's right to receive payments is established.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**Impairment of financial assets**

The Company applies 'simplified approach' for recognition of impairment loss on financial assets for loans, deposits and trade receivables.

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

**De-recognition**

A financial asset is derecognized when :

- (i) the rights to receive cash flows from the assets have expired or
- (ii) the Company has transferred substantially all the risk and rewards of the asset, or
- (iii) the Company has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

**B. Financial Liabilities :**

**Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction cost.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

**Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to short maturity of these instruments.

**Loans and borrowings**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. Gain and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transaction costs. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

**De-recognition**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have 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 recognized in the Statement of Profit and Loss.

**Offsetting financial instruments**

Financial assets and financial liabilities are offset and the net amount is reflected in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**14. Taxes :**

The tax expense comprises current and deferred tax. Tax is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

**(i) Current Tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantially enacted at the reporting date.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

**(ii) Deferred Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amount used for taxation purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax asset 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 asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

**15. Earnings per share :**

The Company reports basic and diluted earnings per share (EPS) in accordance with IND AS-33 on earnings per share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

**16. Cash and Cash Equivalents :**

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

**17. Current and non-current classification :**

Assets and Liabilities in the balance sheet have been classified as either current or non-current. An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current. A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

**18. Impairment of Non-Financial Assets :**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The 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. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If such recoverable amount of the asset or cash generating unit is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is any indication that any impairment loss recognized for an asset in prior years may no longer exist or may have decreased, the recoverable amount is reassessed and such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

**19. Provisions :**

A provision is recognized when the company has a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**20. Contingent Liabilities :**

Contingent liabilities, if any are disclosed in the notes on accounts. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the approval of the accounts by the board of directors and which have material effect on the position stated in the balance sheet.

**D. First time adoption of IND AS**

The accounting policies set out in note 1-B have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet as at April 01, 2016 (the Company's date of transition to Ind AS). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

in accordance with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (as amended) and other relevant provisions of the Act (“Indian GAAP” or “previous GAAP”). The effects of the transition to Ind AS on equity, total comprehensive income and reported cash flows are presented in this section and are further explained in the following notes.

Ind AS 101 allows first-time adopters certain exemptions/exceptions from the retrospective application of certain requirements under Ind AS. In preparing these financial statements, the Company has applied the following exemptions:

**Ind AS Optional Exemptions:**

**Deemed cost for property, plant and equipment**

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value and use that as its deemed cost as at the date of transition (April 01, 2016).

**Designation of previously recognized financial instruments**

Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has designated investments in equity shares (other than investments in equity shares of associates) as held at FVTOCI on the basis of the facts and circumstances that existed at the date of transition.

**Reconciliation**

The following reconciliations provide the effect of transition to Ind AS from previous GAAP in accordance with Ind AS 101:

**Equity as at April 01, 2016 and as at March 31, 2017**

**Total comprehensive income for the year ended March 31, 2017**

**Reconciliation of total equity as at March 31, 2017 and April 01, 2016 (Amount in ₹)**

Particulars	As at March 31, 2017 (End of last period presented under previous GAAP)	As at April 01, 2016 (Date of transition)
Total equity under previous GAAP	(52,79,17,715)	(51,41,55,250)
Total adjustment to equity	-	-
Total Equity under IND AS	(52,79,17,715)	(51,41,55,250)

**Reconciliation of total comprehensive income for the year ended March 31, 2017**

Particulars	For the year ended March 31, 2017
<b>Net Profit / (Loss) after tax under previous GAAP</b>	<b>(1,37,62,465)</b>
<b>Other Comprehensive Income (Net of Tax)</b>	<b>36,837</b>
<b>Net Profit/(Loss) after tax as per IND AS</b>	<b>(1,37,99,302)</b>

**Impact of IND AS adoption on the Statement of Cash Flow for the year ended March 31, 2017**

There were no material differences between the Cash Flow Statement presented under Ind AS and the previous GAAP.

Notes:

- a) Defined benefit liabilities- Under Ind AS, remeasurements i.e. actuarial gain and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income.
- b) Under Ind AS, all items of income and expenses recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expenses that are not recognized in profit or loss but are shown in the statement of profit and loss as ‘other comprehensive income’ includes fair value gains or (loss) on FVTOCI equity instruments and remeasurements of defined benefit plans.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**  
Property, Plant and Equipments

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Amount in ₹

Particulars	Gross Carrying Amount			Depreciation			Net Carrying Amount			
	As at April 01, 2017	Additions during the year	Deductions/ Adjustments during the year	As at March 31, 2018	Upto March 31, 2017	Provided during the year	On Deductions/ Adjustments	Upto March 31, 2018	As at March 31, 2018	As at March 31, 2017
Land Free-hold	36,10,057	-	-	36,10,057	-	-	-	-	36,10,057	36,10,057
Land lease-hold	1,76,449	-	-	1,76,449	2,691	2,691	-	5,382	1,71,067	1,73,758
Buildings	69,33,025	6,57,061	14,48,714	61,41,372	2,89,793	2,68,597	40,821	5,17,569	56,23,803	66,43,232
Plant & equipment	96,221	-	-	96,221	82,377	7,261	-	89,638	6,583	13,844
Office Equipments	65	-	-	65	-	-	-	-	65	65
Furniture and fixtures	91	23,047	-	23,138	-	1,579	-	1,579	21,559	91
Vehicles	5	-	-	5	-	-	-	-	5	5
<b>Total</b>	<b>1,08,15,913</b>	<b>6,80,108</b>	<b>14,48,714</b>	<b>1,00,47,307</b>	<b>3,74,861</b>	<b>2,80,128</b>	<b>40,821</b>	<b>6,14,168</b>	<b>94,33,139</b>	<b>1,04,41,052</b>

Particulars	Gross Carrying Amount			Depreciation			Net Carrying Amount			
	As at April 01, 2016	Additions during the year	Deductions/ Adjustments during the year	As at March 31, 2017	Upto March 31, 2016	Provided during the year	On Deductions/ Adjustments	Upto March 31, 2017	As at March 31, 2017	As at March 31, 2016
Land Free-hold	36,10,057	-	-	36,10,057	-	-	-	-	36,10,057	36,10,057
Land lease-hold	1,76,449	-	-	1,76,449	-	2,691	-	2,691	1,73,758	1,76,449
Buildings	69,33,025	-	-	69,33,025	-	2,89,793	-	2,89,793	66,43,232	69,33,025
Plant & equipment	96,221	-	-	96,221	-	82,377	-	82,377	13,844	96,221
Office Equipments	65	-	-	65	-	-	-	-	65	65
Furniture and fixtures	91	-	-	91	-	-	-	-	91	91
Vehicles	5	-	-	5	-	-	-	-	5	5
<b>Total</b>	<b>1,08,15,913</b>	<b>-</b>	<b>-</b>	<b>1,08,15,913</b>	<b>-</b>	<b>3,74,861</b>	<b>-</b>	<b>3,74,861</b>	<b>1,04,41,052</b>	<b>1,08,15,913</b>

2.1 Lease hold land is taken on lease for the period of 95 years and cost of the same is amortised over the period of lease.

2.2 Immoveable properties of the Company are also mortgaged on first pari-passu charge basis in favour of Financial Institution and Banks to secure Term loan sanctioned to denim division of the company. In the year 1999 - 2001, denim division of the company was demerged as Rainbow Denim Ltd.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>3 Investments</b>			
<b>Non Current Investments (At Cost)</b>			
NIL (31st March 2017 - NIL and 01 April 2016- 14,030) Equity Shares of Optical Disc Marketing (I) Pvt. Ltd. Of ₹10/- each fully paid up.	-	-	5,61,20,000
<b>92,760</b> (31st March 2017 - 92,760 and 01 April 2016 - 92,760) Equity Shares of Elate Investment and Holdings Pvt. Ltd. Of ₹10/- each fully paid up.	<b>4,63,80,000</b>	4,63,80,000	4,63,80,000
<b>14,591</b> (31st March 2017 - 14,591 and 01 April 2016 - Nil) Equity Shares of Disha Infin Consultants Pvt. Ltd. Of ₹10/- each fully paid up.	<b>5,61,20,000</b>	5,61,20,000	-
<b>Total</b>	<b>10,25,00,000</b>	10,25,00,000	10,25,00,000
<b>Aggregate Value of Unquoted Investments</b>	<b>10,25,00,000</b>	10,25,00,000	10,25,00,000
<b>4 Other Financial Assets</b>			
<b>Other Financial Assets (Non Current)</b>			
Security Deposits			
Considered doubtful	2,06,600	2,06,600	2,06,600
Considered Good	21,11,001	21,11,001	21,10,056
	<b>23,17,601</b>	23,17,601	23,16,656
Less : Provision for doubtful deposits	2,06,600	2,06,600	2,06,600
<b>Total</b>	<b>21,11,001</b>	21,11,001	21,10,056
<b>5 Inventories</b>			
Stores & Spares	3,07,07,323	3,07,40,414	3,07,43,202
Shares and Debentures (for Mode of valuation refer Note 1(C-8))	4,387	4,387	6,205
<b>Total</b>	<b>3,07,11,710</b>	3,07,44,801	3,07,49,407
<b>6 Trade Receivables</b>			
Unsecured Considered Good unless stated otherwise			
Due more than six months considered good	-	-	-
considered doubtful	3,84,116	3,84,116	3,84,116
	<b>3,84,116</b>	3,84,116	3,84,116
Due less than six months considered good	10,76,472	-	-
	<b>14,60,588</b>	3,84,116	3,84,116
Less : Provision for doubtful debts	3,84,116	3,84,116	3,84,116
<b>Total</b>	<b>10,76,472</b>	-	-
<b>7 Cash and Cash Equivalents</b>			
Balances with banks:			
In current accounts	16,01,828	14,40,752	6,97,967
Fixed Deposits	12,70,944	12,36,763	8,29,350
Cash on hand	6,91,815	1,34,973	3,13,521
<b>Total</b>	<b>35,64,587</b>	28,12,488	18,40,838

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>8 Loans</b>			
<b>Loans (Current)</b>			
<b>Unsecured - considered good</b>			
Loans to employees	2,11,492	2,11,492	2,11,292
<b>Total</b>	<b>2,11,492</b>	<b>2,11,492</b>	<b>2,11,292</b>
<b>9 Other Financial Assets</b>			
<b>Other Financial Assets (Current)</b>			
Interest receivable	3,04,028	2,72,133	1,55,451
Net Tax Assets	76,466	78,635	78,635
Others	30,14,910	1,22,261	42,500
<b>Total</b>	<b>33,95,404</b>	<b>4,73,029</b>	<b>2,76,586</b>
<b>10 Other Current Assets</b>			
Balances with Govt Authorities	83,19,972	79,28,652	73,11,639
Prepaid expenses	2,65,455	3,15,835	3,68,467
Others			
considered doubtful	4,15,95,749	4,15,95,749	4,15,95,749
Considered good	38,53,169	44,44,142	1,80,696
	4,54,48,918	4,60,39,891	4,17,76,445
Less : Provisions for doubtful	4,15,95,749	4,15,95,749	4,15,95,749
	38,53,169	44,44,142	1,80,696
<b>Total</b>	<b>1,24,38,596</b>	<b>1,26,88,629</b>	<b>78,60,802</b>
10.1	During the year 1998-99, company had imported some material and could not pay custom duty due to financial crisis. The material was stored in Central Warehousing Corporation bonded warehouse. During the year 2012-13, the company came to know that the material was auctioned by the Custom Authority for non-payment of duty. Since the matter is pending with High Court, claims for the same amounting to ₹ 1,87,71,179/- is provided in the books of accounts included in doubtful provisions.		
<b>11 Equity Share Capital</b>			
<b>Authorised</b>			
5,00,00,000 (31 March 2017 - 5,00,00,000 and 01 April 2016 - 5,00,00,000) Equity Shares of ₹ 10/- each	50,00,00,000	50,00,00,000	50,00,00,000
<b>Issued, Subscribed and Paid up</b>			
1,04,69,400 (31 March 2017- 1,04,69,400 and 01 April 2016- 1,04,69,400) Equity shares of ₹ 10/- each fully paid up	10,46,94,000	10,46,94,000	10,46,94,000
<b>Total issued, subscribed and fully paid up share capital</b>	<b>10,46,94,000</b>	<b>10,46,94,000</b>	<b>10,46,94,000</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

**a Reconciliation of the equity shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number	Amount in ₹	Number	Amount in ₹	Number	Amount in ₹
<b>Shares outstanding at the beginning of the year</b>	1,04,69,400	10,46,94,000	1,04,69,400	10,46,94,000	1,04,69,400	10,46,94,000
Shares issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>1,04,69,400</b>	<b>10,46,94,000</b>	<b>1,04,69,400</b>	<b>10,46,94,000</b>	<b>1,04,69,400</b>	<b>10,46,94,000</b>

**b Terms/rights attached to the equity shares**

Details of the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital.

**Equity Shares** : The Company has only one class of Equity shares having a par value of 10/-. Each holder of equity shares is entitled to one vote per share. Dividend is payable in the proportion to the Capital Paid up. 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 proportion to the number of equity shares held by the shareholders.

**c Details of the shareholders holding more than 5% shares in the Company**

Name of Shareholder	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Silver Eagle Inc	30,40,000	29	30,40,000	29	-	-
Indo US Investment INC	-	-	-	-	30,00,000	29
Libra Mercantile Pvt Ltd	14,04,401	13	14,04,401	13	14,04,401	13
Jupiter Corporate Services Pvt. Ltd.	6,34,330	6	6,34,330	6	5,93,280	6

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>12 Other Equity</b>			
<b>Capital Reserve</b>			
Opening balance	60,30,000	60,30,000	60,30,000
Addition during the year	-	-	-
Closing balance	<u>60,30,000</u>	<u>60,30,000</u>	<u>60,30,000</u>
<b>Retained Earnings</b>			
Opening balance	(63,86,41,715)	(62,48,79,250)	(62,48,79,250)
Profit / (Loss) for the year	3,58,79,826	(1,37,99,302)	-
Items of other comprehensive income recognised directly in retained earnings:			
Remeasurement of defined benefit obligation (net of tax)	88,585	36,837	-
Closing Balance	<u>(60,26,73,304)</u>	<u>(63,86,41,715)</u>	<u>(62,48,79,250)</u>
<b>Other Equity</b>	<b>Total</b>	<b>(59,66,43,304)</b>	<b>(61,88,49,250)</b>



**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>13 Borrowings</b>			
<b>Borrowings (Non Current)</b>			
<b>Secured Loans</b>			
From Others	3,35,00,000	-	-
	<u>3,35,00,000</u>	<u>-</u>	<u>-</u>
<b>13.1 Terms and Condition of Borrowings</b> : Loan from others is secured by a personal guarantee of a director. Interest on the loans is payable @ 9% p.a. quarterly at the end of the quarter. Loan is repayable in two installment , on 22/11/2020 ₹ 20,000,000/- and on 23/11/2020 ₹ 13,500,000/-			
<b>Unsecured Loans</b>			
From related parties	12,39,50,000	15,75,50,000	8,84,00,000
From others	16,17,52,063	19,51,02,063	9,70,27,063
	<u>28,57,02,063</u>	<u>35,26,52,063</u>	<u>18,54,27,063</u>
<b>Total</b>	<u>31,92,02,063</u>	<u>35,26,52,063</u>	<u>18,54,27,063</u>
<b>14 Other Financial Liabilities</b>			
<b>Other Financial Liabilities (Non Current)</b>			
Sales Tax Deferral	31,03,44,140	31,03,44,140	31,03,44,140
<b>Total</b>	<u>31,03,44,140</u>	<u>31,03,44,140</u>	<u>31,03,44,140</u>
14.1 The Company had a liability of ₹ 31,23,33,405/- payable from 30th April 2001 to 30th April 2014 to Sales tax Department of Government of Maharashtra in respect of sales tax deferral scheme. The company had paid ₹ 19,89,265/- against the same.			
<b>15 Provisions</b>			
<b>Provisions (Non Current)</b>			
For employee benefits - (refer note 31)			
Gratuity	8,27,166	8,66,714	8,03,957
Leave benefits	1,48,819	2,08,303	2,57,228
<b>Total</b>	<u>9,75,985</u>	<u>10,75,017</u>	<u>10,61,185</u>
<b>CURRENT FINANCIAL LIABILITES</b>			
<b>16 Trade Payables</b>			
Amount Due to MSME	14,33,622	14,33,622	14,33,622
Others	15,53,700	6,38,754	19,32,028
<b>Total</b>	<u>29,87,322</u>	<u>20,72,376</u>	<u>33,65,650</u>
16.1 Based on the information available with the company, one party has been identified as MSME a defined under "Micro, Small and medium Enterprise Development Act,2006" which has claimed ₹ 14,33,622/- towards supply. This liability has been disputed by the company. The party has filed a complaint against the company, with Micro and Small Enterprises Facilitation Council. Under these circumstances interest, if any, will be accounted as and when becomes payable.			

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>17 Other Financial Liabilities</b>			
<b>Other Financial Liabilities (Current)</b>			
Security Deposits	1,65,000	4,80,000	1,85,000
Share application money	-	-	14,97,75,000
Others	4,52,250	-	-
<b>Total</b>	<b>6,17,250</b>	<b>4,80,000</b>	<b>14,99,60,000</b>
<b>18 Other Current Liabilities</b>			
Advance received from customers	-	11,44,660	-
Statutory dues	1,18,46,768	1,14,73,461	1,10,99,484
Other liabilities	3,35,51,328	3,30,39,205	3,18,90,161
<b>Total</b>	<b>4,53,98,096</b>	<b>4,56,57,326</b>	<b>4,29,89,645</b>
<b>19 Provisions</b>			
<b>Provisions (Current)</b>			
For employee benefits - (refer note 31)			
Gratuity	15,43,973	11,76,174	10,82,257
Leave benefits	6,39,905	6,11,398	4,32,990
<b>Total</b>	<b>21,83,878</b>	<b>17,87,572</b>	<b>15,15,247</b>
<b>Particulars</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>	
<b>20 Revenue from Operations</b>			
Sale of Traded Goods	60,31,907	34,04,483	
Sale of Shares	-	14,514	
Other operating Revenue	97,571	-	
<b>Total</b>	<b>61,29,478</b>	<b>34,18,997</b>	
<b>21 Other Income</b>			
Interest income	2,80,510	4,86,157	
Dividends on FVOCI investments	7,717	7,605	
Rent	12,26,667	10,28,609	
Profit of sale of fixed assets	5,32,92,107	-	
Other non-operating income	38,256	90,336	
<b>Total</b>	<b>5,48,45,257</b>	<b>16,12,707</b>	
<b>22 Cost of Sales</b>			
Cost of Traded Goods	45,33,909	24,02,336	
<b>Total</b>	<b>45,33,909</b>	<b>24,02,336</b>	

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

<b>Particulars</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
<b>23 Employee Benefit Expenses</b>		
Salaries and wages	53,41,015	50,99,219
Contribution to provident and other funds	7,84,048	4,72,788
Staff welfare expenses	3,37,750	2,55,008
<b>Total</b>	<b>64,62,813</b>	<b>58,27,015</b>
<b>24 Finance Cost</b>		
Interest expenses	22,68,375	11,86,548
<b>Total</b>	<b>22,68,375</b>	<b>11,86,548</b>
<b>25 Other Expenses</b>		
Power & Fuel	6,71,662	6,68,145
<b>Repairs to</b>		
Buildings	1,76,950	59,209
Machinery	7,28,599	4,07,928
Others	6,20,539	4,36,142
Stores & Spares	80,058	1,21,724
Insurance	4,20,234	3,91,169
Rates and taxes	9,13,535	7,16,657
Travelling and conveyance expenses	7,09,152	6,11,945
Legal and professional fees	23,09,076	7,09,752
Printing, stationery and communication expenses	5,30,832	8,72,983
Bank charges	5,197	12,511
Security charges	29,62,446	27,00,489
Sundry balances written off	2,300	19
Sundry expenses	11,70,829	10,51,057
Directors' sitting fees	58,120	68,600
<b>Auditors' remuneration</b>		
Audit fee	1,29,000	1,33,350
Taxation matters	60,050	76,080
Reimbursement of expenses	1,105	668
<b>Total</b>	<b>1,15,49,684</b>	<b>90,38,428</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

**Note 26**

**Earning Per Share (EPS)**

<b>Sr. No.</b>	<b>Particulars</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
i	Net Profit / (Loss) after Tax as per statement of profit and loss attributable to Equity Shareholders (Before Extraordinary items) (Amount in ₹)	<b>3,59,68,411</b>	(1,37,62,465)
ii	Net Profit / (Loss) after Tax as per statement of profit and loss attributable to Equity Shareholders (After Extraordinary items) (Amount in ₹)	<b>3,59,68,411</b>	(1,37,62,465)
iii	Weighted Average number of Equity Shares outstanding	<b>1,04,69,400</b>	1,04,69,400
iv	Weighted Average number of Equity Shares including diluted potential equity shares outstanding during the year	<b>1,04,69,400</b>	2,17,53,818
v	Face Value of Equity Shares in ₹	<b>10.00</b>	10.00
vi	Basic Earning per Equity Share (Before Extraordinary item)	<b>3.44</b>	(1.31)
vii	Diluted Earning per Equity Share (Before Extraordinary item)	<b>3.44</b>	(0.63)
viii	Basic Earning per Equity Share (After Extraordinary item)	<b>3.44</b>	(1.31)
ix	Diluted Earning per Equity Share (After Extraordinary item)	<b>3.44</b>	(0.63)

**Note 27**

**Contingent Liabilities :**

- a. Claims against the company not acknowledged are as follows :

(Amount in ₹)

<b>Name of the Statute</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
Income Tax	<b>2,44,91,973</b>	2,44,91,973
Irrigation Department	<b>25,92,05,087</b>	25,92,05,087

The Company is in appeal for these claims.

- b. Guarantees / Counter Guarantees given to Banks, Financial Institutions and other Body Corporate ₹ 27,05,00,000/- (Previous Year ₹ 91,00,00,000/-)

**Note 28**

The operation of company's methanol division has been unviable and in turn forced the company to suspend its production activities since Sept.'1999. However, the company is making efforts to obtain alternative main feed stock for its methanol plant to make the operation viable. Considering the fact that laying of pipeline for supply of gas by Gas Authority of India Ltd. is completed, the company is hopeful to restart its plant soon. Accordingly the company continues to prepare accounts on the basis of "Going Concern Concept".

**Note 29**

As mentioned above the company had suspended its production activities since Sept.'1999, as a result of this the company has transferred some of the employees to other Division /Group Companies w.e.f. 30<sup>th</sup> October,1999. None of the transferred employees has reported to their duties and they have approached the Industrial Court. However, Company does not expect any financial liability, apart from their service benefit, which has been provided in the books of account.

**Note 30**

The company has obtained a valuation report from registered valuer in respect of its methanol division. On considering the same, the management is of the opinion that there is no loss on account of impairment of assets as per IND AS - 36 "Impairment of Assets" as issued by ICAI pertaining to this division.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

**Note 31**

**Employee Benefits**

**Defined Contribution Plan**

**Provident Fund**

Superannuation fund and Pension scheme, 1995

The company has recognized the following amounts in the statement of Profit and Loss which are included under Contribution to Provident and other funds :

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Contribution to :		
Provident Fund	2,55,277	2,79,205

Disclosure for Defined Benefit Plans based on actuarial valuation report :

Gratuity		
Changes in defined benefit obligations		
Present value of defined benefit obligation as at the beginning of the year	20,42,888	18,86,214
Interest Cost	1,36,261	1,41,089
Current Service Cost	48,267	52,422
Past service cost-vested benefits	3,24,601	-
Benefit paid	(92,293)	-
Actuarial (gain)/loss due to changes in financial assumptions	(22,592)	36,825
Actuarial (gain)/loss due to changes in experience adjustments	(65,993)	(73,662)
Present value of defined benefit obligation as at end of the year	23,71,139	20,42,888

Changes in Fair Value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	-	-
Interest Income	-	-
Employer Contribution	-	-
Benefits paid	-	-
Return on Plan Assets (excluding interest income)	-	-
Fair value of Plan Assets at end of the year	-	-

Amount recognized in the Balance Sheet		
Present value of defined benefit obligation at end of the year	(23,71,139)	(20,42,888)
Fair value of Plan Assets at end of the year	-	-
Net liability recognize in the Balance Sheet	(23,71,139)	(20,42,888)
Current Provision	15,43,973	11,76,174
Non Current provision	8,27,166	8,66,714

Expenses recognized in the Statement of Profit and Loss		
Interest Cost /(Income)	1,36,261	1,41,089
Current Service Cost	48,267	52,422
Actuarial (Gain) / Losses	-	-
Past Service Cost – vested benefits	3,24,601	-
Expenses recognized in the Statement of Profit and Loss	5,09,129	1,93,511

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

	<b>For the year ended March 31, 2018</b>	For the year ended March 31, 2017
<b>Expenses recognized in the Other Comprehensive Income (OCI)</b>		
Remeasurement (gain) / loss	<b>(88,585)</b>	(36,837)
Actuarial (gain)/loss due to change in financial assumptions	-	-
Actuarial (gain)/loss due to change in experience adjustment	-	-
Net (Income)/Expenses recognized in OCI	<b>(88,585)</b>	(36,837)

<b>Movement in the present value of net defined benefit obligations are as follows</b>		
Opening net liability	<b>20,42,888</b>	18,86,214
Expenses recognized in the Statement of Profit and Loss	<b>5,09,129</b>	1,93,511
Expenses recognized in OCI	<b>(88,585)</b>	(36,837)
Benefits paid	<b>(92,293)</b>	-
Closing net liability	<b>23,71,139</b>	20,42,888

<b>Actuarial Assumptions</b>		
Retirement age - years	<b>58</b>	58
Discount rate and expected Return on Plan Assets	<b>7.18% p.a.</b>	6.67% p.a.
Mortality	<b>Indian Assured Lives Mortality (2006-2008) Ultimate</b>	Indian Assured Lives Mortality (2006-2008) Ultimate
Rate of Employee turnover	<b>2% p.a.</b>	2% p.a.
Salary escalation	<b>5% p.a.</b>	5% p.a.

<b>Other details</b>		
No of Active Members	<b>10</b>	9
Per month salary for Active Members	<b>2,43,497</b>	2,23,525
Weighted Average duration of the Projected Benefit Obligation	<b>3</b>	3
Average Expected Future Service - years	<b>3</b>	3
Projected Benefit obligation	<b>23,71,139</b>	20,42,888
Prescribed Contribution for next year (12 months)	-	-

Maturity analysis of defined benefit obligation from the employer	<b>Estimated for the year ended March 31, 2018</b>	Estimated for the year ended March 31, 2017
1 <sup>st</sup> following year	<b>15,43,973</b>	11,76,174
2 <sup>nd</sup> following year	<b>1,98,562</b>	65,230
3 <sup>rd</sup> following year	<b>2,84,269</b>	2,61,647
4 <sup>th</sup> following year	<b>13,809</b>	2,77,042
5 <sup>th</sup> following year	<b>14,657</b>	12,544
Sum of years 6 to 10	<b>83,958</b>	71,886
Sum of years 11 and above	<b>6,85,868</b>	6,30,309

The weighted average duration of the defined benefit obligation as at 31<sup>st</sup> March 2018 is 5.52 years (31<sup>st</sup> March 2017 is 7.52 years)

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

	Estimated for the year ended March 31, 2018	Estimated for the year ended March 31, 2017
<b>Sensitivity analysis</b>		
Delta impact of +1% change in discount rate	<b>(41,246)</b>	(45,060)
Delta impact of -1% change in discount rate	<b>45,366</b>	49,638
Delta impact of +1% change in salary escalation rate	<b>45,896</b>	49,968
Delta impact of -1% change in salary escalation rate	<b>(42,447)</b>	(46,161)
Delta impact of +1% change in rate of employee turnover	<b>4,870</b>	4,329
Delta impact of -1% change in rate of employee turnover	<b>(5,196)</b>	(4,628)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

**Characteristics of defined benefit plan**

The Company has a defined benefit gratuity plan in India (unfunded).

**Risks associated with defined benefit plan**

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

**Interest rate risk:** A fall in the discount rate which is linked to the government security rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds.

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

**Characteristics of defined benefit plans**

During the year, the company has changed the benefit scheme in line with Payment of Gratuity Act, 1972 by increasing monetary ceiling from 10 lakhs to 20 lakhs. Change in liability (if any) due to this scheme change is recognised as past service cost.

In case of subsidiary company, provision for leave encashment and gratuity is not required as the company does not have any employee as on 31st March, 2018.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

**Note 32**

**Segment Reporting IND AS-108 :**

The company has the following primary segments during the year :

- 1 Methanol
- 2 Trading Goods

Information about Primary Business Segment :

Particulars	Methanol		Trading		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Segment Revenue	-	-	<b>59,84,668</b>	34,04,483	<b>59,84,668</b>	34,04,483
Segment Results before interest, exceptional / extraordinary items and tax	<b>(1,23,59,121)</b>	(96,85,167)	<b>14,96,158</b>	10,02,147	<b>(1,08,62,963)</b>	(86,83,020)
Net Unallocable (Income)/ Expenses					<b>(4,90,99,749)</b>	38,92,897
Finance Cost					<b>22,68,375</b>	11,86,548
Profit/(Loss) before Tax					<b>3,59,68,411</b>	(1,37,62,465)

Other Information

Particulars	Methanol		Trading		Unallocable		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Segment Assets	<b>8,13,25,724</b>	7,84,07,353	<b>48,15,154</b>	42,54,524	<b>10,36,18,552</b>	10,34,88,902	<b>18,97,59,430</b>	18,61,50,779
Segment Liabilities	<b>65,11,52,112</b>	68,23,59,739	-	11,44,660	<b>3,05,56,622</b>	3,05,64,095	<b>68,17,08,734</b>	71,40,68,494
Depreciation	<b>2,61,480</b>	3,56,213	-	-	<b>18,648</b>	18,648	<b>2,80,128</b>	3,74,861
Non cash expenses other than depreciation	-	-	-	-	-	-	-	-

**Note 33**

**Related Party Disclosure**

A. List of related parties as required by Ind AS-24 "Related Party Disclosure" are given below :

i	Associates	Silver Eagle Inc
ii	Key Management personnel (KMP) & their relatives	Mr. H D Ramsinghani – Chairman Mr. D N Singh – Technical Director Mr. V G Sharma – Director Mr. R G Kulkarni - Director Relatives of Chairman Mr. D J Ramsinghani Mrs. L D Ramsinghani
iii	Non Executive Directors	Mrs. N H Ramsinghani Mr. R G Kulkarni Mr. N R Joshi Mr. M G Lodha (upto 15.06.2016)
iv	Where persons mentioned in (iii) exercise significant influence	Rainbow Denim Ltd. Rama Phosphates Ltd. Rainbow Agri Industries Ltd. Bluelagoon Investments Pvt. Ltd. Rama Enterprise Nova Gelicon Pvt. Ltd.



**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

B. Transactions with related parties :

Type of related party	Description of nature of transaction	Volume of transaction during 2017-18	Volume of transaction during 2016-17	Balance as on 31.03.2018 Receivable / (Payable)	Balance as on 31.03.2017 Receivable / (Payable)	Balance as on 01.04.2016 Receivable / (Payable)
<b>i. Key management personnel</b>						
Mr. H D Ramsinghani	Sitting fees paid	10,000	14,000	-	-	-
<b>ii. Non Executive Director</b>						
Mrs. N H Ramsinghani	Sitting fees paid	8,000	6,000	-	-	-
Mr. R G Kulkarni	Sitting fees paid	20,000	24,000	-	-	-
Mr. N R Joshi	Sitting fees paid	20,000	18,000	-	-	-
Mr. M G Lodha	Sitting fees paid	-	6,000	-	-	-
<b>iii. Where KMP and their relatives exercise significant influence</b>						
Rama Krishi Rasayan (A Div. of Rama Phosphates Ltd.)	Sale of goods – excluding tax	59,84,668	34,04,483	10,76,472	(11,44,660)	-
Rainbow Denim Ltd	Loans / Advances taken	-	20,10,00,000	(10,00,000)	(10,00,000)	-
	Loans / Advances repaid	-	20,00,00,000			
Rainbow Agri Industries Ltd.	Loans / Advances taken	1,48,50,000	6,29,00,000	(12,61,25,000)	(15,94,75,000)	(6,65,00,000)
	Loans / Advances repaid	4,82,00,000	11,97,00,000			
	Receipt of share application money converted to loan	-	14,97,75,000	-	(14,97,75,000)	(14,97,75,000)
Bluelagoon Investments Pvt. Ltd	Loans / Advances taken	32,00,000	23,05,50,000	(12,39,50,000)	(15,75,50,000)	(8,84,00,000)
	Loans / Advances repaid	3,68,00,000	16,14,00,000			
Rama Phosphates Ltd	Loans	-	-	(3,05,27,063)	(3,05,27,063)	(3,05,27,063)
Nova Gelicon Pvt. Ltd.	Securities pledged for loan taken by others	This transaction is of non monetary consideration	This transaction is of non monetary consideration	-	-	-

Terms and conditions of transaction with related parties :

The sale to related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

**Note 34**

**Deferred Taxation :**

In view of the company not expecting any taxable profits in near future, no deferred tax asset is recognized. The details of the same are as under :

<b>Particular</b>	<b>As At March 31, 2018</b>	<b>As At March 31, 2017</b>	<b>As At April 01, 2016</b>
<b>Deferred Tax Liability</b>			
Property, Plant and Equipment	<b>10,40,025</b>	14,34,377	14,84,030
<b>Deferred Tax Assets</b>			
Provision for doubtful receivables	<b>1,08,63,016</b>	1,30,35,617	1,30,35,617
Unused Tax Credit / losses	<b>2,60,24,672</b>	4,32,70,015	4,08,98,511
Expenses that are allowed on payment basis	<b>38,91,148</b>	50,04,464	47,61,113
<b>Total Deferred Tax Asset</b>	<b>4,07,78,836</b>	6,13,10,096	5,86,95,241
<b>Net Deferred (Asset) / Liability</b>	<b>(3,97,38,811)</b>	(5,98,75,719)	(5,72,11,211)

**Movement in deferred tax balances**

Movement in deferred tax during the year ended March 31, 2018

<b>Particular</b>	<b>Opening balance as at April 01, 2017</b>	<b>Changes during the year</b>	<b>Closing balance as at March 31, 2018</b>
Property, Plant and Equipment	14,34,377	-	10,40,025
Provision for doubtful receivables	1,30,35,617	-	1,08,63,016
Unused Tax Credit / losses	4,32,70,015	-	2,60,24,672
Expenses that are allowed on payment basis	50,04,464	-	38,91,148

Movement in deferred tax during the year ended March 31, 2017

<b>Particular</b>	<b>Opening balance as at April 01, 2016</b>	<b>Changes during the year</b>	<b>Closing balance as at March 31, 2017</b>
Property, Plant and Equipment	14,84,030	-	14,34,377
Provision for doubtful receivables	1,30,35,617	-	1,30,35,617
Unused Tax Credit / losses	4,08,98,511	-	4,32,70,015
Expenses that are allowed on payment basis	47,61,113	-	50,04,464

**Note 35**

**Financial Instruments - Fair Value and Risk Management**

**a. Accounting Classification**

The carrying value of financial instruments by categories are as follows :

<b>Particulars</b>	<b>March 31, 2018</b>	March 31, 2017	April 01, 2016
	<b>Amortise Cost</b>	Amortise Cost	Amortise Cost
<b>Financial Assets</b>			
Investment in equity instruments	<b>10,25,00,000</b>	10,25,00,000	10,25,00,000
Loans	<b>2,11,492</b>	2,11,492	2,11,292
Trade receivable	<b>10,76,472</b>	-	-
Cash and cash equivalents	<b>35,64,587</b>	28,12,488	18,40,838
Other financial assets	<b>55,06,405</b>	25,84,030	23,86,642
<b>Total</b>	<b>11,28,58,956</b>	10,81,08,010	10,69,38,772

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
	Amortise Cost	Amortise Cost	Amortise Cost
<b>Financial Liabilities</b>			
Borrowings	<b>31,92,02,063</b>	35,26,52,063	18,54,27,063
Trade payable	<b>29,87,322</b>	20,72,376	33,65,650
Other financial liabilities	<b>31,09,61,390</b>	31,08,24,140	46,03,04,140
Total	<b>63,31,50,775</b>	66,55,48,579	64,90,96,853

**b. Fair value hierarchy and Method of valuation**

The following table shows fair value measurement hierarchy. Except for these financial instruments, the Company considers that the carrying value amount recognised in the financial statements approximate their fair value largely due to the short term maturities of these instruments.

Particulars	As At March 31, 2018			As At March 31, 2017			As At April 01, 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investment in equity instrument	-	10,25,00,000	-	-	10,25,00,000	-	-	10,25,00,000	-

The fair value in respect of the unquoted equity instrument cannot be reliably estimated. The company has measured them at cost.

**c. Risk management framework**

The Company's principal financial liabilities include borrowing, trade and other payables. The Company's principal financial assets include loans, trade receivable, cash and cash equivalents and others. The Company also holds FVTOCI investments. The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**d. Financial Risk Management**

The Company has exposure to the following risks arising from financial instruments :

- i) Credit Risk
- ii) Liquidity Risk
- iii) Market Risk

**i) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investment in inter corporate deposit and loans given.

The carrying amount of following financial assets represents the maximum credit exposure :

Trade receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. No impairment is observed on the carrying value of trade receivables.

Other financial assets

Credit risk from balances with banks, loans, investments is managed by Company's finance department. Investments of surplus funds are made only with approved counterparties. No impairment on such investment has been recognised as on the reporting date.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in ₹)

**ii) Liquidity Risk**

Liquidity risk is the risk that 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 to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation.

The Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cashflows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank loans and inter-corporate loans.

**Exposure to Liquidity Risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date.

March 31, 2018	Contractual Cashflows					
	Carrying Amount	Total	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings	31,92,02,063	31,92,02,063	-	-	-	31,92,02,063
Trade payable	29,87,322	29,87,322	29,87,322	-	-	-
Other Financial Liabilities	31,09,61,390	31,09,61,390	6,17,250	-	-	31,03,44,140

March 31, 2017	Contractual Cashflows					
	Carrying Amount	Total	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings	35,26,52,063	32,21,25,000	-	-	-	32,21,25,000
Trade payable	20,72,376	20,72,376	20,72,376	-	-	-
Other Financial Liabilities	31,08,24,140	31,08,24,140	4,80,000	-	-	31,03,44,140

April 01, 2016	Contractual Cashflows					
	Carrying Amount	Total	Within 1 year	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings	18,54,27,063	18,54,27,063	-	-	-	18,54,27,063
Trade payable	33,65,650	33,65,650	33,65,650	-	-	-
Other Financial Liabilities	46,03,04,140	46,03,04,140	14,99,60,000	-	-	31,03,44,140

**iii) Market Risk**

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and commodity prices which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market exposures within acceptable parameters, while optimising the return.

**Currency Risk**

Currency risk is not material, as the Company's primary business activities are within India and does not have any exposure in foreign currency.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

**Interest rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rate is not material as the Company is having fixed rate borrowings.

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss.

**Commodity price Risk**

The Company's activities are exposed to naphtha and gas price risks and therefore its overall risk management program focuses on the volatile nature of the naphtha and gas market, thus seeking to minimize potential adverse effects on the Company's financial performance on account of such volatility.

**Note 36**

**Capital Management**

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt and the total equity of the Company. For this purpose, net debt is defined as total borrowings less cash and cash equivalents.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirements are met through short-term/long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The company's net debt to equity ratio is as follows :

(Amount in ₹)

	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016
Borrowings	31,92,02,063	35,26,52,063	18,54,27,063
Less : Cash and Cash Equivalents	35,64,587	28,12,488	18,40,838
Net Debt	31,56,37,476	34,98,39,575	18,35,86,225
Total Equity	(49,19,49,304)	(52,79,17,715)	(51,41,55,250)
Debt / Equity ratio	(0.64)	(0.66)	(0.36)

**Note 37**

Previous year figures have been regrouped / rearranged wherever necessary to make them comparable.

**As per our report of even date attached  
For DAYAL AND LOHIA  
Chartered Accountants  
(Firm Registration No. 102200W)**

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

**RINKIT K. UCHAT**  
Partner  
M. No. 165557

**D. N. SINGH**  
Technical Director  
DIN : 00021741

**H. D. RAMSINGHANI**  
Chairman  
DIN : 00035416

**Place : Mumbai  
Date : May 29, 2018**

**Place : Mumbai  
Date : May 29, 2018**

**RAMA PETROCHEMICALS LIMITED**

**Corporate Identification Number (CIN) : L23200MH1985PLC035187**

Regd. Office : 51/52, Free Press House, Nariman Point, Mumbai 400 021. Tel.No. (91-22) 2283 3355 / 2283 4182 ; Fax : (91-22) 2204 9946

Email : rama@ramagroup.co.in Website : www.ramapetrochemicals.com

**ATTENDANCE SLIP**

DP ID		REGD. FOLIO NO.	
CLIENT ID		NO. OF SHARES HELD	

I certify that I am a Member/Proxy for the Member of the Company

I hereby record my presence at the Thirty Second Annual General Meeting of the Company held on Tuesday, September 25, 2018 at 10.00 a.m. at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400 001.

\_\_\_\_\_  
Name of the Member / Proxy  
(in BLOCK letters)

\_\_\_\_\_  
Signature of the Member/Proxy

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Email : rama@ramagroup.co.in Website : www.ramapetrochemicals.com

**Form No. MGT-11**

**PROXY FORM**

[pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member (s) : \_\_\_\_\_ Registered address \_\_\_\_\_

\_\_\_\_\_ Folio No/Client Id\*

\_\_\_\_\_ DP ID\* \_\_\_\_\_ E-mail Id : \_\_\_\_\_

\*Applicable for Members holding shares in electronic form

I/We, being the Member(s) of \_\_\_\_\_ shares of above named company hereby appoint :

1. Name : \_\_\_\_\_ Address : \_\_\_\_\_

\_\_\_\_\_ E-mail ID : \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

2. Name : \_\_\_\_\_ Address : \_\_\_\_\_

\_\_\_\_\_ E-mail ID : \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

3. Name : \_\_\_\_\_ Address : \_\_\_\_\_

\_\_\_\_\_ E-mail ID : \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

as my/our proxy to attend and vote (on a poll) for me / us and on my/our behalf at the Thirty Second Annual General Meeting of the Company, to be held on Tuesday, September 25, 2018 at 10.00 a.m. at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400 001 and at any adjournment thereof in respect of such resolutions as indicated overleaf :

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

Affix  
0.15 paise  
Revenue  
Stamp

Signature of Member

Signature of Proxy Holder(s)

**Note : This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.**

<b>Resolution No.</b>	<b>Resolutions</b>	<b>For</b>	<b>Against</b>
	<b>Ordinary Business</b>		
1.	Adoption of Standalone and Consolidated Statement of Profit & Loss, Balance Sheet, Report of Directors and Auditors for the year ended March 31, 2018		
2.	Reappointment of Mr. H. D. Ramsinghani (DIN 00035416) as a Director who retires by rotation		
3.	Appointment of Statutory Auditors M/s. Dayal & Lohia		
	<b>SPECIAL BUSINESS</b>		
4.	Resolution pursuant to Section 180(1)(a) of Companies Act, 2013 for sale of surplus land.		
5.	Resolution pursuant to Section 180(1)(a) of Companies Act, 2013 for creation of security for loans.		
6.	Resolution pursuant to Section 180(1)(a) and Section 188 of Companies Act, 2013 for creation of security for loans.		
7.	Resolution for shifting the Registered Office of the Company		
8.	Resolution pursuant to Section 180(1)(a) and Section 188 of Companies Act, 2013 for sale of Flats and Guest House.		
9.	Resolution for sale of investments		
10.	Resolution pursuant to Section 180(1)(a) and Section 188 of Companies Act, 2013 for sale of surplus land to related parties		

Notes :

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a Proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Appointing a Proxy does not prevent a Member from attending the meeting in person, if he/she so wishes.
5. In the case of joint holders, the signature of any one holder will be sufficient but names of all joint holders should be stated.





