

25th Annual Report



PETROCHEMICALS LIMITED

(AN ISO 9001:2000 COMPANY)

2017- 2018

BOARD OF DIRECTORS

Shri Sandeep Seth

Shri Jaideep Seth

Shri Rajesh Thadani

Mrs. Anisha Seth

Shri Avinash Gupta

Managing Director

Non-Executive Director

Independent Director

Whole Time Director

Independent Director

AUDITORS

Pushp K. Sahu & Co.

COMPANY SECRETARY

Mr. S. R. Narayanan

BANKERS

Indian Overseas Bank

HDFC Bank Ltd

CORPORATE OFFICE

Jamal Manzil, Flat No. 10 / 11, 14th Road,
Plot No.98, Near Vasukamal Building,
Bandra (W), Mumbai 400050

REGISTERED OFFICE

Shed No.C1B/316, GIDC Panoli,
Tal Ankleshwar,
Dist. Bharuch, Gujarat Pin.394116
CIN No.: L99999GJ1992PLC018626

REGISTRARS & TRANSFER AGENTS

Big Share Services Pvt. Ltd
Bharat Tin Works Building, 1st Floor,
Opp. Vasant Oasis, Next to Keys Hotel,
Makwana Road, Andheri - (East),
Mumbai – 400059, Maharashtra, India.
Board No : 022-62638200, Extn. 206
Fax No : 022-62638299, M : +91 7045454392
rajeshm@bigshareonline.com
www.bigshareonline.com

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NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the Members of **LAFFANS PETROCHEMICALS LIMITED** will be held on Friday, 28th September, 2018 at 12:30 P.M. at registered office of the Company situated at Shed No. C1B/316, GIDC Panoli, Ankleshwar, Bharuch - 394116, Gujarat, to transact the following business:

ORDINARY BUSINESSSES:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2018 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sandeep Seth (DIN: 00316075), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint auditors of the Company, and to fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Pushp K. Sahu & Co., (Firm Registration No. 128013W) Chartered Accountants, Mumbai, be and is hereby appointed as Auditors of the Company to hold office for a period of five consecutive years commencing from the financial year 2018-19 to 2022-23, on a remuneration that may be determined by the audit committee & Board in consultation with the auditors.”

SPECIAL BUSINESS: ORDINARY RESOLUTION:

4. To appoint Mr. Deepak Roy (DIN: 08023836) as an Independent Director and in this regard to consider and, if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and the SEBI (LODR) Regulations, Mr. Deepak Roy (DIN: 08023836), who was appointed as an Additional Non-Executive Independent Director pursuant to the provisions of Section 149 and 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years upto 31st March, 2023.”

5. To increase remuneration of Mr. Sandeep Seth (DIN: 00316075) Managing Director from Rs.1,50,000/- per Month to Rs.3,50,000/- per Month with effect from 1st April, 2018 and in this regard to consider and, if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT Pursuant to the provisions of Sections 197 read with part I and section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications and re-enactment thereof), applicable clauses of the articles of the Company and recommendation of Nomination and remuneration Committee and Audit Committee, Subject to approval of the Shareholder in the Annual General Meeting of the Company be and hereby accorded for revision of remuneration of Mr. Sandeep Seth (DIN: 00316075) Managing Director of the Company, on the terms and conditions including remuneration from Rs.1,50,000/- per month to Rs.3,50,000/- per month with effect from April 1, 2018 .

By Order of the Board of Directors

Place: Mumbai
Date: 31st August, 2018

Sandeep Seth
Managing Director.
(DIN: 00316075)

Registered Office:
Shed No. C1B/316, GIDC Panoli,
Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116.
Email: lplho@vsnl.com

NOTES:

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

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

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting or upload it on the e-voting portal, authorizing their representative to attend and vote their behalf at the meeting.
3. The instrument appointing the proxy, duly completed, must be deposited at the Company's Registered Office not less than FORTY-EIGHT (48) HOURS before the commencement of the meeting. A proxy form for the AGM is enclosed.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the company.
5. Members/proxies/authorised representatives should bring the duly filled attendance slip, enclosed herewith with to attend the meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 ('the Act') and The Register of Contracts or Arrangements, in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members at the AGM.
7. The Register of Members and the Share Transfer Book shall be closed from Saturday, 15th September, 2018 to Friday 28th September, 2018 (both day inclusive) for the purpose of the AGM.
8. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to Company or Registrar and Transfer Agents (RTA).
9. Members are requested to address all correspondence relating to investor services to the Registrar and Share Transfer Agents, Big Share Services Pvt. Ltd, Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Next to Keys Hotel, Makwana Road, Andheri – East, Mumbai – 400059, Maharashtra, India.
10. With a view to using the natural resources responsibly, we request shareholders to update their email address, with their Depository Participants in case of demat holding and RTA in case of physical holding to enable the Company to send communications electronically.
11. The Annual Report for 2017-18, the Notice of 25th AGM and instruction for e-voting along with the attendance slip and proxy form, are being sent by electronic mode to the members whose e-mail addresses are registered with the Company / Depository Participant(s), unless any member has requested for a physical copy of the said document. For members who have not registered their e-mail addresses, physical copies of the said document are being sent by the permitted mode.
12. Members may also note that the Annual report (including the Notice of 25th AGM) for 2017-18 will be available on the Company's website, Website: www.laffanspetrochemical.com.
13. Relevant documents referred to in the accompanying Notice and the statements are open for inspection by the members at the registered office of the Company on all working days, except Saturday, during business hours up to the date of the meeting.

14. Additional information, pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard 2 in respect of the Directors seeking appointment / re-appointment at the AGM is furnished as annexure to the Corporate Governance Report.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company /RTA.
16. Members holding shares in single name and physical form may obtain Nomination Forms from the Company's Registrar and Transfer Agents. Members holding shares in electronic form may obtain the Nomination Forms from their respective Depository Participants.
17. The members holding shares in the same name or in the same order of names, under different folios, are requested to notify the relevant details of the said holdings to M/s Big Share Services Pvt. Ltd for consolidation of their shareholding in to a single folio.
18. In case of joint holder attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
19. Non-Resident Indian Members are requested to inform RTA, immediately of:
 - (a) Change in their residential status on return to India for permanent settlement.
 - (b) Particulars of their bank account maintained in India with complete name, branch account type, account number and address of the bank with pin code number, if not furnished earlier.
20. Information and other instructions relating to e-voting are as under
 - a. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
 - b. The facility for voting through polling paper shall also be made available at the venue of the AGM. The members who are attending the meeting who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting.
 - c. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
 - d. The Company has engaged the services of Central Depository Services Limited (CDSL) as the agency to provide e-voting facility.
 - e. The Board of Directors of the Company has appointed Mr. Jitendra Lekhwani, Practicing Company Secretaries (Membership No. 25927 & COP 10709) as the Scrutinizer, for scrutinizing the e-voting and ballot voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
 - f. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 20th September, 2018.
 - g. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 20th September, 2018, only shall be entitled to avail the facility of remote e-voting / Poll.

The instructions for shareholders voting electronically are as under:

- I. The voting period begins on Tuesday, 25th September, 2018 at 9.00 a.m. and ends on Thursday 27th September, 2018 at 5.00 p.m. (both the days included). 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 20th September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

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

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

- XV. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- XVI. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- XVII. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- XVIII. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XIX. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- XX. **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- XXI. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
21. A route map showing direction to reach the venue of 25th Annual general meeting is given at the end of this notice as per the requirement of the Secretarial Standard 2 on General meeting.
22. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.laffanspetrochemical.com and on the website of CDSL immediately after the declaration of result by the Chairman of the meeting or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange viz. Bombay Stock Exchange Limited (BSE Limited).

By Order of the Board of Directors

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

**Place: Mumbai
Date: 31st August, 2018**

**Registered Office:
Shed No. C1B/316, GIDC Panoli,
Tal. Ankleshwar, Dist, Bharuch,
Gujarat- 394116.
Email: lplho@vsnl.com**

ANNEXURE TO THE NOTICE:

Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013, (the Act).

ITEM NO. 4:

Mr. Deepak Roy (DIN: 08023836) was appointed as an Additional Director and Independent Director by the Board of Directors of the Company at its Meeting held on 13th August, 2018. He holds office up to the date of the forthcoming Annual General Meeting of the Company pursuant to Section 161 of the Companies Act, 2013.

The Company has received a notice from a Member signifying his intention to propose Mr. Deepak Roy, as a candidate for the office of Director of the Company at the ensuing Annual General Meeting. Mr. Deepak Roy, is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a director.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Deepak Roy that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and SEBI (LODR) Regulation, 2015.

In the opinion of the Board, Mr. Deepak Roy, fulfills the conditions for his appointment as an Independent Director as specified in the Act and SEBI (LODR) Regulation 2015, Mr. Deepak Roy, is independent of the management.

Mr. Deepak Roy hold a master degree in finance (MBA) and has more than 10 Years' experience in business and finance. He does not hold any shares in the Company.

Your Directors recommend the Resolution for your approval. None of the other Directors except Mr. Deepak Roy, is deemed to be concerned or interested in this item of business.

Copy of the draft letter for appointment of Mr. Deepak Roy, an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

ITEM NO.5:

Mr. Sandeep Seth (DIN : 00316075) was appointed as an Managing Director by the Board of Directors of the Company at its Meeting held on 27th November, 1992.

The Nomination and Remuneration Committee, in its meeting held on 30th August, 2018 recommended and Board of Director in its meeting held on 30th August, 2018, approved the payment of Remuneration Rs.3,50,000/- per month payable for the financial year 2018-19, to Mr. Sandeep Seth (DIN: 00316075), as a Managing Director of the Company with effect from 27th November, 1992 subject to the approval of the shareholders in the General Meeting.

With his past experience in the Company, the Board of Directors considered it to be desirable to approve ratification and approval of remuneration payable to him for his current tenure of appointment as Managing Director.

The Board of Director recommends the relevant resolution for your consideration and approval as an Ordinary Resolution.

Details of the Directors seeking appointment at the Annual General Meeting as per the disclosure requirement of under SEBI (LODR) Regulations 2015.

As per notice and Corporate Governance report.

By Order of the Board of Directors

Sd/-

**Sandeep Seth
Managing Director.
DIN: 00316075**

Place: Mumbai

Dated: 31st August, 2018

Regd. Office:

Shed No. C1B/316, GIDC Panoli,
Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116.
CIN: L99999GJ1992PLC018626
Email: lplho@vasnl.com
Website: www.laffanspetrochemical.com
Contact: 022-28511919/1918

Director's Report

To

Dear Members,

The Directors present the 25th Annual Report of the Company along with the audited financial statements for the financial year (FY) ended on **March 31, 2018**.

FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

The financial performance of the Company for the year ended March 31, 2018 is summarized below:

(Amount in Rs.)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Total Revenue	4,80,63,224	5,33,55,089
Total Exp.	4,30,83,753	5,18,18,736
Profit before exceptional items & tax	49,79,471	15,36,353
Current Tax for the year & Prior Year	(27,00,000)	---
Deferred Tax Liability	44,97,110	1,69,903
Profit after taxation	67,76,581	17,06,256

Financial Statement:

As per Regulation 33 of the Securities board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (herein after referred to as "Listing Regulation") and applicable provisions of the Companies Act, 2013 read with the rules thereunder, the Financial Statements of the Company for F.Y. 2017-18.

The Financial Statements for the year 2017-18 have been prepared in compliance with the new set of Indian Accounting standards (IND AS) and the comparatives for the corresponding previous financial year 2016-17 have been restated under IND AS for making items comparable.

The Ministry of Corporate Affairs (MCA), vide its notification in the official gazette dated 16th February, 2015, has made applicable the India Accounting Standard ('IND AS') to certain classes of Companies. For the Company, Ind AS was applicable from 1st April, 2017 with a transaction dated of 1st April, 2016.

The Financial results have been prepared in accordance with the recognition and measurement principles laid down under Ind AS, as presented under Section 133 of Companies Act, 2013 ("the Act") read with the relevant rules issued thereunder and the relevant accounting principles generally accepted in India as applicable.

Operating & Financial Performance & Internal Control:

Your company has generated gross revenue of Rs. 4,80,63,224/- as compared to Rs. 8,57,24,709/- for previous year. The company had sold its manufacturing unit and thereafter engaged in the business of trading in chemicals and API and in commodities arbitrage. The company has started imports of chemicals from China and is seeking opportunities towards indenting and trading of chemicals based on its past experience. The industry continues to face challenges with very cheap imports from Middle East and China.

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

There is no change in the nature of the business of the Company. There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future. There were no material changes and commitment affecting the financial position between March 31, 2018 and date of this Report of Directors.

Subsidiary, Joint Ventures and Associate Companies:

You Company has neither any Subsidiary nor Joint Venture nor Associates Company. During the year under review, none of the Companies have become or ceased to be Company's Subsidiaries, Joint ventures or Association Companies.

Deposits:

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2018. There were no unclaimed or unpaid deposits as on March 31, 2018.

Transfer to Reserve:

The Company has transferred entire profit after tax amount to reserves.

Dividend:

To conserve resources which would assist in future growth of the Company, no dividend is recommended by the Board for the financial year ended March 31, 2018.

Significance and Material Order Passed By the Regulators or Courts or Tribunals.

There were no significance and material orders passed by regulators or courts or tribunals impacting the going concern status and company operations in future. There were no material changes and commitments affecting the financial position of the company occurring between March 31, 2018 and the date of this Report of the Directors.

DIRECTORS AND KEY MANAGERIAL PERSONNEL**RETIREMENT BY ROTATION:**

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Sandeep Seth is due to retire by rotation at the 25th Annual General Meeting and being eligible, offer himself for re- appointment.

Brief profile of the proposed appointee together with other disclosures in terms of Regulation 36 (3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are mentioned in the Notice which is part of this Annual Report.

APPOINTMENT AND RESIGNATION OF KEY MANAGERIAL PERSONNEL:

There were no appointment/resignation of Key Managerial Personal during the Financial Year 2017-18.

Number of meeting of the Board:

During the year 4 (four) Board Meetings and 4 (four) Audit Committee Meetings were convened and held.

The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Directors' Responsibility Statement:

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

- (i) In the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2018 and of the profit and loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The directors had prepared the annual accounts on a going concern basis; and
- (v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Statement on declaration given by independent directors under sub-section (6) of section 149:

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

Particulars of loans, guarantees or investments under section 186:

The Company has not made any Loans or given Guarantees or provided security to any person and has not made any investment that attracts the provisions of Section 186 of the Companies Act, 2013 during the Financial Statements.

Nomination & Remuneration Policy:

The Board has framed a policy on the recommendation of the Nomination & Remuneration Committee, which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection, appointment and remuneration of Board Members / Key Managerial Personnel and other employees. Is annexed herewith as "**Annexure A**".

Related Party Transactions:

There were contracts or arrangements entered into by the company during the year, which attracts the provision of Section 188 of the Companies Act, 2013. Details of which provided in form AOC-2. All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Thus not requires the approval of shareholders. All Related Party Transactions are placed before the Audit Committee for approval.

There are no materially significant related party transactions made by the Company with promoters, directors, KMP or other designated persons which may have a potential conflict with the interest of the Company.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.laffanspetrochemical.com.

Conservation of energy, technology absorption, foreign exchange earnings and outgo:8

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

Risk management policy and its implementation:

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

Internal Control System:

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

Corporate Social Responsibility:

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

Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and Individual Directors:

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

Remuneration of Directors, Key Managerial Personnel and particulars of employees:

The remuneration paid to the Directors is in accordance with the Nomination and remuneration policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the listing Regulation (Including any statutory modification(s) or re-enactments(s) thereof for time being in Force)

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

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

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

Auditors:

At the Annual General Meeting held on 29th September, 2017 M/s. Govind Prasad & Co., Chartered Accountant, Statutory Auditors of the Company having registration number (FRN No. 114360W) were appointed as statutory auditors of the Company for a term of 5 (five) years from the conclusion of the 24th AGM (subject to ratification of such appointment by the Members at every AGM, if required) till the conclusion of the 29th AGM at such remuneration as may be determined by the Board of Directors and the said Auditors from time to time. The Company has received a certificate from the statutory auditors to the effect that their re-appointment, if made, would be within the limits prescribed.

The said Auditors have confirmed their eligibility for appointment in terms of Section 139 & 141 of the Act.

However, due to personal reason M/s Govind Prasad & Co., Chartered Accountant, resigned as Statutory Auditor of the Company due to inability to continue as statutory auditor with effect from 14.11.2017.

Due to resignation of M/s Govind Prasad & Co., Chartered Accountant, as statutory auditor of the Company, the Company has appointed Pushp K. Sahu & Co., Chartered Accountant, Mumbai, as Statutory Auditors of the Company having registration number (FRN No. 128013W) were appointed as statutory auditors of the Company till Conclusion of this Annual General meeting.

There are no qualifications, reservations or adverse remarks or disclaimers made by Pushp K. Sahu & Co., Statutory Auditors, in their report.

Internal Auditors:

Independent Practicing Chartered Accountants were appointed as an Internal Auditor for Financial Year 2017- 18, they performs the duties of internal auditors of the Company as prescribed under the Act and their report is reviewed by the audit committee from time to time.

Secretarial Auditors and Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Board has appointed M/s. Makarand Patwardhan & Co., Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as '**Annexure C**' to this Report. There is no qualification, reservations or adverse remarks made by Secretarial Auditors in the Audit Report.

Cost Auditor:

According to information and explanation given to us, the maintenance of cost records has not been prescribed by the Central Government sub section (1) of section 148 of the Companies Act 2013

Reporting Of Frauds by Auditor:

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which needs to be mentioned in the Board's Report.

Obligation of Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

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

Insider Trading:

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

The Extract of the Annual Return in form MGT-9:

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

Transfer of Amounts to Investor Education and Protection Fund:

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

Board Evaluation:

During the Year, Evaluation cycle was completed which included the Evaluation of the Board as a whole, Board Committees and Directors. The exercise was done in the Independent Directors meeting and Nomination and Remuneration Committee meeting of the Company. The Evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment.

Corporate Social Responsibility (CSR):

Your Company does not fall in the criteria mentioned under Section 135 of the Companies Act, 2013, for applicability of the provisions of Corporate Social Responsibility. Hence, your Company is not required to constitute CSR Committee and to comply with other provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Research & Development:

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

Website of the Company:

The Company maintains a website www.laffanspetrochemical.com where detailed information of the company and its products are provided.

Code of Conduct:

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

Vigil mechanism/whistle Blower Policy:

The Company has established a vigil mechanism/Whistle Blower Policy for Directors and employees to report their genuine concerns, details of which have been given in the Corporate Governance Report annexed to this Report.

Following details are also available on the website of the Companies on www.laffanspetrochemical.com

1. The details of such familiarization programmes
2. The policy on Related Party Transactions
3. Code of conduct for Board of Directors and Employees
4. Code of internal procedure and conduct under insider trading regulation.
5. Policy on Board Diversity
6. Nomination & Remuneration Policy etc.

Report on Corporate Governance

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

Management Discussion and Analysis Report:

Management's discussion and analysis Report is annexed herewith as "**Annexure F**".

Secretarial Standards:

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

Disclosure with Respect to Demat Suspense Account / Unclaimed Suspense Account

The Company reports that no shares issued pursuant to Public Issue remains unclaimed hence the Clause of Disclosure with respect to Demat Suspense Account / Unclaimed Suspense Account is not applicable.

Dematerialization:

Your Company has tied up with Central Depository Services (India) Ltd. (CDSL) to enable the shareholders to trade and hold share in an electronic/dematerialized form. The shareholders' are advised to take benefit of dematerialization.

Risk Management:

All material Risks faced by the Company are identified and assessed. For each of the risks identified, corresponding controls are assessed and policies and procedures are put in place for monitoring, mitigating and reporting risk on a periodic basis.

Acknowledgments:

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to the Government of India, Governments of Gujarat & Maharashtra, Authorities and the Bankers to the Company for their valuable support and look forward to their continued co-operation in the years to come. Your Directors also acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

For and on behalf of the Board of Directors

Place: Mumbai
Dated: 30.05. 2018

Sandeep Seth
(Managing Director)
DIN: 00316075

Anisha Seth
(Director)
DIN: 06867960

S.R.Narayanan
(Company Secretary)

ANNEXURE – A

NOMINATION AND REMUNERATION POLICY**1. INTRODUCTION:**

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

2. OBJECTIVE OF THE COMMITTEE:

The Committee shall:

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

3. DEFINITIONS:

3.1 Board means Board of Directors of the Company.

3.2 Director means Directors of the Company.

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

3.4 Company means Laffans Petrochemicals Limited.

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

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

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

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

4. GENERAL APPOINTMENT CRITERIA:

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

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

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

5. ADDITIONAL CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS:

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

6. TERM / TENURE:

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

7. REMOVAL:

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

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

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

8.1 Executive Directors:

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

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

8.2 Non-Executive Director:

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

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

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

8.3 Board (including Various Committees):

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

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

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

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

9. POLICY ON BOARD DIVERSITY:

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

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

10. REMUNERATION:

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

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

10.2 Director/ Managing Director

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

10.3 Non executive Independent Directors

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

10.4 KMPs / Senior Management Personnel etc.

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

10.5 Other employees:

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

11. SUCCESSION PLANNING:

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

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

(A) Conservation of energy- Not Applicable

(B) Technology absorption- Not Applicable

(C) Foreign exchange earnings and Outgo-

The Company's main line of business is import. The Company has achieved Export Turnover of Rs. Nil during the year under report 2017-2018, as compared to ` Nil in the previous year, 2013-2014.

Sr. No.	Particulars	2017-2018	2016-2017
1	Foreign Exchange Earned	-	-
	Export of Goods of F.O.B basis	-	-
2	Outgo of Foreign Exchange		
	i) Raw Materials	-	-
	ii) Consumable Store	-	-
-	iii) Capital Goods	-	-
	iv) Foreign Travels	-	1126081
	v) Others	-	-
	vi) Dividend	-	-

ANNEXURE –C
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE PERIOD 01-04-2017 TO 31-03-2018

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

To,
 The Members,
Laffans Petrochemicals limited
 Shed no.C1b/316 Gidc Panoli, Ankleshwar,
 Gujarat – 394116

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices **LAFFANS PETROCHEMICALS LIMITED (CIN: L99999GJ1992PLC018626)** hereinafter called (the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **LAFFANS PETROCHEMICALS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering **1st April, 2017 to 31st 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **LAFFANS PETROCHEMICALS LIMITED** (“the Company”) for the audit period **1st April, 2017 to 31st 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 Regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
(Not Applicable during Audit Period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **(Not applicable during the audit period)**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992-
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- **(Not applicable during the Audit Period)**
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- **(Not applicable during the Audit Period)**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **(Not applicable as the Company has not bought back any of its securities during the Audit Period)**
 - f. The securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the companies act and dealing with client

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not applicable as the Company has not bought back any of its securities during the Audit Period.**
- h. Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2009- **Not applicable as the Company has not bought back any of its securities during the Audit Period.**

(vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the management has complied with the following laws specifically applicable to the Company:

1. The manufacture, Storage and Import of Hazardous Chemicals Rules, 1989
2. The Water (Prevention and Control of Pollution) Act, 1974.
3. The Environment (Protection)(Second Amendment)Rules,1992
4. The legal Metrology Act,2009
5. The Petroleum Act, 1934
6. The factories Act,1948

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with BSE Limited & Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective from December 1, 2015)

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the Minutes of the meetings of the Board of directors or Committee of the Board as the case may be.

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

For Makarand Patwardhan & Co.,
(Company Secretaries)

Sd/-
Makarand Madhav Patwardhan
(Proprietor)

C.P. No. 9031/ACS No. A11872

Place: Mumbai
Date: 30.05.2018

Annexure –A

To,
The Members,
Laffans Petrochemicals limited
Shed no.C1b/316 Gidc Panoli, Ankleshwar,
Gujarat - 394116.

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

1. The maintenance of secretarial record is the responsibility of the management of the company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.

We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures 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.

For Makarand Patwardhan & Co.,
(Company Secretaries)

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

Place: Mumbai
Date: 30.05.2018

Annexure-D**MGT-9 – EXTRACT OF ANNUAL RETURN**

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 (31.03.2018)]

I. Registration and other Details

CIN	L99999GJ1992PLC018626
Registration Date	27 th November, 1992
Name of the Company	LAFFANS PETROCHEMICALS LIMITED
Category	Company Limited by shares
Sub-Category	Indian Non-Government Company
Address of the Registered Office	SHED NO. C1B/316, GIDC PANOLI, ANKLESHWAR – 394116, GUJARAT
Contact details	Tel: (022) 28511918 / 28512929 / 28518862, Fax: (022) 28513186; Email: Laffans1@vsnl.com , Website: www.laffanspetrochemical.com
Whether Listed Company	Yes
Name, Address and Contact details of Registrar and Transfer Agent	M/s. Bigshare Services Pvt. Ltd. Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Next to Keys Hotel, Makwana Road, Andheri – East, Mumbai – 400059, Maharashtra, India. Board No : 022 – 62638200, Fax No : 022 – 62638299, M : +91 7045454392 Email: rajeshm@bigshareonline.com , www.bigshareonline.com

II. Principal Business Activities

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

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

III. Particular of Holding, Subsidiary and Associate Companies: Nil**IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity).****i) Category-wise Share Holding**

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	3925237	4250	3929487	49.12	3958941	4250	3963191	49.54	0.42
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	3925237	4250	3929487	49.12	3958941	4250	3963191	49.54	0.42
(2) Foreign									
a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
e) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	3925237	4250	3929487	49.12	3958941	4250	3963191	49.54	0.42
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	10600	10600	0.13	0	10600	10600	0.13	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	0	10600	10600	0.13	0	10600	10600	0.13	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	329197	57000	386197	4.83	349379	57000	406379	5.08	0.25
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1474968	646710	2121678	26.52	1346241	637710	1983951	24.80	(1.72)
ii) Individual shareholders holding nominal share capital in excess of Rs1 lakh	1344145	65500	1409645	17.62	1559249	65500	1624749	20.31	2.69
c) Others (specify)									
Clearing member	131080	-	131080	1.64	1680	-	1680	0.02	(1.62)
Market Maker	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
[NON RESIDENT INDIANS (NRI)]	3600	0	3600	0.05	0	0	0	0	(0.05)
Non Resident Indians (Repat)	2650	-	2650	0.03	4150	-	4150	0.05	0.02
Non Resident Indians (Non-Repat)	5063	-	5063	0.06	5300	-	5300	0.07	0.01
Foreign Companies	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Independent Directors	-	-	-	-	-	-	-	-	-
HUF	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):	3290703	769210	4059913	50.75	3265999	760210	4026209	50.33	(0.42)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3290703	779810	4070513	50.88	3265999	770810	4026209	50.46	(0.42)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	7215940	784060	8000000	100	7224940	775060	8000000	100	-

(ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / Encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / Encumbered to total shares	
Mr. Sandeep Seth	3929482	49.12	N.A	3963186	49.53	N.A	0.42
Mr. Jaideep Seth	05	0.001	N.A	05	0.001	N.A	--

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

	Shareholding at the beginning of the year 01.04.2017			Cumulative Shareholding during the Year 31.03.2018			
	No. of shares	% of total shares of the company	Date	Increase/ Decreasing in shareholding	Reason	No. of shares	% of total shares of the company
Mr. Sandeep Prem Seth							
At the beginning of the year							
Mr. Sandeep Seth	3929482	49.11	01-04-2017				
			26-05-2017	2100	Buy	3931582	49.14
			02-06-2017	7900	Buy	3939482	49.24
			25-08-2017	5100	Buy	3944582	49.3
			08-09-2018	780	Buy	3945362	49.31
			22-09-2017	7224	Buy	3952586	49.4
			24-11-2017	10600	Buy	3963186	49.53
Mr. Jaydeep Seth	05	0.001	NO CHANGES DURING THE YEAR			05	0.001

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

	Shareholding at the beginning of the year		Change during the year			Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	Date	Increase / Decrease in shareholding	Reason	No. of shares	% of total shares of the company
1. LAFFANS INDIA LIMITED							
At the beginning of the year	227,700	2.85	-	-	-	227,700	2.85
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--	--	--	--
At the End of the year	227,700	2.85	-	-	-	227,700	2.85
2. MAHENDRA GIRDHARILAL							
At the beginning of the year	1,98,451	2.48	-	-	-	1,98,451	2.48
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):							
At the End of the year	1,98,451	2.48	-	-	-	1,98,451	2.48
3. DHEERAJ KUMAR LOHIA							
At the beginning of the year	1,67,560	2.09	-	-	-	1,67,560	2.09
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	--	--	16-06-2017	1514	Transfer	169074	2.11
At the End of the year	169074	2.11	--	--	--	169074	2.11

	Shareholding at the beginning of the year		Change during the year			Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	Date	Increase / Decrease in shareholding	Reason	No. of shares	% of total shares of the company
4. S N RAJAN							
At the beginning of the year	26625	0.33				26625	0.33
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):			25-08-2017	2200	Transfer	28825	0.36
			01-09-2017	1250	Transfer	30075	0.38
			15-09-2017	19780	Transfer	49855	0.62
			22-09-2017	900	Transfer	50755	0.63
			29-09-2017	5805	Transfer	56560	0.71
			06-10-2017	1661	Transfer	58221	0.73
			20-10-2017	8399	Transfer	66620	0.83
			27-10-2017	14372	Transfer	80992	1.01
			31-10-2017	81	Transfer	81073	1.01
			03-11-2017	9849	Transfer	90922	1.14
			10-11-2017	11348	Transfer	102270	1.28
			17-11-2017	11046	Transfer	113316	1.42
			24-11-2017	-14389	Transfer	98927	1.24
			01-12-2017	-17319	Transfer	81608	1.02
			08-12-2017	292	Transfer	81900	1.02
			15-12-2017	1250	Transfer	83150	1.04
			29-12-2017	3331	Transfer	86481	1.08
			05-01-2018	-20779	Transfer	65702	0.82
			19-01-2018	3150	Transfer	68852	0.86
			02-02-2018	-711	Transfer	68141	0.85
			09-02-2018	42793	Transfer	110934	1.39
			23-02-2018	-4240	Transfer	106694	1.33
			02-03-2018	14050	Transfer	120744	1.51
			09-03-2018	1050	Transfer	121794	1.52
			16-03-2018	10189	Transfer	131983	1.65
			23-03-2018	6332	Transfer	138315	1.73
			30-03-2018	3306	Transfer	141621	1.77
At the End of the year	141621		31-03-2018	--	--	141621	1.77
5. RAHUL DILIPBHAI JGAVERI							
At the beginning of the year	0	0				0	
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			10-11-2017	121500	Transfer	121500	1.52
At the End of the year	121500	1.52				121500	1.52
6. PRAGYA SECURITIES PVT LTD.- F & O CLIENTS MARGIN A/C							
At the beginning of the year	121500	1.52				121500	1.52
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			8-09-2017	200		121700	1.52
			10-11-2017	-121500		200	0.00
			23-02-2018	-200		0	0.00
At the End of the year	00	0.00	--	--	--	00	0.00

	Shareholding at the beginning of the year		Change during the year			Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	Date	Increase / Decrease in shareholding	Reason	No. of shares	% of total shares of the company
7. SANJAY SETH							
At the beginning of the year	99000	1.24	No Change During the year.			99000	1.24
At the End of the year	99000	1.24				99000	1.24
8. SHARAD KANAYALAL SHAH							
At the beginning of the year	97631	1.22	No Changes during the year.			97631	1.22
At the End of the year	97631	1.22				97631	1.22
9. MADHUBEN DHIRAJLAL GANDHI							
At the beginning of the year	60000	0.75	----	---		60000	0.75
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			No Change During the year.			43239	0.54
At the End of the year	60000	0.75				60000	0.75
10. ARUN RAMGOPAL MEHRA							
At the beginning of the year	57862	0.72				57862	0.72
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			16-06-2017	-910	Transfer	56952	0.71
			04-08-2017	-1000	Transfer	55952	0.70
			11-08-2017	-5000	Transfer	50952	0.64
			25-08-2017	-5000	Transfer	45952	0.57
			01-09-2017	-725	Transfer	45227	0.57
			08-09-2017	-899	Transfer	44328	0.55
			15-09-2017	-15000	Transfer	29328	0.37
			22-09-2017	-4000	Transfer	25328	0.32
			29-09-2017	-2000	Transfer	23328	0.29
			06-10-2017	-3000	Transfer	20328	0.25
			13-10-2017	-991	Transfer	19337	0.24
			27-10-2017	-1000	Transfer	18337	0.23
			31-10-2017	-2000	Transfer	16337	0.20
			3-11-2017	-1000	Transfer	15337	0.19
			01-12-2017	-1000	Transfer	14337	0.18
At the End of the year	14337	0.18				14337	0.18
11. ARUNA VAGERIA							
At the beginning of the year	48,201	0.60	--	--	--	48,201	0.60
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			5-02-2018	-20405	Transfer	27796	0.35
			09-02-2018	-20796	Transfer	7000	0.09
			23-02-2018	-7000	Transfer	0	0
At the End of the year	00	00	--	--	--	00	00
12. KONDEPUDI PALLAVI							
At the beginning of the year	46,000	0.58	--	--	--	46,000	0.58
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			No Change During the year.				
At the End of the year	46,000	0.58	--	--	--	46,000	0.58

(v) Shareholding of Directors and Key Managerial Personnel:

	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Mr. Sandeep Seth (Managing Director)				
At the beginning of the year	3911952	48.90		
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	3911952	48.90		
Mr. Jaideep Seth (Director)				
At the beginning of the year	5	0	5	0
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	0	0	0	0
Mr. Naresh N. Chhabria (Director)				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	0	0	0	0
Mr. Avinash Gupta (Director)				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	0	0	0	0
Mrs. Anisha Seth (Whole-Time Director)				
At the beginning of the year	811	0.01	67111	0.84
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):				
At the End of the year	0	0	0	0
Mr. Mahalinga Booba Kotian (CFO)				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):				
At the End of the year	0	0	0	0
Mr. Rajesh Thadani (Director)				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):				
At the End of the year	0	0	0	0
Mr. S R Narayanan (Company Secretary)				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):				
At the End of the year	0	0	0	0

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

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

VI. Remuneration of Directors and Key Managerial Personnel**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Particulars of Remuneration	Mr. Sandeep Seth (Managing Director)	Mrs. Anisha Seth (Whole-time Director)	Total Amount
Gross salary			
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18,00,000	8,40,000	26,40,000
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission			
- as % of profit	-	-	-
- others			
Others	-	-	-
Total (A)	18,00,000	8,40,000	26,40,000
Ceiling as per the Act	As per Section II of Schedule V of the Companies Act, 2013	As per Section II of Schedule V of the Companies Act, 2013	Rs. 42,00,000/- (Overall limits as per Section II of Schedule V of the Companies Act, 2013)

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors				Total Amount
	Mr. Jaideep Seth	Mr. Avinash Gupta	Mr. Naresh Chhabria	Mr. Rajesh Thadani	
Independent Directors					
• Fee for attending board / committee meetings	-	-	-	-	-
• Commission	-	-	-	-	-
• Others	-	-	-	-	-
Total (1)					
Other Non-Executive Directors					
• Fee for attending board / committee meetings	-	-	-	-	-
• Commission	-	-	-	-	-
• Others	688000	-	-	-	6,88,000
Total (2)	688,000	-	-	-	6,88,000
Total (B)=(1+2)	6,88,000	-	-	-	6,88,000

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

Particulars of Remuneration	Key Managerial Personnel		Total Amount
	Company Secretary Mr. S R Narayanan	CFO Mr. M B. Kotian	
Gross salary			
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60,000	1,87,200	2,47,200
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission - as % of profit - others	-	-	-
Others	-	-	-
Total	60,000	1,87,200	2,47,200

VII. Penalties / Punishment/ Compounding of Offences:

During the year there were no penalties, punishment, compounding charges paid by the company.

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)
COMPANY					
N.APenalty					
Punishment					
Compounding					
DIRECTORS					
N.APenalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
N.APunishment					
Compounding					

ANNEXURE-E
MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW:

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

During the year under review, the Company has put a focus on trading in various chemicals product and is striving to gain market share in a very competitive market.

FINANCIAL PERFORMANCE OF THE COMPANY:**Share Capital:**

The issued and paid-up share capital of the Company is Rs. 80,000,000/- consisting of 80 lacs Equity shares of Rs.10/- each as on 31st March, 2018.

Reserves and Surplus:

As on 31st March, 2018 the reserves and surplus are Rs. 53,45,91,125/- .

Secured Loans:

There are no secured loans outstanding as on 31st March, 2018.

Results of Operation:

Total income of the Company during the F.Y. 2017-18 was Rs. 4,80,63,224/- reflecting an increase of Rs. 8,57,24,709/- over previous year. Profit for the year stood at Rs. 67,76,581 /- as against Rs. 3,43,94,473/- for the previous year, reflecting decrease from previous financial year.

Industry Structure & Development:

Specialty chemicals.

Internal Control System:

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

Human Resources:

The Company has good relation with its employees.

Risks Factor:

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

Opportunity

The company is not dependent on any one product type and is constantly seeking never products based on local demand. The Company as identified several Chinese firm to represent them in India through exclusive agency. The Indian Chemical market continues to grow and cheaper imports allows opportunities in this area. Further increasing demand of specially chemicals, favourable Govt. policy, GST regime, would be beneficial for the business of the company in the upcoming years. Future Prospects/Outlook:

Your Company is continuously working on strengthening the business. Your Company has been successfully executing major orders from prestigious customers and it has been enjoying the confidence of all customers across the country with repeat orders. Your Company has embarked on improving margins in all products by reducing the various costs. The results of these initiatives are expected to improve the overall profitability of the Company further during the current year.

ANNEXURE-F
REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended **March 31, 2018**, in accordance with Regulation 34 (3) and read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulation/LODR Regulation").

1. Company's Philosophy On Corporate Governance:

Corporate Governance broadly refers to a set of rules and practices designed to govern the behavior of corporate enterprises. The Company's philosophy on Corporate Governance envisages accountability, responsibility and transparency in the conduct of the Company's business and its affairs vis-à-vis its employees, shareholders, bankers, lenders, government, suppliers, dealers etc. and accordingly lays great emphasis on regulatory compliances. The Company firmly believes that Corporate Governance is a powerful tool to sub serve the long term growth of the Company and continues to give high priority to the principles and practices of good Corporate Governance and has accordingly benchmarked its practices with the existing guidelines of corporate governance as laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and applicable provisions of the Companies Act, 2013 (the Act), a report on Corporate Governance is detailed below:

2. Governance Structure:

• **Board Of Directors:**

2.1. Composition and Category of Directors

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Directors who represents a good professionalism.

As on March 31, 2018, Laffans Board comprised of 5 (Five) Directors, viz., the Chairman & Managing Director and 2 (Two) Non-Executive –Non-Independent Directors, 1 (One) 2 (Two) Non-Executive - Independent Director.

The Board's Composition is in accordance with the requirements of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition of Board of Directors as on March 31, 2018.

Name of Director	Category
Mr. Sandeep Seth	Executive- Managing Director
Mrs. Anisha Seth	Whole-Time Director
Mr. Naresh Chabbariya*	Independent-Non-Executive Director
Mr. Jaideep Seth	Non-Executive Director
Mr. Rajesh Thadani	Independent-Non-Executive Director
Mr. Avinash Gupta	Independent Non-Executive Director

*Mr. Naresh Chabbariya (Independent-Non-Executive Director) was resigned with effect from 14th November 2017.

2.2. Directorship and Committee Membership in other Companies:

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Regulation 26(1) of Listing Regulation with Stock Exchange) across all the Companies in India in which he is a Director.

Independent Directors do not serve in more than 7 Listed Companies. None of the Independent Directors are Whole Time Directors in any Listed so the limitation mentioned in Regulation 25 (1) of the Listing Regulation with the Stock Exchange is not applicable.

Directorships and membership of Committees in other companies held by Directors as on March 31, 2018 are given below:

Name of Director	*Number of Directorship(s) held in other Indian public limited Companies	**Committees Positions	
		Committee Chairmanship	
Mr. Sandeep Seth	0	Nil	Mr. Sandeep Seth
Mrs. Anisha Seth	0	Nil	Mrs. Anisha Seth
Mr. Jaideep Seth	0	Nil	Mr. Jaideep Seth
Mr. Naresh Chabbariya	0	Nil	Mr. Naresh Chabbariya
Mr. Rajesh Thadani	0	Nil	Mr. Rajesh Thadani
Mr. Avinash Gupta	0	Nil	Mr. Avinash Gupta

*Mr. Naresh Chabbariya (Independent-Non-Executive Director) was resigned with effect from 14/11/2017.

*Directorships do not include directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

**Chairmanship/ Membership of committees of Board of Directors include only Audit and Stakeholder Relations Committees of other Public Limited Companies.

2.3. Appointment /Re-appointment of Directors:

During the financial year, there were no appointment/re-appointment made of any director.

2.4. Information Supplied to the Board:

The Board of the Director of the Company is presented with relevant information in advance on various matters related to working of the Company, especially those which requires deliberation. In addition to items which requires approval of the Board or it's noting, the information is provided on various items. The information supplied by management to the Board of the Company is in accordance with various Regulations of SEBI (LODR) Regulations, 2015.

2.5. Orderly Succession to Board and Senior Management:

The Board of Director of the Company satisfies itself about the plans in place for orderly succession for appointment to the Board and to Senior Management.

2.6. Review of Legal Compliance reports:

During the year, the Board periodically reviewed compliances reports with respect to the various laws applicable to the Company, as prepared and placed before it by the management.

2.7. Maximum tenure of Independent Directors:

The maximum tenure of Independent Directors is in accordance with the Companies Act, 2013. The terms and conditions of appointment of independent Directors are placed on the Company's websites.

2.8. Formal letter of Appointment to Independent Directors:

The Company has issued formal letter to each Independent Directors in the manners as provided in the Companies Act, 2013. The terms and conditions of appointment of Independent Directors are placed on Company's websites www.laffanspetrochemical.com

2.9. Re-appointment of Directors (liable to retire by rotation):

Shri Sandeep Seth (DIN 00316075), retires by rotation and being eligible offer himself for re-appointment. His brief resume is as under:

Name of the Director	Shri Sandeep Seth
Designation	Managing Director
Date of Appointment	27/11/1992

Name of the Director	Shri Sandeep Seth
Expertise in specific functional areas	Providing valuable inputs and guidance on various matters relating to strategic planning and performance, marketing expansion, new business decision of the Company.
List of other Directorship held In (other listed Companies)	NIL
Chairmanships / memberships of committees of director in others listed companies	NIL

2.10. Board Meetings Held:

Four Board Meetings were held during the financial year ended on 31st March, 2018. These meetings were held on May 30, 2017; August 14, 2017; November 14, 2017 and February 14, 2018.

2.11. Attendance of each director at the Board meetings held during the financial year ended 31st March, 2018 and the last AGM held on September 29, 2017:

Director	No. of Board meetings held	No. of Board meetings attended	Last AGM Yes/No
Mr. Sandeep Seth	4	4	Yes
Mrs. Anisha Seth	4	4	Yes
Mr. Jaideep Seth	4	4	Yes
Mr. Naresh Chhabria	2	0	Yes
Mr. Rajesh Thadani	4	4	Yes
Mr. Avinash Gupta	4	4	Yes

*Mr. Naresh Chhabriya (Independent-Non-Executive Director) was resigned with effect from 14/11/2017.

3. INDEPENDENT DIRECTORS MEETING

As required under Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Independent Directors meeting was held on February 12, 2018, inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
4. **Familiarization Programme for Independent Directors:** If any person joins the Board of the Company as an Independent Director, the company conducts the seminars/power point presentations at regular intervals so that the new Independent Director gets acquainted with the nature of the Company. The new person will come to know about various roles, duties, rights and responsibilities that has to be performed during the course of time.

4. Audit Committee

4.1. Terms of reference:

The terms of reference for Audit Committee has been specified in Part C of Schedule II under Regulation 18(3) of Listing Obligation and Disclosure Requirements (LODR), Regulation, 2015 with Stock Exchange where the information will be reviewed by the Audit Committee.

4.2. Composition of the Audit Committee:

The Company has constituted a qualified Audit Committee as required under section 177 of the Companies Act, 2013. The Audit Committee comprises of three directors as members. All the members are well versed

with finance, accounts, corporate laws and general business practices. Mr. Naresh Chhabria, Chairman of the Committee is an Independent Director and has financial and accountancy expertise.

Mr. Naresh Chhabria, (Independent-Non-Executive Director), has resigned from the post of Director of the Company as well from the all post of committees of the Company. Due to resignation of Mr. Naresh Chhabria, the Audit Committee was reconstituted accordingly. Mr. Rajesh Thadani appointed as Chairman of the Committee is an Independent with effect from 14/11/2017.

Name of the Member	Category	Designation
Mr. Naresh Chhabria	Independent Director	Chairman*
Mr. Rajesh Thadani	Independent Director	Member**
Mr. Jaideep Seth	Non-Executive Director	Member
Mr. Avinash Gupta	Independent Director	Member***

*Mr. Naresh Chhabria (Independent-Non-Executive Director) was resigned with effect from 14/11/2017.

** Mr. Rajesh Thadani Independent Director was appointed as Chairman of the Committee with effect from 14/11/2017.

*** Mr. Avinash Gupta, an Independent Director was appointed as member in the Committee with effect from 14/11/2017.

4.3. Audit Committee meetings:

During the year under the review, the Committee met four times, i.e. on May 30, 2017; August 14, 2017; November 14, 2017 and February 14, 2018.

Attendance at the meetings of the Audit Committee:

Name of the Member	Designation	No. of meetings during the year	
		Held	Attended
Mr. Naresh Chhabria	Chairman*	2	0
Mr. Rajesh Thadani	Member*	4	4
Mr. Jaideep Seth	Member	4	4
Mr. Avinash Gupta	Member***	2	2

*Mr. Naresh Chhabria (Independent-Non-Executive Director) was resigned with effect from 14/11/2017.

** Mr. Rajesh Thadani Independent Director was appointed as Chairman of the Committee with effect from 14/11/2017.

*** Mr. Avinash Gupta, an Independent Director was appointed as member in the Committee with effect from 14/11/2017.

5. Nomination & Remuneration Committee

5.1. Term of Reference:

The broad terms of reference of the Nomination and Remuneration Committee are:

- To formulate the criteria for determining qualifications, positive attributes and independence for appointment of a Director and recommend to the Board, policies relating to the remuneration of the Directors, key managerial personnel and other employees;
- To formulate the criteria for evaluation of all the Directors on the Board;
- To devise a policy on Board diversity; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The **Nomination and Remuneration Policy** devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 has been published as an Annexure to the Directors Report. Further, the details of remuneration paid to all the Directors and the other disclosures required to be made under the Listing Agreement.

5.2. Composition of Nomination and Remuneration Committee:

The Company has constituted a Nomination and Remuneration Committee as required under Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (LODR) Regulation, 2015 with Stock Exchange. The Nomination and Remuneration Committee was reconstituted on May 29, 2015.

The Nomination and Remuneration Committee now comprises of three directors as members. Mr. Naresh Chhabria, Chairman of the Committee is an Independent.

Mr. Naresh Chhabria, (Independent-Non-Executive Director), has resigned from the post of Director of the Company as well from the all post of committees of the Company. Due to resignation of Mr. Naresh Chhabria, the above said Committee was reconstituted accordingly. Mr. Rajesh Thadani appointed as Chairman of the Committee is an Independent with effect from 14/11/2017.

Name of the Member	Category	Designation
Mr. Naresh Chhabria	Independent Director	Chairman*
Mr. Rajesh Thadani	Independent Director	Member**
Mr. Jaideep Seth	Non-Executive Director	Member
Mr. Avinash Gupta	Independent Director	Member***

*Mr. Naresh Chhabria (Independent-Non-Executive Director) was resigned with effect from 14/11/2017.

** Mr. Rajesh Thadani Independent Director was appointed as Chairman of the Committee with effect from 14/11/2017.

*** Mr. Avinash Gupta, an Independent Director was appointed as member in the Committee with effect from 14/11/2017.

5.3. Nomination and Remuneration Committee Meetings:

During the year under the review, the Committee met four times, i.e. on May 30, 2017; August 14, 2017; November 14, 2017 and February 14, 2018.

Attendance at the meetings of the Nomination & Remuneration Committee:

Name of the Member	Status	No. of meetings during the year	
		Held	Attended
Mr. Naresh Chhabria	Chairman*	2	0
Mr. Rajesh Thadani	Member**	4	4
Mr. Jaideep Seth	Member	4	4
Mr. Avinash Gupta	Member***	2	2

*Mr. Naresh Chhabria (Independent-Non-Executive Director) was resigned with effect from 14/11/2017.

5.4. Details of Remuneration Paid to the Directors in 2017-18:

Remuneration paid to Executive Directors: (Amt. in Rs.)

Name	Salary	Bonus	Other perks	Commission	Total
Mr. Sandeep Seth	18,00,000	Nil	Nil	Nil	18,00,000
Mrs. Anisha Seth	8,40,000	Nil	Nil	Nil	8,40,000

Remuneration paid to Non-Executive Directors: (Amt. in Rs.)

Name	Salary	Sitting Fees	No. of Shares held
Mr. Jaideep Seth	6,88,000	Nil	Nil
Mr. Naresh Chhabria	Nil	Nil	Nil

*Mr. Naresh Chhabria (Independent-Non-Executive Director) was resigned with effect from 14/11/2017.

6. Share Transfer Committee/Stakeholder Relationship Committee

The Stakeholder Relationship Committee has been constituted under the Chairmanship of Mr. Jaideep Seth with Mr. Sandeep Seth as the other member to facilitate speedy disposal of requests pertaining to

transfer, transmission of shares in physical form, issue of duplicate share certificates, to consider and review shareholders'/investors' grievances and complaints and to ensure that all shareholders'/investors' grievance and correspondence are attended to expeditiously and satisfactorily unless constrained by incomplete documentation and/ or legal impediments.

Shareholder/ Investor Service:

Shareholder/ Investor Service is handled by the Managing Director who provides timely services. The Company received Nil complaints during the year and there was no case/ complaint unresolved at the end of the year.

Name & Designation of the Compliance Officer:

Mr. Sandeep Seth, Managing Director and Compliance Officer.

7. Corporate Social Responsibility (CSR) Committee

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

8. General Body Meetings

8.1. Particulars of last three Annual General Meetings and the Special Resolutions passed thereat:

Financial Year	Date & Time	Location	Special Resolution passed
2014-2015	September 26, 2015 at 12.30 p.m.	Shalimar Hotel, Ankleshwar, Dist. Bharuch, Gujarat	No special resolution passed
2015-2016	September 29, 2016 at 12.00 p.m.	Shalimar Hotel, Ankleshwar, Dist. Bharuch, Gujarat	No special resolution passed
2016-2017	September 29, 2017 at 11.00 a.m.	Shalimar Hotel, Ankleshwar, Dist. Bharuch, Gujarat4	No special resolution passed

8.2. Special Resolution passed through Postal Ballot:

Special Resolution for filling Casual Vacancy of Statutory Auditor was passed through Postal Ballot voting in Extra-Ordinary General Meeting dated 12.02.2018.

Summery result of postal ballot and E-voting Special Resolution:		
Particulars	No. of Equity Shares	% of total number of votes cast
Total Valid Vote Cast	4030576	100
Assented to resolution	4030576	100
Dissented to Resolution	0	0

9. Disclosures

9.1. All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulation, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

Details of non-compliance/ penalties/ strictures imposed on the Company by the Statutory Authorities:

The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India and other statutory authorities on all matters relating to capital markets during the last three years and no penalties or strictures have been imposed on the Company by any Stock Exchange, Securities and Exchange Board of India or other statutory authorities.

9.2. Whistle Blower Policy affirmation that no person has been denied access to Audit Committee:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the revised clause 49 of the Listing Agreement, the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company at www.laffanspetrochemical.com

9.3. Details of Compliance with mandatory requirement:

The Company has fully complied with the mandatory requirement of Clause 49 of the Listing Agreement entered into with the Stock Exchange. The non-mandatory requirements contained in Annexure XIII to Clause 49 of the Listing Agreement with the Stock Exchanges have not been adopted.

9.4. Subsidiaries/Material Subsidiaries:

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

9.5. CEO & MD / CFO Certification:

The Managing Director and CFO have issued certificate pursuant to the provisions of Listing Agreement and SEBI (LODR) Regulation, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

9.6. Means Of Communication:

The quarterly and annual financial results are sent to the Stock Exchanges immediately after they are approved and taken on record by the Board of Directors. These financial results are normally published in the "Free Press Journal" and "Navshakti" and are also made available on the website of the Company, 'www.laffanspetrochemical.com'. Annual Reports are dispatched to all the shareholders. No presentation was made to the institutional investors or analysts during the year.

9.7. Compliance Certificate:

Compliance Certificate for Corporate Governance from Statutory Auditor (Practicing Chartered Accountant) of the Company is given "Annexure-I" to this report.

9.8. Code of Conduct:

The Board of Directors has laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company to ensure adherence to a high ethical professional conduct by them in the discharge of their duties. The Code of Conduct has also been posted onto the website of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31.03.2018. Declaration on affirmation of Code of Conduct is forming part of this Report.

9.9. General Information for Shareholders:

1.	Registered office	Shed No. C1B/316, GIDC Panoli, Ankleshwar, Bharuch, Gujarat 394116.
2.	Annual General Meeting Day, Date, Time & Venue	25 th Annual General Meeting. Friday, September 28, 2018 at 12.30 P.M. at the Registered office of the Company Situated at Shed No. C1B/316, GIDC Panoli, Ankleshwar, Bharuch, Gujarat 394116.
3.	Financial Year	April 1, 2017 to March 31, 2018

4.	Financial Calendar (tentative)	June 30, 2018- Second week of August, 2018 September 30, 2018- Second week of November, 2018 December 31, 2018-Second week of February, 2018 March 31, 2019-Last week of May, 2019. Dividend Payment Date Not Applicable
5.	Date of Book closure	September 15, 2018 to September 28, 2018 (both days inclusive).
6.	Listing on Stock Exchanges	The shares of the Company are listed on BSE Limited (BSE), Vadodara Stock Exchange Limited (VSEL), Delhi Stock Exchange (DSE)
7.	Stock Code/ ID	BSE: 524522/ LAFFANSQ VSEL: 288 DSE: 6832
8.	Registrars and Transfer Agents	The Company has appointed Big Share Services Pvt. Ltd. of Mumbai as the Registrars and Share Transfer Agents for any assistance regarding share transfers, transmissions, change of address, duplicate/missing share certificate and other relevant matters. Please write to the Registrars and Transfer Agents, at the address given below: Big Share Services Pvt. Ltd. Bharat Tin Works Building 1st Floor Opp. Vasant Oasis Next to Keys Hotel Makwana Road Andheri – East Mumbai – 400059 Maharashtra India. Board No : 022 – 62638200 Extn. 206 Fax No : 022 – 62638299 M : +91 7045454392
9.	Share Transfer System	The equity shares of the Company are primarily dealt with in electronic form in the depository system with no involvement of the Company. There are negligible or no transfers made in physical form. As regards transfer of shares held in physical form the transfer documents can be lodged with Registrars and Transfer Agents at the above mentioned address.

10. Stock Market Data

MONTH	Market Price Per Share (Rs.) (BSE)	
	Highest	Lowest
April, 2017	19.85	13.80
May, 2017	18.90	15.10
June, 2017	17.45	13.35
July, 2017	16.50	13.75
August, 2017	18.70	15.40
September, 2017	21.55	15.35
October, 2017	25.30	19.00
November, 2017	30.30	23.50
December, 2017	33.60	24.15
January, 2018	33.55	24.00
February, 2018	28.30	23.80
March, 2018	27.55	23.85

11. Distribution of Shareholding as on March 31, 2018

No. of shares	No. of shareholders*	% of shareholders	No. of shares held	% of shareholding
1 - 500	3452	79.21	836182	10.45
501 - 1000	512	11.75	429886	5.37
1001 - 2000	172	3.95	269407	3.37
2001 - 3000	58	1.33	152185	1.90
3001 - 4000	26	0.60	95403	1.19
4001 - 5000	37	0.85	176627	2.21
5001 - 10000	53	1.22	387379	4.84
Above 10000	48	1.10	5652931	70.66
Total	4358	100	8000000	100

Note: Each folio of shareholder is considered separately for counting No. of Shareholders, in case of multiple folio of individual shareholder.

12. Dematerialization of Shares and Liquidity as on March 31, 2018

Category	No. of Shares held	No of Shareholders	% of Total Shareholding
Shares held in Demat Form	72,24,940	4,316	90.12
Shares held in Physical Form	7,75,060	4	9.88
TOTAL	80,00,000	4320	100.00

13. Investor Correspondence

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

Big Share Services Pvt. Ltd.

Bharat Tin Works Building | 1st Floor | Opp. Vasant Oasis | Next to Keys Hotel

Makwana Road | Andheri - East | Mumbai - 400059 | Maharashtra | India.

Board No : 022 - 62638200 Extn. 206 Fax No : 022 - 62638299 |

Mob : +91 7045454392

Compliance Certificate by the Auditors

Certificate from the Auditors of the Company, M/s. Pushp K. Sahu & Co., Chartered Accountants confirming compliance with the conditions of Corporate Governance as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is forming part of the Annual Report.

Declaration

I hereby confirm that the Company has obtained from all the members of the Board and senior management personnel, affirmation that they have complied with the Code of Conduct for directors and senior managerial personnel in respect of the financial year ended March 31, 2018.

Place: Mumbai
Date: 30.05.2018

Sd/-
Sandeep Seth
Managing Director

CERTIFICATE FROM CFO /MD

- A. We have reviewed financial statements and the cash flow statement for the quarter and year ended March 31, 2018 and that to the best of their knowledge and belief:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violate of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
- 1) significant changes in internal control over financial reporting during the year;
 - 2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Place: Mumbai
Date: 30.05.2018

Sd/-
Sandeep Seth
Managing Director

Sd/-
M. B. Kotian
Chief Financial Officer

Annexure-I
Auditors' Certificate regarding compliance of conditions of
Corporate Governance

To,
The Members of
Laffans Petrochemicals Ltd.

We have examined the compliance of conditions of corporate governance of **Laffans Petrochemicals Ltd.** for the period ended March 31, 2018 as stipulated in Chapter IV SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligation and disclosure Requirement) Regulations, 2015.

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

For PUSHP K. SAHU & CO.
(Chartered Accountants)
Name of Partner
(Partner)

Place: Mumbai
Date: 30.05.2018

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF LAFFANS PETROCHEMICALS LIMITED****Report on the Indian Accounting Standards (Ind AS) Financial Statements**

We have audited the accompanying financial statements of **LAFFANS PETROCHEMICALS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the statement of changes in Equity for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements to 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 accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

We have taken into account the provisions of the Act and the Rules made thereunder including 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 of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a 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 Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, of the state of affairs of the Company as at March 31, 2018, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by another auditor. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Report on Other Legal and Regulatory Requirements

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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, our financial reporting of the company and the operating effectiveness of such controls, the system of internal financial controls over financial reporting of the company was not made available to us to enable us to determine if the company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2018. We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the company, and the disclaimer does not affect our opinion on the financial statements of the company.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its Ind AS financial statements -Refer Note 26;
 - ii. The company did not have long-term contracts as at March 31, 2018 for which there were no material foreseeable losses. The Company did not have any long-term derivative contract as at March 31, 2018.
 - iii. There were no requirement in transferring amounts, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

For **Pushp K. Sahu & Co.**
Chartered Accountants
Firm Registration No. 128013W

(Pushp K. Sahu)
Proprietor

Membership No. 112502

Place: Mumbai
Date : 30-05-2018

Annexure - A to the Auditor's Report

Annexure to the Independent Auditor's Report of even date to the members of Laffans Petrochemicals Limited, on the financial statements for the year ended 31st March 2018

- (i) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has physically verified certain assets during the period in accordance with a programme of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification. In our opinion fixed assets have been properly dealt with in the books of accounts.
 - (c) In our opinion and according to the information and explanations given to us In our opinion and according to the information and explanations given to us, the title deeds of the immovable properties of the company are held in the name of the company.
- (ii) In respect of its Inventories, in our opinion and according to the information and explanations given to us, the management at reasonable intervals has physically verified the trading goods and no material discrepancies were noticed on physical verifications.
- (iii) According to the information and explanations given to us, the Company has not granted loan to any party covered in register u/s. 2(76) hence, clause iii(a), (b) and (c) are not applicable.
- (iv) In respect of loans investments and guarantees, In our opinion and according to the information and explanations given to us, provisions of Section 185 and 186 complied
- (v) In our opinion and according to the information and explanation given to us, the company has not accepted deposits from the public as per section 73 to 76 or any other relevant provisions of the Companies Act, 2013
- (vi) According to information and explanation given to us, the maintenance of cost records has not been prescribed by the Central Government sub section (1) of section 148 of the Companies Act 2013
- (vii) According to the information and explanations given to us in respect of statutory and other dues:
- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value added Tax, cess and any other statutory dues with the appropriate authorities during the period except TDS of Rs.84,916. Were not paid.
 - (b) There are no disputed dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, Value Added Tax, Cess and any other statutory dues with the appropriate authorities during the period except:
 - i) Sales Tax Liability of Rs. 1,01,13,369 for the year 2008-09 (P.Y. Rs.1,01,13,369) against which appeal is pending
 - ii) Income Tax Liability for A.Y. 2009-10 Rs.8,07,960/- (P.Y. 78,60,520/-) Against which appeal is pending.
 - iii) Income Tax Liability for A.Y. 2008-09 Rs.53,03,950/- (P.Y. 7,69,746/-) Against which appeal is pending.
 - iv) Income Tax Liability for A.Y 2012-13 Rs.8,36,50,990/- (P.Y Rs...9,11,22,060/) against which Appeal is pending.
 - v) Income Tax Liability for A.Y 2015-16 Rs.45,67,000/- (P.Y Rs. Nil) against which Appeal is pending.
- (viii) In our opinion and according to the information and explanations given to us, since the company has not taken any loan financial institutions, banks and debenture holders, clause viii is not applicable.

- (ix) In our opinion and according to the information and explanations given to us, the company has not raised any money by way of public issue/follow-on offer and the company has not availed any term loan, the clause ix is not applicable.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the period.
- (xi) In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- (xii) Since the company is not a Nidhi Company, clause xii is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 and the relevant details have been disclosed in the financial statement etc. as required by the accounting standards and Companies Act, 2013.
- (xiv) In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment/private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) In our opinion and according to the information and explanations given to us,, the non- cash transactions with directors or persons connected with them, in our opinion, provisions of Section 192 have been complied with.

For **Pushp K. Sahu & Co.**
Chartered Accountants
Firm Registration No. 128013W

Place: Mumbai
Date : 30-05-2018

(Pushp K. Sahu)
Proprietor
Membership No. 112502

BALANCE SHEET AS AT 31ST MARCH, 2018

(All amounts in Indian Rupees unless otherwise stated)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
I. ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	2	17,667,653	12,082,689	12,629,209
(b) Deferred tax assets (net)	4	2,093,575	-	-
(c) Financial Assets				
(i) Investment	3	516,323,702	530,620,306	463,421,155
(d) Income Tax Assets (net)	5	25,771,841	22,971,968	21,222,432
(e) Other non-current assets	6	44,864,064	43,471,641	43,471,641
Total non current assets		606,720,835	609,146,604	540,744,437
(2) Current Assets				
(a) Financial Assets				
(i) Trade receivables	7	9,087,372	11,365,079	25,736,693
(ii) Cash and cash equivalents	8	2,399,394	2,545,110	26,155,508
(b) Other current assets	9	18,696,179	202,108	221,878
Total current assets		30,182,945	14,112,297	52,114,079
Total Assets		636,903,780	623,258,901	592,858,516
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share capital	10	80,000,000	80,000,000	80,000,000
(b) Other Equity	11	534,591,125	527,826,838	493,444,504
Total equity		614,591,125	607,826,838	573,444,504
LIABILITIES				
(2) Non current liabilities				
(a) Employee benefit obligations	12	257,911	241,354	223,787
(b) Other non current liabilities	13	46,622	46,622	1,800,000
(c) Deferred tax liabilities (net)	4	-	2,403,535	2,879,895
Total non current liabilities		304,533	2,691,511	4,903,682
(3) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	14	4,501,107	-	-
(ii) Trade payables	15	6,943,163	2,619,052	4,362,089
(b) Other current liabilities	16	10,563,852	10,121,500	10,148,241
Total Current liabilities		22,008,122	12,740,552	14,510,330
Total liabilities		22,312,655	15,432,063	19,414,012
TOTAL EQUITY AND LIABILITIES		636,903,780	623,258,901	592,858,516

See accompanying notes to the financial statements

As per our report of even date

For Pushp K. Sahu & Co.

Chartered Accountants

Firm Regn No. 128013W

For and on behalf of the Board of Directors of

Laffans Petrochemicals Limited**Pushp K. Sahu**

Proprietor

M.No.112502

Sandeep Seth

Director

DIN No. 00316075

Anisha Seth

Director

DIN No. 06867960

S.R.Narayanan

(Company Secretary)

Place:- Mumbai

Date:-30th May,2018

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

(All amounts in Indian Rupees unless otherwise stated)

Particulars	Notes	March 31, 2018	March 31, 2017
Revenue			
I. Revenue from Operations (Gross)	17	15,660,292	19,794,472
II. Other income	18	32,402,932	65,930,237
III. Total Income (I+II)		48,063,224	85,724,709
IV. Expenses			
Cost of materials consumed	19	14,748,960	19,163,139
Employee benefits expense	20	4,195,739	4,012,508
Finance costs	21	337,290	556,105
Depreciation and amortization expense		1,889,531	1,417,583
Other expenses	22	21,912,233	26,651,833
Total Expenses (IV)		43,083,753	51,801,168
V. Profit/(loss) before Exceptional Items and Tax (III-IV)		4,979,471	33,923,541
VI. Exceptional Items		-	-
VII. Profit/(loss) before Tax (V-VI)		4,979,471	33,923,541
VIII. Tax expense:			
1. Less:- Current Tax		2,700,000	-
2. Add:- Deferred Tax		4,497,110	470,932
IX. Profit/(Loss) for the period from continuing operations (VII-VIII)		6,776,581	34,394,473
X. Profit/(Loss) for the period from discontinued operations		-	-
XI. Tax expense of discontinued operations		-	-
XII. Profit/(Loss) from Discontinued operations after tax (X-XI)		-	-
XIII. Profit/(Loss) for the period (IX+XII)		6,776,581	34,394,473
XIV. Other comprehensive income			
A (I) Items that will not be reclassified to profit or loss			
i) Post employment benefit obligation		16,557	17,567
ii) Fair Valuation Gain on investments		-	-
(II) Income tax related to items that will not be reclassified to profit or loss		(4,263)	(5,428)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax related to items that will be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of tax		12,294	12,139
XV. Total comprehensive income for the period (XIII+XIV)		6,764,287	34,382,334
XVI. Earnings per equity share (for continuing operations)			
1. Basic		1.78	4.30
2. Diluted		1.78	4.30

As per our report of even date

For Pushp K. Sahu & Co.

Chartered Accountants

Firm Regn No. 128013W

For and on behalf of the Board of Directors of

Laffans Petrochemicals Limited**Pushp K. Sahu**

Proprietor

M.No.112502

Sandeep Seth

Director

DIN No. 00316075

Anisha Seth

Director

DIN No. 06867960

S.R.Narayanan

(Company Secretary)

Place:- Mumbai

Date:-30th May,2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(All amounts in Indian Rupees unless otherwise stated)

Particulars	31-Mar-18		31-Mar-17	
Cash flow from operating activities				
Net Profit Before Tax as per Statement of Profit and Loss		49,79,471		3,39,23,541
Adjustments for:				
Depreciation and amortization expenses	18,89,531		14,17,583	
Dividend classified as investing cash flow	(42,24,964)		(22,42,429)	
Gratuity Expenses	16,557		17,567	
Interest income classified as investing cash flow	-		(7,74,931)	
Fair Valuation Gain/Loss	(1,52,59,485)			
Sundry Balance Written Back	(9,480)		-	
Taxes Paid	(28,04,136)		(17,54,964)	
Finance costs	3,37,290		5,56,105	
A Operating Profit before Working Capital Changes		(2,00,54,687)		(27,81,069)
Adjustments for:		(1,50,75,215)		3,11,42,472
Increase/(Decrease) in Long Term Borrowings				
Increase/(Decrease) in trade payables	43,24,111		(17,43,037)	
Decrease/(Increase) in trade receivables	22,77,707		1,43,71,614	
Decrease/(Increase) in Investments	1,42,96,604		(6,71,99,151)	
Decrease/(Increase) in other non current assets	(13,92,423)		-	
Decrease/(Increase) in other current assets			19,770	
	(1,84,94,071)			
Increase/(Decrease) in other non current liabilities	(23,88,056)		(35,07,645)	
Increase/(Decrease) in other current liabilities	4,42,352		(26,740)	
		(9,33,774)		(5,80,85,189)
Cash generated from operations		(1,60,08,989)		(2,69,42,717)
B CASH FLOW FROM INVESTING ACTIVITIES				
Payments for property, plant and equipment	74,74,495		8,71,063	
Dividend	42,24,964		22,42,429	
Interest received	-		7,74,931	
Net Cash used in Investing activities		1,16,99,459		38,88,423
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Borrowings	45,01,107		-	
Interest paid	(3,37,292)		(5,56,104)	
Net cash outflow from financing activities		41,63,814		(5,56,104)
Net increase in cash and cash equivalents		(1,45,716)		(2,36,10,398)
Cash and Cash equivalents - Opening		25,45,110		2,61,55,508
Cash and Cash equivalents -Closing		23,99,394		25,45,110

As per our report of even date
For Pushp K. Sahu & Co.
Chartered Accountants
Firm Regn No. 128013W

For and on behalf of the Board of Directors of
Laffans Petrochemicals Limited

Pushp K. Sahu
Proprietor
M.No.112502

Sandeep Seth
Director
DIN No. 00316075

Anisha Seth
Director
DIN No. 06867960

S.R.Narayanan
(Company Secretary)

Place:- Mumbai
Date:-30th May,2018

STATEMENT OF CHANGES IN EQUITY

(All amounts in Indian Rupees unless otherwise stated)

A:- EQUITY SHARE CAPITAL

Balance at the beginning of the reporting period i.e 1st April,2016	Changes in equity share capital during the year 2016-17	Balance at the end of the reporting period i.e 31st March,2017	Changes in equity share capital during the year 2017-18	Balance at the end of the reporting period i.e 31st March,2018
80,000,000	-	80,000,000	-	80,000,000

B:- OTHER EQUITY

Particulars	Reserve and Surplus				Total
	Securities Premium Reserve	General Reserve	Retained Earning	Other Comprehensive Income	
As on 31 March 2017					
Balance at the beginning of the reporting period i.e 1st April,2016	-	60,600,000	432,844,504	-	493,444,504
Total Comprehensive Income for the year	-	-	(12,139)	-	(12,139)
Transfer to/(from) retained earnings	-	-	34,394,473	-	34,394,473
Balance at the end of the reporting period i.e 31st March,2017	-	60,600,000	467,226,838	-	607,826,838
As on 31 March 2018					
Balance at the beginning of the reporting period i.e 1st April,2017	-	60,600,000	467,226,838	-	607,826,838
Total Comprehensive Income for the year	-	-	(12,294)	-	(12,294)
Transfer to/(from) retained earnings	-	-	6,776,581	-	6,776,581
Balance at the end of the reporting period i.e 31st March,2018	-	60,600,000	473,991,125	-	614,591,125

As per our report of even date

For Pushp K. Sahu & Co.

Chartered Accountants

Firm Regn No. 128013W

For and on behalf of the Board of Directors of

Laffans Petrochemicals Limited**Pushp K. Sahu**

Proprietor

M.No.112502

Sandeep Seth

Director

DIN No. 00316075

Anisha Seth

Director

DIN No. 06867960

S.R.Narayanan

(Company Secretary)

Place:- Mumbai

Date:-30th May,2018

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

(All amounts in Indian Rupees unless otherwise stated)

A Company Background

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

B Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

B.1 Basis of preparation and presentation**(i) Statement of compliance with Ind AS**

The company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs in respect of sections 133. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. The financials for the year ended March 31, 2018 of the company are the first financial statements prepared in compliance with Ind AS. The date of transition to Ind AS is April 1, 2016. The financial statements upto the year ended March 31, 2017, were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("I-GAAP") and other relevant provisions of the Act. The figures for the year ended March 31, 2017 have now been restated as per Ind AS to provide comparability.

(ii) Basis of accounting

The Company maintains accounts on accrual basis following the historical cost convention, except for

- certain financial instruments that are measured at fair value in accordance with Ind AS;
- certain items of property, plant and equipment that were revalued in earlier years in accordance with the I-GAAP principles. The carrying value of all the items of property, plant and equipment and investment property as on date of transition is considered as the deemed cost.

(iii) Use of Estimates

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the accounting policies.

This note provides an overview of the areas that involved a high degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

(iv) Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable
- Estimation of defined benefit obligation
- Recognition of revenue

Ind AS 101 treats the information received after the date of transition to Ind AS as non-adjusting events. The entity shall not reflect that new information in its opening Ind AS Balance Sheet (unless the estimates need adjustment for any differences in accounting policies or there is objective evidence that the estimates were in error).

B.2 Summary of significant Accounting Policies**a Property, plant and equipment**

All items of property, plant and equipment are stated at cost (i.e. cost of acquisition or construction) less accumulated depreciation/accumulated impairment. Such cost includes purchase price, including import

duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

Transition to Ind AS

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised 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 after making necessary adjustments for de-commissioning liabilities.

Hence, on transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation and Amortisation:

Depreciation on Property, Plant and Equipment is provided using the Straight Line Method based on the estimated useful lives of the assets and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013.

Impairment

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised in the Statement of Profit and Loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the fixed asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on Written Down Value basis over its remaining useful life.

b Revenue Recognition

- I. The revenue is recognized as per contract note of sale of Arbitrage, in case of sale of services on completion of Job and in case of trading, on raising of invoice and transfer of material to the party.
- II. Other income is recognized on accrual basis
- III. Dividend is recognized when the right to receive payment is established by the Balance sheet date.

c Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through Profit or loss), and
- those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Profit or Loss A/c.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity Instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income,

there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss.

(iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of financial assets

A financial asset is derecognised only when:

- ‘- The company has transferred the rights to receive cash flows from the financial asset or
- ‘- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

(v) Income recognition**Dividend**

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

d Transactions in Foreign Currency

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

e Trade receivables

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

f Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Post-employment obligations

i. Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds, employee state insurance scheme and and superannuation scheme for eligible employees as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

ii. Defined benefit plans

Gratuity scheme

Gratuity is accounted on estimate basis and charged to Profit and Loss account on accrual basis. However as per Ind AS-19 Gratuity has been provided on actuarial valuation, which is not followed in accordance with Ind AS-19 "Employee Benefit"

g Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction (in accordance with the Income Tax Act, 1961) adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unabsorbed depreciation (as per taxation laws) only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred income tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The Company has thus disclosed the Income Tax Assets/ Liabilities on a net basis as the same is settled within the same tax jurisdiction, which is in line with Ind AS 12.

h Provision and Contingencies

The Company creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

i Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

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

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

j Cash and Cash Equivalents

Cash and cash equivalents include cash and cheques in hand, bank balance.

k Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

l Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

m Contingent Liability

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

- i) Sales Tax Liability of Rs. 1,01,13,369 for the year 2008-09 (P.Y. Rs.1,01,13,369) against which appeal is pending
- ii) Income Tax Liability for A.Y. 2009-10 Rs.8,07,960/- (P.Y. 78,60,520/-) Against which appeal is pending
- iii) Income Tax Liability for A.Y. 2008-09 Rs.53,03,950/- (P.Y. 7,69,746/-) Against which appeal is pending.
- iv) Income Tax Liability for A.Y 2012-13 Rs 8,36,50,990/-(P.Y. 9,11,22,060/-) against which Appeal is pending.
- iv) Income Tax Liability for A.Y 2015-16 Rs 45,67,0000/-(P.Y. Nil/-) against which Appeal is pending.

m Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to nearest lakhs as per the requirement of schedule III unless otherwise stated.

As per our report of even date

For Pushp K. Sahu & Co.

Chartered Accountants

Firm Regn No. 128013W

For and on behalf of the Board of Directors of

Laffans Petrochemicals Limited

Pushp K. Sahu

Proprietor

M.No.112502

Sandeep Seth

Director

DIN No. 00316075

Anisha Seth

Director

DIN No. 06867960

S.R.Narayanan

(Company Secretary)

Place:- Mumbai

Date:-30th May,2018

Note 2 : Property, Plant and Equipment

Sr No.	DESCRIPTION	Deemed Cost					Depreciation					Net Block			
		As at 04-01-2016	Additions/ Deductions/ Written off	As at 31/3/2016	Additions/ Deductions/ Written off	As at 31-03-2018	During the FY 2016-17	Adjustments	Upto 31/3/2017	During the FY 2017-18	Adjustments	Upto 31-03-2018	As at 31/3/2018	As at 31/3/2017	As at 04-01-2016
A	Building:														
	Building:	88,46,000	-	88,46,000	-	88,46,000	4,75,500	-	4,75,500	4,75,500	-	9,51,000	78,95,000	83,70,500	88,46,000
B	Furniture & Fixtures:														
	Furniture & Fixtures:	2,30,774	53,410	2,84,184	22,27,694	25,11,878	31,810	-	31,810	2,45,985	-	2,77,795	22,34,083	2,52,374	2,30,774
C	Vehicles:														
	Motor Car	24,64,985	6,88,793	31,53,778	41,41,419	72,95,197	6,14,602	-	6,14,602	7,64,546	-	13,79,148	59,16,049	25,39,176	24,64,985
D	Office Equipments:														
	Office Equipments	5,76,084	89,710	6,65,794	9,95,765	16,61,559	1,69,011	-	1,69,011	2,78,342	-	4,47,353	12,14,206	4,96,783	5,76,084
	Electrical Installation	3,77,331	-	3,77,331	-	3,77,331	41,420	-	41,420	41,420	-	82,840	2,94,491	3,35,911	3,77,331
F	Computer :														
	Computer	1,34,035	39,150	1,73,185	1,09,618	2,82,803	85,240	-	85,240	83,739	-	1,68,979	1,13,824	87,945	1,34,035
	Total	1,26,29,209	8,71,063	1,35,00,272	74,74,495	2,09,74,767	14,17,583	-	14,17,583	18,89,531	-	33,07,114	1,76,67,653	1,20,82,689	1,26,29,209

Note 3 : Financial Assets- Investments

	DESCRIPTION	31-Mar-2018		31-Mar-2017		1-Apr-2016	
		Quantity	Amount	Quantity	Amount	Quantity	Amount
(a)	Investment in Equity Shares (Quoted and Trade)						
	Equity Shares	-	85,512,530	-	33,805,099	-	12,723,373
(b)	Others (Unquoted and Non Trade)						
	Birla SL Frontline Equity Fund REG (D)	173,255	4,560,060	159,486	4,208,825	143,708	3,391,507
	Birla SL Frontline Equity Fund REG (G)	10,037	2,138,532	10,037	1,938,230	10,037	1,560,320
	Birla Sunlife Frontline Eq Fund Gr Reg-Religare	9,500	1,948,609	9,500	1,834,365	10,945	1,701,410
	HDFC Mid Cap Opp Fubnd Gr- Religare	39,756	2,212,662	39,756	1,979,724	48,531	1,759,232
	HDFC Midcap Oppor Fund (D)	92,437	2,872,744	84,493	2,579,670	78,516	1,877,482
	HDFC Midcap Oppor Fund (G)	81,078	4,488,448	116,468	5,799,780	116,468	4,221,981
	ICICI Pru Value Discovery REG (D)	81,562	2,347,344	71,357	2,216,355	64,857	1,836,745
	ICICI Pru Value Discovery REG (G)	-	-	-	-	38,385	4,175,929
	IDFC Premier Equity Fund Reg (D)	-	-	98,846	3,183,426	91,904	2,646,647
	IDFC Premier Equity Fund Reg (G)	-	-	19,275	1,578,958	19,275	1,313,747
	Reliance Equity Opp (D)	-	-	-	-	154,853	4,187,570
	Reliance Equity Opp (G)	-	-	2	130	19,742	1,311,074
	DSP Balckrock Focus 25 Fund Growth	-	-	-	-	184,027	3,031,668
	Franklin India Prima Plus Growth	-	-	-	-	9,379	4,053,872

	31-Mar-2018		31-Mar-2017		1-Apr-2016	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Icici Prudential Flexible Income Daily Div-Kotak	-	-	-	-	165,470	17,496,069
ICICI PRU INCOME OPP FUND REG PLAN GROWTH	2,180,589	52,915,487	2,180,589	50,171,433	2,180,589	45,523,071
IDFC DYNAMIC BOND FUND	-	-	1,322,376	26,655,812	3,611,206	64,385,291
Kotak Bond Short Term Plan Growth	234,536	7,603,948	234,536	7,208,708	234,536	6,608,483
Kotak Equity Savings Fund Growth	-	-	1,000,000	12,183,700	1,000,000	10,966,100
Kotak Select Focus Fund	-	-	-	-	244,228	5,412,581
Kotak Treasury Ad. Fund Reg. Plan Dail. Div	-	-	-	-	2,283,993	23,022,191
Sundaram Flexi Fund Flexi Income Plan Regular Growth	2,133,815	52,036,059	2,133,815	49,279,598	2,133,815	44,619,560
BSL Medium Term Plan Growth Regular	874,093	19,210,543	2,742,079	56,315,989	2,742,079	51,119,475
Icici Pru Value Dis Fund Reg Grow-Religare	-	-	-	-	16,065	1,747,733
L & T Income Opportunities Fund	1,971,949	39,256,368	1,971,949	36,935,779	1,971,949	33,395,737
Reliance Equity Opp Fund Gr-Religare	-	-	-	-	23,192	1,540,198
Religare	-	-	-	-	385	42,762,497
NDPMSSeries CLVIII Religare NDPMS Series CLXI	-	-	-	-	200	18,810,024
SBI Bluechit Fund Ongoing Account	58,611	2,181,640	58,611	1,967,688	58,611	1,636,462
SBI Magnum Multi Plus Sc 93 Gr-Religare	-	-	10,028	1,846,313	11,965	1,794,983
DSP Blackrock Focus 25 Fund - G	151,782	3,435,584	151,782	3,179,528	151,782	2,549,936
Franklin Build India Fund -G	89,787	3,768,079	89,787	3,373,007	89,787	2,553,369
ICICI Prudential Value Discovery Fund	9,317	1,363,645	9,317	1,242,709	9,317	1,043,231
IDFC Ultra Short Term Fund	-	-	-	-	1,522,309	32,451,365
SBI Blue Chip Fund	146,486	5,714,535	146,486	5,133,277	146,486	4,190,242

	31-Mar-2018		31-Mar-2017		1-Apr-2016	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Franklin India Ultrashort Bond Super Ins G Alpha	-	-	275,286	5,082,586	-	-
Hdfc Short Term Opportunity fund	156,028	5,372,658	156,028	5,056,841	-	-
Kotak Floater Short Term	17,743	50,442,231	39,037	103,987,330	-	-
Axa Corporate	2,162,330	28,974,580	2,162,330	26,575,258	-	-
Dsp Blackrock Focus 25 Fund	300,420	4,024,730	270,248	3,753,475	-	-
Franklin India Prima Plus	150,516	5,284,435	130,406	4,882,262	-	-
Kotak Med Term Fund Direct	1,367,189	20,481,721	1,367,189	19,062,989	-	-
Kotak Select Focus Fund Reg	342,077	7,762,078	320,427	7,011,902	-	-
Dsp Blackrock India Enhanced Equity Fund	-	-	100,000	10,353,000	-	-
Birla Pms	-	-	-	236,560	-	-
Reliance Home Finance Ltd	-	27,588,000	60	30,000,000	-	-
Franklin India Low Duration Fund	722,260	14,427,582	-	-	-	-
Axis New	25	2,519,586	-	-	-	-
Oppoertunities AIF -9049897774	-	-	-	-	-	-
Oldbridge Vantage AIF -OVF -294	77,942	7,416,169	-	-	-	-
SBI Active Select Fund -901789891	1	9,702,159	-	-	-	-
L & T Short Term Income Fund	544,455	10,169,380	-	-	-	-
Kotak Select Focus Fun - Ask	197,518	6,611,890	-	-	-	-
Kotak Tresury Ad. Fund Reg. Plan Dial. Div	268,082	7,557,082	-	-	-	-
Most Focused Multicap 35 Fund	250,672	6,849,650	-	-	-	-
Motilal Oswal Ultra Short Term Fund	548,931	7,557,082	-	-	-	-
Direct Growth Sbi Premier Liquid Fund	16	15,873	-	-	-	-
Total Non Current Investment	15,444,794	516,323,702	17,481,587	530,620,306	19,588,591	463,421,155

Note 4: Deferred tax assets / (liability) (Net)

	31-Mar-2018	31-Mar-2017	1-Apr-2016
Deferred tax assets			
The balance comprises temporary differences attributable to:			
Employee Benefits	66,412	74,578	69,150
Statutory Payments	2,506,299	3,007,559	3,007,559
MAT Credit entitlement	4,900,234	4,900,234	4,900,234
Total	7,472,945	7,982,371	7,976,943
Deferred tax liability			
Set off of deferred tax liabilities pursuant to set off provisions			
The balance comprises temporary differences attributable to:			
Depreciation on fixed asset	1,347,112	1,793,727	1,958,203
Fair Valuation of Investment	4,032,258	8,592,179	8,898,635
Total	5,379,370	10,385,906	10,856,838
Deferred tax assets / (liability) (Net)	2,093,575	(2,403,535)	(2,879,895)

Note 5: Income Tax Assets (net)

	31-Mar-2018	31-Mar-2017	1-Apr-2016
Income Tax advances (net off provision for tax)	25,771,841	22,971,968	21,222,432
Total Income Tax Assets	25,771,841	22,971,968	21,222,432

Note 6: Other non-current assets

	31-Mar-2018	31-Mar-2017	1-Apr-2016
a) Advances recoverable in cash or kind for value to be received	44,864,064	43,471,641	43,471,641
Total Other non-current assets	44,864,064	43,471,641	43,471,641

Note 7: Trade receivables

	31-Mar-2018	31-Mar-2017	1-Apr-2016
Unsecured, Considered Good			
Trade Receivable	9,087,372	11,365,079	25,736,693
Receivable from related parties	-	-	-
Less: Allowance from doubtful debts	-	-	-
Total Trade receivables	9,087,372	11,365,079	25,736,693

Note 8: Cash and Cash Equivalents

	31-Mar-2018	31-Mar-2017	1-Apr-2016
Cash on hand	778,100	629,602	641,252
Balance with Bank of India			
- In Fixed Deposit Account	-	-	20,000,000
- In Current Account	1,621,294	1,915,508	5,514,256
Total Cash and Cash Equivalents (free balances)	2,399,394	2,545,110	26,155,508

Note 9: Other Current Assets

	31-Mar-2018	31-Mar-2017	1-Apr-2016
Balances in service Tax/Vat Credit/ GST Credit	1,157,022	56,019	56,019
Others	17,539,157	146,089	165,859
Total Other Current Assets	18,696,179	202,108	221,878

Note 10: Share Capital

	31-Mar-2018	31-Mar-2017	1-Apr-2016
Authorised:			
11,000,000 Equity Shares (March 31,2016: 11,000,000; March 31, 2015: 11,000,000) of Rs. 10/- each	110,000,000	110,000,000	110,000,000
Total Authorised Share Capital	110,000,000	110,000,000	110,000,000
Issued ,Subscribed And Paid Up:			
8,000,000 Equity Shares (March 31,2016: 8,000,000; March 31, 2015: 8,000,000) of Rs. 10/- each fully paid up	80,000,000	80,000,000	80,000,000
Total Issued Share Capital	80,000,000	80,000,000	80,000,000
A. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period			
At the beginning of the period	80,000,000	80,000,000	80,000,000
Issued during the period	-	-	-
Outstanding at the end of the period	80,000,000	80,000,000	80,000,000

B. Terms and rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

C. Shareholder holding more than 5% of equity shares in the Company*

Name of shareholder	31-Mar-2018		31-Mar-2017		1-Apr-2016	
	Number of equity share	% of holding	Number of equity share	% of holding	Number of equity share	% of holding
<u>Directors:</u>						
Sandeep Seth	3,911,952	48.90%	3,911,952	48.90%	3,911,952	48.90%

Note 11: Other Equity

Retained Earnings	31-Mar-2018	31-Mar-2017	1-Apr-2016
AS Per Last Balance Sheet	467,226,838	432,844,504	395,375,907
ADD : Profit for the year	6,776,581	34,394,473	1,874,057
ADD : IND AS Transition Adjustments	-	-	35,594,540
Items of other comprehensive income recognised directly in retained earnings:-			
Post employment benefit obligation	(16,557)	(17,567)	-
Tax effect on post employment benefit obligation	4,263	5,428	-
Closing Balance of Retained earnings	473,991,125	467,226,838	432,844,504
General Reserve	60,600,000	60,600,000	60,600,000
Closing Balance of General Reserve	60,600,000	60,600,000	60,600,000
Closing Balance of Other Equity	534,591,125	527,826,838	493,444,504

Note 12: Employee Benefit Obligations

	31-Mar-2018	31-Mar-2017	1-Apr-2016
Gratuity (Ref "Note" below)	257,911	241,354	223,787
Total Employee Benefit Obligations	257,911	241,354	223,787

Gratuity has been provided on estimated basis which is not in accordance with Ind AS-19 "Employee Benefit"

Note 13: Non Current Liabilities

	31-Mar-2018	31-Mar-2017	1-Apr-2016
Deposit from security	46,622	46,622	1,800,000
Total of non current liabilities	46,622	46,622	1,800,000

CURRENT LIABILITIES:**Note 14 : Borrowings**

	31-Mar-2018	31-Mar-2017	1-Apr-2016
a) Bank Overdraft	4,501,107	-	-
Total of Trade Payables	4,501,107	-	-

Note 15 : Trade Payables

	31-Mar-2018	31-Mar-2017	1-Apr-2016
a) For Materials	5,505,332	1,218,447	3,082,159
a) For Fixed Assets	240,157	-	-
b) For Expenses	1,197,674	1,400,605	1,279,930
Total of Trade Payables	6,943,163	2,619,052	4,362,089

Note 16: Other Current Liabilities

	31-Mar-2018	31-Mar-2017	1-Apr-2016
a) Statutory dues payable	9,952,074	10,121,500	10,148,241
b) Others	611,778	-	-
Total Other Current Liabilities	10,563,852	10,121,500	10,148,241

Note 17: Revenue from operations

	31-Mar-2018	31-Mar-2017
Sale of Chemicals	15,660,292	19,794,472
Total Other Income	15,660,292	19,794,472

Note 18: Other Income

	31-Mar-2018	31-Mar-2017
Interest Income	-	774,931
Dividend Income	4,224,964	2,242,429
Warehousing Income	-	1,066,935
Profit on sale of Investments	8,902,985	18,885,048
Fair Valuation gain on investments	19,265,504	42,960,894
Other Income	9,480	-
Total Other Income	32,402,932	65,930,237

Note 19: Purchase of Stock In Trade

	31-Mar-2018	31-Mar-2017
Purchase of Trading Goods	14,748,960	19,163,139
Total Purchase of Stock In Trade	14,748,960	19,163,139

Note 20: Employee Benefit Expenses

	31-Mar-2018	31-Mar-2017
Staff Salary, Bonus & Incentives	4,151,797	3,913,452
Staff Welfare Expenses	39,778	95,060
Contribution to Provident Fund and Other Funds	4,164	3,996
Total Employee Benefit Expenses	4,195,739	4,012,508

Gratuity has been provided on estimated basis which is not in accordance with Ind AS-19 "Employee Benefit"

Note 21: Finance Cost

	31-Mar-2018	31-Mar-2017
Interest Expenses	231,478	373,368
Bank Charges and Commission	105,812	182,737
Finance costs expensed in profit or loss	337,290	556,105

Note 22: Other Expenses

	31-Mar-2018	31-Mar-2017
Labour Charges	164,511	267,030
Clearing and Forwarding Charges	-	2,000
Advertisement Expenses	87,784	93,760
Rates & Taxes	595,849	223,818
Rent	2,762,000	3,429,000
General Expenses	858,890	488,423
Telephone and Other Communication Expenses	144,998	273,063
Motor car Expenses	572,105	460,879
Repairs & Maintenance Others	267,297	525,282
Festival Expenses	4,976	13,300
Travelling Expenses	2,698,274	1,691,486
Electricity Expenses	360,125	380,506
Entertainment Expenses	766,463	532,098
Bad Debts	8,645,350	13,532,280
Printing & Stationery	117,311	141,441
Conveyance Expenses	119,402	135,039
Auditor's Remuneration	270,000	230,000
Custodial and Other Charges	157,476	18,782
Foreign Currency Rate Difference	66,853	19,724
GST and STT Paid	171,795	15,692
Sundry Balance W/off	-	15,474
Insurance Expenses	35,146	31,270
Legal & Professional Expenses	3,045,629	4,131,486
Total Other Expenses	21,912,233	26,651,833

Note 22.1: Payment to Auditors

	31-Mar-2018	31-Mar-2017
Statutory Audit Fees	270,000	230,000
Total Payments to Auditors	270,000	230,000

Note 23: Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 is provided as under for the year 2017-18

The company has not received any information from its suppliers regarding registration under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, the information required to be given in accordance with section 22 of the said Act, is not ascertained.

Note 24: Earnings Per Share

Particulars	31-Mar-2018	31-Mar-2017
a) Basic and diluted earnings per share in rupees (face vale - Rs. 10 per share)	1.78	4.30
b) Profit after tax as per Statement of Profit and Loss	6,776,581	34,394,473
c) Weighted average number of equity shares outstanding	3,804,520	8,000,000

Note 25: Information on related party transactions as required by Ind AS 24 - 'Related Party Disclosure' for the year ended 31st March, 2018.**I. List of Related Parties****Key Management Personnel:**

- i) Mr. Sandeep Seth
- ii) Mr. Jaideep Seth
- iii) Mrs. Anisha Seth

II. Details of related party transactions during the year ended 31st March, 2018:

Particulars	31-Mar-2018	31-Mar-2017	1-Apr-2016
i) Rent Paid			
Mr. Sandeep Seth	2,090,000	2,757,000	2,726,880
Mr. Jaideep Seth	672,000	672,000	168,000
ii) Remuneration to Key Management Personnel			
Mr. Sandeep Seth	2,032,640	2,032,640	2,002,362
Mrs. Anisha Seth	840,000	840,000	1,008,000

Note 26:

Company has filed a suit in Mumbai High Court in 2018 against KSM securities and Finance Private Limited (The Defendent), when the said defendent refused to honor a Sale agreement regarding purchase of a office premises at One BKC after the stamp duty amount was paid by the company. The High Court directed the defendant "not to sell, alienate ,encumber, part with possession or create third party rights in respect of the suite property by it order dated 22nd January 2018. The defendants pleaded that GST would be applicable on the said property despite such sale being a second sale . The Company contested the same and agreed that, in the event of GST liability , the company will have the right to contest the same and take upon such liability if it occurred in future. The defendants were directed by a high court order by virtue of consent terms dated 7th May 2018 to honor the transaction based on such undertaking.

RECONCILIATION BETWEEN PREVIOUS GAAP AND IND AS - BALANCE SHEET

Particulars	Adjustment notes	Ind AS adjustment							
		Indian GAAP		Measurement-Ind AS		Reclassification-Ind AS		Ind AS	
		As at March 31, 2017	As at April 1, 2016	As at March 31, 2017	As at April 1, 2016	As at March 31, 2017	As at April 1, 2016	As at March 31, 2017	As at April 1, 2016
ASSETS									
Non-current assets									
Property, plant and equipment		12,082,689	12,629,209	-	-	-	-	12,082,689	12,629,209
Deferred tax assets (net)		6,188,644	6,018,740	(6,188,644)	(6,018,740)	-	-	-	-
Investment - Financial Assets		453,757,512	418,927,980	76,862,794	44,493,175	-	-	530,620,306	463,421,155
Income Tax Assets		22,971,968	21,222,432	-	-	-	-	22,971,968	21,222,432
Other non-current assets		43,471,641	43,471,641	-	-	-	-	43,471,641	43,471,641
Total Non-current assets		538,472,454	502,270,002	70,674,150	38,474,435	-	-	609,146,604	540,744,437
Current assets									
(a) Financial assets									
- Trade and other receivables		11,365,079	25,736,693	-	-	-	-	11,365,079	25,736,693
- Cash and cash equivalents		2,545,108	26,155,508	-	-	-	-	2,545,108	26,155,508
- Bank balance other than (iii) above		-	-	-	-	-	-	-	-
- Short term loans and advances		202,110	221,877	-	-	-	-	202,110	221,877
(c) Other current assets		-	-	-	-	-	-	-	-
Total current assets		14,112,297	52,114,078	-	-	-	-	14,112,297	52,114,079
TOTAL		552,584,751	554,384,080	-	-	-	-	623,258,901	592,858,516

Particulars	Adjustment notes	Ind AS adjustment							
		Indian GAAP		Measurement-Ind AS		Reclassification-Ind AS		Ind AS	
		As at March 31, 2017	As at April 1, 2016	As at March 31, 2017	As at April 1, 2016	As at March 31, 2017	As at April 1, 2016	As at March 31, 2017	As at April 1, 2016
EQUITY AND LIABILITIES									
Equity									
Equity Share capital		80,000,000	80,000,000	-	-	-	-	80,000,000	80,000,000
Other equity		459,556,220	457,849,964	68,270,618	35,594,540	-	-	527,826,838	493,444,504
Equity attributable to owners		539,556,220	537,849,964	68,270,618	35,594,540	-	-	607,826,838	573,444,504
Total equity		539,556,220	537,849,964	68,270,618	35,594,540	-	-	607,826,838	573,444,504
Liabilities									
Non-current liabilities									
Financial liabilities									
(i) Employee Benefit Obligations		241,354	223,787	-	-	-	-	241,354	223,787
(ii) Other non current liabilities		46,622	1,800,000	-	-	-	-	46,622	1,800,000
(iii) Deferred tax liabilities		-	-	2,403,535	2,879,895	-	-	2,403,535	2,879,895
Total Non-current liabilities		287,976	2,023,787	2,403,535	2,879,895	-	-	2,691,511	4,903,682
Current liabilities									
Financial liabilities									
(i) Trade payables		2,619,053	4,362,089	-	-	-	-	2,619,053	4,362,089
Other current liabilities		10,121,500	10,148,241	-	-	-	-	10,121,500	10,148,241
Total Current liabilities		12,740,553	14,510,330	-	-	-	-	12,740,553	14,510,330
TOTAL		552,584,749	554,384,081	70,674,153	38,474,435	-	-	623,258,902	592,858,516

RECONCILIATION BETWEEN PREVIOUS GAAP AND IND AS - STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

Particulars		Footnotes	Indian GAAP	Ind AS /Reclassification Adjustments	Ind AS
I	Revenue From Operations		19,794,472	-	19,794,472
II	Other Income		33,560,617	32,369,620	65,930,237
III	Total Income (I+II)		53,355,089	32,369,620	85,724,709
IV	EXPENSES				
	Cost of materials consumed		19,163,139	-	19,163,139
	Employee benefits expense		1,390,075	2,622,433	4,012,508
	Finance costs		556,105	-	556,105
	Depreciation and amortization expense		1,417,583	-	1,417,583
	Other expenses		29,291,834	(2,640,001)	26,651,833
	Total expenses (IV)		51,818,736	(17,568)	51,801,168
V	Profit/(loss) before exceptional items and tax (III- IV)		1,536,353	32,387,188	33,923,541
VI	Exceptional Items				
VII	Profit/(loss) before tax (V-VI)				
VIII	Tax expense:				
	(1) Current tax		-	-	-
	(2) Deferred tax		169,903	301,029	470,932
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		1,706,256	32,688,217	34,394,473
X	Profit/(loss) from discontinued operations				
XI	Tax expense of discontinued operations				
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)				
XIII	Profit/(loss) for the period (IX+XII)		1,706,256	32,688,217	34,394,473
XIV	Other Comprehensive Income				
	A (i) Items that will not be reclassified to profit or loss		-	17,567	17,567
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	(5,428)	(5,428)
	B (i) Items that will be reclassified to profit or loss				-
	(ii) Income tax relating to items that will be reclassified to profit or loss				-
XV	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		1,706,256	32,676,078	34,382,334
XVI	Earnings per equity share (for continuing operation):				
	(1) Basic		0.21		4.30
	(2) Diluted		0.21		4.30

These are the companies first financial statements prepared in accordance with Ind AS.

Notes indicating transition effects from Indian GAAP to Indian Accounting Standards (Ind AS)

Under the Indian GAAP and in compliance with the Schedule III requirements following reclassifications are made for incorporating financial reporting requirements under Ind AS:

1 Provision for Tax [Income Tax Assets (net)]

Income tax advances shown under 'Short-term Loans and Advances' ("Current Assets") and Provision for Taxes have been netted-off and shown in 'Income Tax Assets (net)' under "Non Current Assets"

Particulars	As on		
	31st March, 2018	31st March, 2017	1st April, 2016
Income Tax advances	95,357,841	89,857,968	88,108,432
Provision for Tax	(66,886,000)	(66,886,000)	(66,886,000)
Income Tax Assets (net)	28,471,842	22,971,968	21,222,432

2 Gratuity

Amounts classified in 'Long term provisions' has been reclassified under 'Employee benefit obligations' in 'Non current Liabilities'

Particulars	As on		
	31st March, 2018	31st March, 2017	1st April, 2016
Long term provisions	257,911	241,354	223,787
Employee benefit obligation- Non current Liabilities	257,911	241,354	223,787

3 Retained earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

4 Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans. The concept of other comprehensive income did not exist under previous Indian GAAP.

5 Re-measurements of post-employment benefit obligations

Under Ind AS, re-measurements i. e. actuarial gains 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 instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the profit or loss for the year. There is no impact on the total equity and profit.

Notes indicating adjustments made for transition from Indian GAAP to Indian Accounting Standards (Ind AS) For FY 2015-16

Under the Indian GAAP and in compliance with the Schedule III requirements following reclassifications are made for incorporating financial reporting requirements under Ind AS:

1 Investments

As per Ind AS, Investment were measured at fair value in the financial assets, further Gain/(Loss) on fair valuation recognised through profit or loss in other gain/ (losses) in the statement of profit and loss

Under previous GAAP, these were recorded at transaction costs and gain or loss charged to profit and loss as and when incurred. Accordingly investment as at 1st April 2016 have been revalued with corresponding adjustment to retained earning.

Thus, in view of above, post-convergence, after adjusting financial assets- investments are shown as under:

Particulars	Amounts			Grouped under:
	As per Indian GAAP	Adjustments	As per Ind AS	
Investments	457,849,964	72,770,342	530,620,306	Non Current assets - Financial assets - Investments

Deferred Tax

The change in investments resulted in reversal of Deferred Tax Liabilities as the difference in borrowings is temporary in nature:-

Amount adjusted (as above)	72,770,342
Result in creation of Reversal of DTL	306,456

2 Remeasurement of post employment benefit obligation

Under Ind AS, remeasurements i.e. actuarial gain and loss and return on plan asset, excluding amounts included in the net interest expenses on the net defined benefit liability are recognised in other comprehensive

income instead of profit or loss. under the previous GAAP, these remeasurements were forming part of profit or loss for the year.

Gratuity payable to staff as on 1st April 2016 as per financials		223,787
As per Gratuity estimated by company		241,354
	Difference	(17,567)

Deferred tax effect of above mentioned adjustment will reduce the DTA by Rs. 5,428

Notes indicating adjustments made for transition from Indian GAAP to Indian Accounting Standards (Ind AS) For FY 2016-17

Under the Indian GAAP and in compliance with the Schedule III requirements following reclassifications are made for incorporating financial reporting requirements under Ind AS:

1 Investments

As per Ind AS, Investment were measured at fair value in the financial assets, further Gain/(Loss) on fair valuation recognised through profit or loss in other gain/ (losses) in the statement of profit and loss

Under previous GAAP, these were recorded at transaction costs and gain or loss charged to profit and loss as and when incurred. Accordingly investment as at 31st March 2017 have been revalued with corresponding adjustment to Profit and Loss.

Thus, in view of above, post-convergence, after adjusting financial assets- investments are shown as under:

Particulars	Amounts			Grouped under:
	As per Indian GAAP	Adjustments	As per Ind AS	
Investments	484,380,433	50,210,692	534,591,125	Non Current assets - Financial assets - Investments

Deferred Tax

The change in investments resulted in reversal of Deferred Tax Liabilities as the difference in borrowings is temporary in nature:-

Amount adjusted (as above)	50,210,692
Result in creation of Reversal of DTL	4,559,921

2 Remeasurement of post employment benefit obligation

Under Ind AS, remeasurements i.e. actuarial gain and loss and return on plan asset, excluding amounts included in the net interest expenses on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. under the previous GAAP, these remeasurements were forming part of profit or loss for the year.

Gratuity payable to staff as on 31.03.2017 as per financials		241,354
As per Gratuity estimated by company		257,911
	Difference	(16,557)

Deferred tax effect of above mentioned adjustment will reduce the DTA by Rs. 4,263

As per our report of even date

For Pushp K. Sahu & Co.

Chartered Accountants

Firm Regn No. 128013W

For and on behalf of the Board of Directors of

Laffans Petrochemicals Limited

Pushp K. Sahu

Proprietor

M.No.112502

Sandeep Seth

Director

DIN No. 00316075

Anisha Seth

Director

DIN No. 06867960

S.R.Narayanan

(Company Secretary)

Place:- Mumbai

Date:-30th May,2018

FORM NO. AOC -2**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

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

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mr. Sandeep Seth (Managing Director) & Mr. Jaideep Seth (Non-Executive Director)
b)	Nature of contracts/arrangements/transaction	Leasing/Renting of Premises
c)	Duration of the contracts/arrangements/transaction	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Payment of Annual Rent of Rs. 27,62,000/-
e)	Date of approval by the Board	30 th May, 2018
f)	Amount paid as advances, if any	NIL

For and on behalf of the Board of Directors,

Sandeep Seth
(Managing Director)
DIN: 00316075

Anisha Seth
(Director)
DIN:06867960

S.R.Narayanan
(Company Secretary)

LAFFANS PETROCHEMICALS LIMITED

CIN: L99999GJ1992PLC018626

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

Corporate Office: Jamal Manzil, Flat No. 10 / 11, 14th Road, Plot No.98,

Near Vasukamal Building, Bandra (W), Mumbai 400050.

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

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Folio No./Client ID :

I hereby record my presence at the 25th ANNUAL GENERAL MEETING to be held at Laffans Petrochemicals Limited Shed No. C1B/316, GIDC Panoli, Ankleshwar, Bharuch - 394116, Gujarat on Friday, September 28, 2018 at 12.30 p.m

Member's/Proxy's Full Name

Member's/Proxy's Signature

Form No. MGT-11

LAFFANS PETROCHEMICALS LIMITED

CIN: L99999GJ1992PLC018626

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

Corporate Office: Jamal Manzil, Flat No. 10 / 11, 14th Road, Plot No.98,

Near Vasukamal Building, Bandra (W), Mumbai 400050.

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

PROXY FORM

Name of the Member (s):	Folio No./Client Id:
Registered Address:	DP ID:
E-mail Id:	

I/We, being the member (s) of shares of the above named company, hereby appoint :

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the company, to be held Laffans Petrochemicals Limited Shed No. C1B/316, GIDC Panoli, Ankleshwar, Bharuch - 394116, Gujarat on Friday, September 28, 2018 at 12.30 p.m and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Particulars	Optional*	
		For	Against
1.	Adoption of Financial Statements for the year ended March 31, 2018.		
2.	Re-appointment of Mr. Sandeep Seth who retires by rotation.		
3.	To ratify the Appointment of Auditors and fixing of their remuneration.		
4.	Appointment of Mr. Deepak Roy as an Independent Director.		
5.	To increase remuneration of Mr. Sandeep Seth (DIN: 00316075) Managing Director.		

Signed this day of, 2018

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

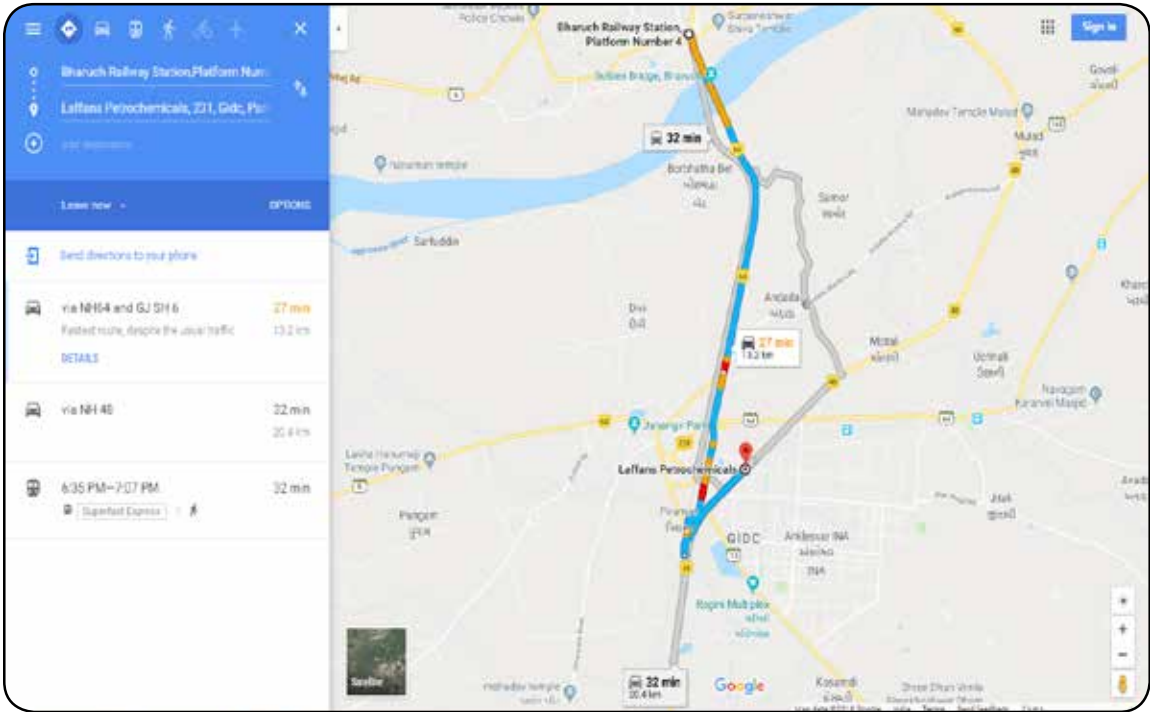
Affix
1 Rupee
Revenue
Stamp

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

A proxy need not be a member of the Company.

ROUTE MAP OF THE VENUE OF THE AGM,

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



Form NO. MGT-12

Polling Paper

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

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

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

Corporate Office: Jamal Manzil, Flat No. 10 / 11, 14th Road, Plot No.98,
Near Vasukamal Building, Bandra (W), Mumbai 400 050.

CIN:**L99999GJ1992PLC018626**

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

BALLOT PAPER

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

I hereby exercise my vote in respect of Resolution(s) enumerated below by recording my assent or dissent to the said Resolution in the 25th Annual General Meeting of the Company held on Friday, 28th September, 2018 at 12.30 p.m. at Laffans Petrochemicals Limited Shed No. C1B/316, GIDC Panoli, Ankleshwar, Bharuch - 394116, Gujarat on Friday, September 28, 2018 at 12.30 p.m in the following manner:

Sl. No.	Item No.	No. of Shares held by me	I assent to the Resolution	I dissent to the Resolution
1	Adoption of the audited Balance Sheet and Profit & Loss Account for the year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon. (as an Ordinary Resolution)			
2	Appointment of Director in place of Mr. Sandeep Seth who retires by rotation and being eligible offers himself for re-appointment.(as an Ordinary resolution)			
3	To Appointment of Auditors and fixing of their remuneration. (as an Ordinary resolution)			
4	Appointment of Mr. Deepak Roy as an Independent Director.			
5	To increase remuneration of Mr. Sandeep Seth (DIN: 00316075) Managing Director.			

Place: Ankleshwar, Bharuch

Date: 28th September, 2018

(Signature of the Shareholder)



PETROCHEMICALS LIMITED

Jamal Manzil, Flat No. 10 / 11, 14th Road,
Plot No.98, Near Vasukamal Building,
Bandra (W), Mumbai 400 050.