



AMBANI ORGANICS LIMITED
ANNUAL REPORT
2017-2018

CORPORATE INFORMATION

Board of Directors and Key Managerial Personnel:

Apooni Rakesh Shah (DIN: 00503116)	Chairman & Wholetime Director
Rakesh Hasmukhlal Shah (DIN: 00503074)	Managing Director
Sharad P Kothari (DIN: 08029922)	Executive Director
Sanjay Natwarlal Mehta (DIN: 08100745)	Additional Independent Director
Prakash Anna Mahanwar (DIN: 08100755)	Additional Independent Director
Dilipkumar Mehta (DIN : 08122334)	Additional Director
Paresh Harsuklal Shah	CEO (KMP)
Bhavesh Babulal Pandya	CFO (KMP)
Vaijanti Vinod Sawant	Company Secretary and Compliance Officer (appointed w.e.f. 09th August,2018)

OTHER INFORMATION

Registered Office: N 44 MIDC Tarapur, Boisar Thane 401506

Corporate Office: 801, 8th Floor, "351-ICON", Next to Natraj Rustomji,
W.E.Highway, Andheri (East), Mumbai-400069, India.

Tel/Fax: 022 26833778/26827541/ 26822027/2028

Web: www.ambaniorganics.com

E-Mail id: [ambaniorganics@rediffmail.com/](mailto:ambaniorganics@rediffmail.com)
info@ambaniorganics.com

Banker:

Union Bank, Mumbai

Listing:

National Stock Exchange of India Ltd
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051
Listed w.e.f. 18.07.2018

Statutory Auditors:

M/s. Shambhu Gupta & Co
Chartered Accountants,
512-513, Manish Chamber,
Opp Hotel Karan Palace,
Sanawala Road, Goregaon (East),
Mumbai- 400063, Maharashtra
Tel No.: 022-42661638/40214937
Email id: shambhu.gupta@gmail.com
Contact Person: Partner CA Rajkumar Khatod

Registrar & Transfer Agent:

Universal Capital Securities Pvt Ltd.
21, Shakil Niwas, Opp. Satya Saibaba Temple
Mahakali Caves Road, Andheri (East),
Mumbai - 93
T:+91 (22) 2820 7203-05 / 2825 7641
F: +91 22 2820 7207
Website: www.unisec.in

Contact Details for Investors:

801, 8th Floor, "351-ICON", Next to Natraj Rustomji, W.E.Highway,
Andheri (East), Mumbai-400069, India.

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info@ambaniorganics.com

LETTER TO SHAREHOLDERS

Dear Shareholders,

I Rakesh Hasmukhlal Shah (Managing Director), heartily welcome you all, having joined **AMBANI ORGANICS LIMITED** family with your participation in our maiden public offer. It is my desire and wish that this association of ours, will strengthen our hands in to reach glorious heights.

We are fortunate and humbled by the response received for the Initial Public Offering (IPO) of the shares of Ambani Organics Limited, which was listed in the financial year 2017-18 on 18th July, 2018 on NSE EMERGE SME Platform.

The support given to the IPO was very heart warming and I would like to thank all our investors for showing confidence and trust in management capabilities of Ambani Organics Limited.



AMBANI ORGANICS LIMITED

CIN: U24220MH1985PLC036774

Regd Office: N 44 MIDC Tarapur, Boisar Thane-401506

**Corporate Office: 801,8th Floor,"351-ICON", Next to Natraj Rustomji, W.E.Highway,
Andheri (East), Mumbai-400069**

Ph- 022 26833778/26827541/ 26822027/2028

Web: www.ambaniorganics.com

E-Mail id: ambaniorganics@rediffmail.com/ info@ambaniorganics.com

NOTICE

Notice is hereby given that 32nd Annual General Meeting of the members of **Ambani Organics Limited** will be held on Thursday, 27th September, 2018 at 11:30 a.m. at the registered office of the Company situated at N 44 MIDC Tarapur, Boisar Thane - 401506 to transact the following businesses :-

ORDINARY BUSINESS:

1. Adoption of Financial Statement

To receive, consider and adopt (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2018, together with the Reports of the Board of Directors and the Auditors thereon; (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018, together with the Report of the Auditors thereon.

2. Re- appointment of Ms. Apooni Rakesh Shah (DIN: 00503116) as a Director liable to retire by rotation

To appoint a director in place of Ms. Apooni Rakesh Shah (DIN: 00503116) the Director who retires by rotation at this meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Regularization of Additional Independent Director Mr. Prakash Anna Mahanwar (DIN: 08100755) as a Non- Executive Independent Director:

"RESOLVED THAT pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles Of Association of the company, Mr. Prakash Anna Mahanwar (DIN: 08100755) who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 02nd April, 2018, and who holds office up to the date of ensuing Annual General Meeting of the Company and in respect of whom a notice has

been received from the member in writing, under section 160 of the Companies Act, 2013 be and is hereby appointed as the Non- Executive Independent Director of the Company

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all the steps as may be necessary to give complete effect to this resolution."

4. Regularization of Additional Independent Director Mr. Sanjay Natwarlal Mehta (DIN: 08100745) as a Non- Executive Independent Director:

"**RESOLVED THAT** pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles Of Association of the company, Sanjay Natwarlal Mehta (DIN: 08100745) who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 02nd April, 2018, and who holds office up to the date of ensuing Annual General Meeting of the Company and in respect of whom a notice has been received from the member in writing, under section 160 of the Companies Act, 2013 be and is hereby appointed as the Non- Executive Independent Director of the Company

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all the steps as may be necessary to give complete effect to this resolution."

5. Regularization of Director Mr. Dilipkumar Mehta (DIN: 08122334) as a Director:

"**RESOLVED THAT** pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles Of Association of the company, Mr. Dilipkumar Mehta (DIN: 08122334) who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 28th April, 2018, and who holds office up to the date of ensuing Annual General Meeting of the Company and in respect of whom a notice has been received from the member in writing, under section 160 of the Companies Act, 2013 be and is hereby appointed as the Director of the Company.

ESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all the steps as may be necessary to give complete effect to this resolution."

Date: 01st September, 2018

Place: Mumbai

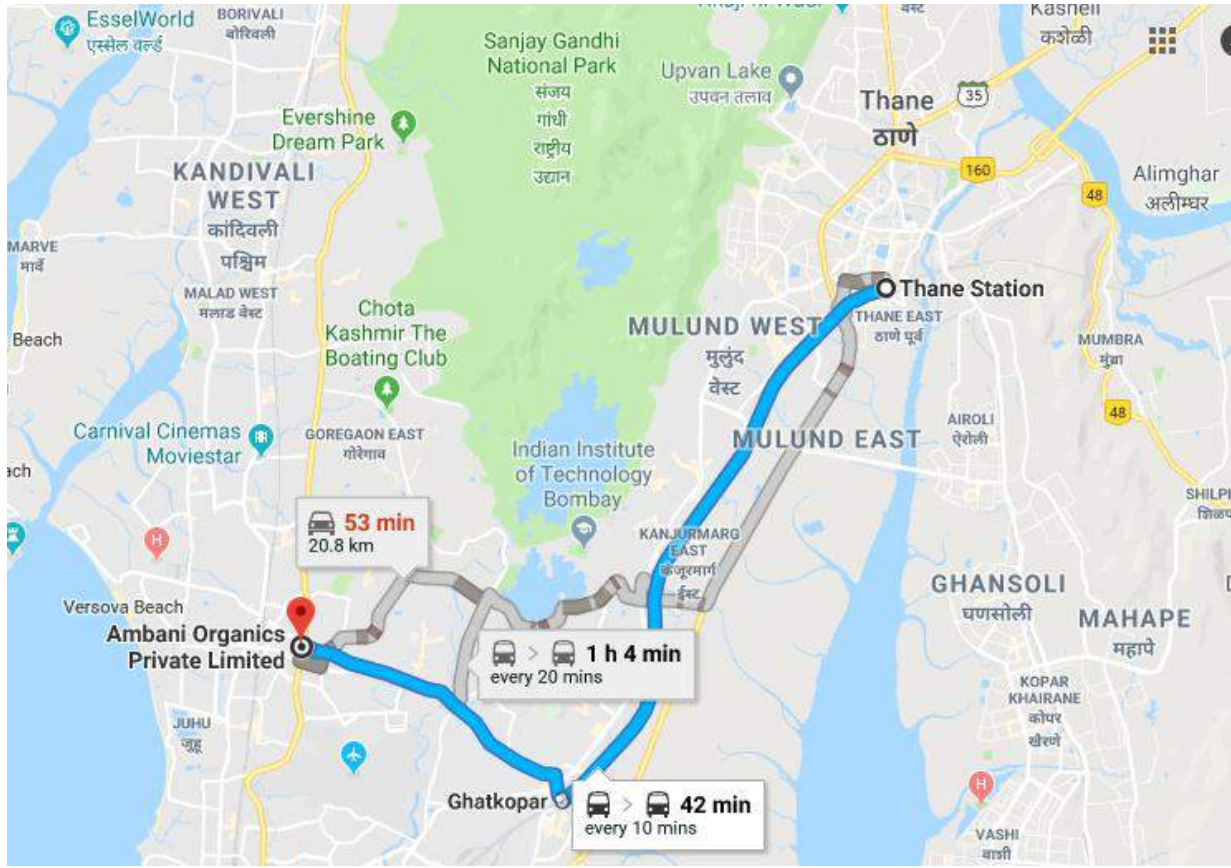
For Ambani Organics Limited

Sd/-
Rakesh Shah
Managing Director
(DIN: 00503074)

NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 (Act), in respect of the business as set out in the Notice is annexed hereto.
2. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member. A person can act as a proxy on behalf of members, not exceeding fifty and in the aggregate not more than 10% of the total share capital of the company, carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The proxy forms should be lodged with the Company at its Registered Office at least 48 hours before commencement of the meeting.
3. Relevant documents and registers will be available for inspection by the members at the Registered Office of the Company on the date of AGM.
4. The instrument 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 AGM. A Proxy Form is annexed to this Notice. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolution or authority as applicable.
5. Members/Proxy holder/Authorised Representative are requested to bring duly filled Attendance Slip enclosed herewith along with their copy of the Notice to attend the Meeting.
6. In case of joint holders attending the Meeting, the first holder as per the Register of Members of the Company will be entitled to vote.
7. Electronic copy of the Notice is being sent to all the Members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copy of the Notice is being sent in the permitted mode. Members may note that this Notice will also be available on the Company's website i.e. www.ambaniorganics.com
8. The Corporate Members intending to send their authorized representative(s) to attend the AGM are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the AGM.
9. The register of members and transfer books of the company shall remain closed from Friday, 21st September, 2018 to Thursday, 27th September, 2018 (both days inclusive) for this Annual General Meeting and for determining the names of members eligible for dividend on Equity Shares, if declared at a meeting.
10. The Annual Report of the Company, circulated to the Members of the Company will also be made available on the Company's website at www.ambaniorganics.com

11. In compliance with Section 108 of the companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and regulation 44 of the Listing Regulation, the company is not providing e-voting facility as SME listed company is not required to provide e-voting facility
12. The route map showing directions to reach the venue of the AGM is annexed and forms part of the Notice.



ANNEXURE TO THE NOTICE

Details of the Directors seeking appointment/re-appointment at the forth coming Annual General Meeting:

Name of Director	Prakash Anna Mahanwar	Sanjay Natwarlal Mehta	Dilipkumar Mehta
DIN	08100755	08100745	08122334
Date of Birth	01/06/1967	09/02/1967	13/07/1952
Date of first Appointment	02/04/2018	02/04/2018	28/04/2018
Qualification	Doctorate of Philosophy (Technology)	Diploma in Man-Made Textiles Chemistry and Diploma in Marketing Management of Textiles	Bachelor's degree in Science from the Mumbai University
Expertise in specific functional areas and experience	He was awarded his Doctorate of Philosophy (Technology) in "Plastics Technology" by the Mumbai University in 1999. He is a professor of Polymer Technology at Institute of Chemical Technology, Mumbai.	He holds Diploma in Man-Made Textiles Chemistry and Diploma in Marketing Management of Textiles from The Silk and Art Silk Mills Research Association, Diploma in Business Management from the Indian Merchants' Chambers. Presently, he is a proprietorship of Rhea Fashion and is also a manufacturer of silk apparels	He holds a Bachelor's degree in Science from the Mumbai University. He is a businessman dealing in chemicals for Paper Board Industries.
Directorship held in other Companies	--	--	--
Committee positions held in other Companies	Nil	Nil	Nil
No. of Equity Shares held in the Company as on 31.03.2018	Nil	Nil	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Item No. 3:

Mr. Prakash Anna Mahanwar who has been appointed as an Additional Director of the Company pursuant to the provision of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company effective from 02nd April, 2018, holds office upto the date of this Annual General Meeting and is eligible for appointment as a Director.

Mr. Prakash Anna Mahanwar is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Prakash Anna Mahanwar as a Non Executive Independent Director, for the approval by the shareholders of the Company.

Item No. 4:

Mr. Sanjay Natwarlal Mehta who has been appointed as an Additional Director of the Company pursuant to the provision of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company effective from 02nd April, 2018, holds office upto the date of this Annual General Meeting and is eligible for appointment as a Director.

Mr. Sanjay Natwarlal Mehta is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Sanjay Natwarlal Mehta as a Non Executive Independent Director, for the approval by the shareholders of the Company.

Item No. 5:

Mr. Dilipkumar Mehta who has been appointed as an Additional Director of the Company pursuant to the provision of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company effective from 28th April, 2018, holds office upto the date of this Annual General Meeting and is eligible for appointment as a Director.

Mr. Dilipkumar Mehta is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Dilipkumar Mehta as a Director, for the approval by the shareholders of the Company

Date: 01st September, 2018

Place: Mumbai

For Ambani Organics Limited

Sd/-
Rakesh Shah
Managing Director
(DIN: 00503074)

ATTENDANCE SLIP

(To be presented at the entrance)

Annual General Meeting On 27th day of September, 2018 AT 11.30 A.M. AT N 44 MIDC
Tarapur, Boisar Thane 401506

I hereby record my presence at the Annual General Meeting of the Company held on 27th day of September, 2018 AT 11.30 A.M. AT N 44 MIDC Tarapur, Boisar Thane 401506.

Folio No. _____ DP ID No. _____ Client ID No.

Name of the Member: _____ Signature:

Name of the Proxyholder/ Authorised Representative _____ Signature:

Note:

1. Only Member/Proxyholder/ Authorised Representative can attend the Meeting.
2. Member/Proxyholder/ Authorised Representative should bring his/her copy of the Notice of the EGM for reference at the Meeting.

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): _____

Registered address: _____

E-mail Id: _____ Folio No./Client ID No. _____ DP ID No. _____

I/We, being the member(s) of _____ Equity Shares of Ambani Organics Limited, hereby appoint:

1. Name: _____ E-mail Id: _____

Address: _____

Signature: _____ or failing him

2. Name: _____ E-mail Id: _____

Address: _____

Signature: _____ or failing him

3. Name: _____ E-mail Id: _____

Address: _____

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting on 27th day of September, 2018 AT 13.00 A.M. AT N 44 MIDC Tarapur, Boisar Thane 401506 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolution No.	Resolution	For	Against
Ordinary Business			
1	Adoption of Financial Statements along with Directors and Auditor's Report thereon		
2	Re-appointment of Mr. Rakesh Shah who retires by rotation		
3	Appointment of Shambhu Gupta & Co., Chartered Accountant, (Firm Registration No. 007234C) as Auditors and fixing their remuneration.		
Special Business			
4	Regularization of Mr. Prakash Mahanwar as a Non-Executive Independent Director.		
5	Regularization of Mr. Sanjay Mehta as a Non-Executive		

	Independent Director.		
6	Regularization of Mr. Dilipkumar Mehta as a Director.		

Signed this _____ day of _____ 2018

Affix
Revenue
Stamp

Signature of Shareholder _____ Signature of Proxy holder(s)

NOTES:

1. This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. **This is only optional. Please put a '√' in the appropriate column against the resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against the resolution, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Appointing proxy does not prevent a member from attending in person if he so wishes.
4. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

BOARD OF DIRECTOR'S REPORT

**To,
The Members,
AMBANI ORGANICS LIMITED**

The Board of Directors of your Company take pleasure in presenting the standalone and consolidated reports on the operational and business performance, along with the audited financial statements for the financial year ended March 31, 2018.

KEY FINANCIALS:

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

Particulars	Standalone		Consolidated	
	2017-18 (Rs.)	2016-17 (Rs.)	2017-18 (Rs.)	2016-17 (Rs.)
Revenue from Operations (Net of Excise) and Other Income	655,814,834	528,984,916	655,814,834	528,984,916
Other Expenses	606,387,842	490,800,891	607,444,614	491,044,252
Finance Charges	20,992,344	19,274,394	20,993,115	19,352,054
Depreciation	5,966,260	4,782,579	6,378,650	4,782,579
Profit before exceptional items and Tax	22,468,388	14,127,051	20,998,455	13,806,030
Exceptional Items	7,635	1,881,762	(101,205)	1,881,762
Profit before Tax	22,460,753	12,245,289	21,099,660	11,924,268
Provision for Tax:				
• Tax adjustment of earlier year	264,949	-	264,949	-
• Deferred tax	(5,429,994)	(3,781,615)	(3,164,309)	(3,781,615)
Net Profit After Tax	16,765,810	8,463,674	17,670,402	8,142,653
Profit carried to Balance Sheet	16,765,810	8,463,674	17,670,402	8,142,653

1. FINANCIAL HIGHLIGHTS

Standalone:

During the year under review, the sales and other income increased from Rs. 528,984,916/- to Rs. 655,814,834/- as compared to previous year. The Net Profit after tax stood at Rs. 16,765,810/- as against profit of Rs. 8,463,674/- in the previous year.

Consolidated:

During the year under review, the sales and other income decreased from Rs. 528,984,916/- to Rs. 655,814,834/- as compared to previous year. The Net profit after tax stood at Rs. 17,670,402/- as against Net loss of Rs. 8,142,653/- in the previous year.

2. CAPITAL STRUCTURE

The Authorized Share Capital of the Company is Rs. 40,000,000/- (Rupees Four Crores) divided into 4,000,000 (Forty Lakhs) Equity shares of Rs. 10/-

The paid up Equity Share Capital as at March 31, 2018 stood at Rs. 38,106,950/- (Rupees Three Crore Eighty One Lakhs Six Thousand Nine Fifty). During the year under review, your Company has not issued shares with differential voting rights nor as granted any stocks options or sweat equity.

3. DIVIDEND

In order to preserve funds for future business endeavours, your directors do not recommend dividend.

4. DEPOSIT

Your Company did not raise any public deposit during the year. There was no public outstanding as at the beginning or end of the year ended on 31st March, 2018

5. CHANGES IN NATURE OF BUSINESS

There is no significant change made in the nature of the company during the financial year.

6. NAME OF THE COMPANIES, WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company has two Subsidiary Companies i.e. Omega Woven Mills Private Limited and Om Maruti Glasswool & Wirenetting Products Private Limited. However, the Company does not have any Joint Venture and Associate Company. The details relating to the same are given in “Annexure-A”.

7. RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the enterprise. These levels form the strategic defence cover of the Company's risk management. Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company.

The Company on various activities also puts necessary internal control systems in place across the board to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources.

8. RELATED PARTY TRANSACTIONS

All related party transactions entered into during F.Y 2017-18 were on an arm's length basis and in the ordinary course of business. Accordingly, the disclosure of related party transactions, as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company.

The details of the transactions with related parties are provided in the accompanying financial statements.

9. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

There were no significant and material orders passed by any Regulators or Court or Tribunal which would impact the going concern status of the Company and its future operations.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details relating to loans or guarantees or investments covered under the provisions of section 186 of the Companies Act, 2013 during the Financial Year 2017-18 forms part of the Financial Statement.

11. TRANSFER TO RESERVES

During the financial year 2017-18 under review, the Company does not propose to transfer any amount to General Reserve.

12. DIRECTORS

Retire by Rotation- Apponi Rakesh Shah

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Ms. Apooni Rakesh Shah, Director (DIN: 00503116) of the company is liable to retire by rotation in the 32nd Annual General Meeting and being eligible, he offer himself for re-appointment.

Change in Directors and Key Managerial Personnel

During the year, Mr. Sharad P Kothari is appointed on the Board as an Executive Director of the Company to look into the affairs of the Company on day to day basis.

Mr. Prakash Anna Mahanwar, Mr. Sanjay Natwarlal Mehta has been appointed as an Additional Director of the Company pursuant to the provision of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company who all holds office upto the date of this AGM and is eligible for appointment as a Director.

All three Directors have given their consent to continue as a director in the company. Accordingly, the Board recommends the resolution in relation to their appointment in this AGM for the approval shareholders of the Company.

13. KEY MANAGERIAL PERSONNEL

Pursuant to the Section 2(51) and provisions of Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Key Managerial Personnel (KMP) of the Company as on 31st March, 2018 are as follows:

- Mr. Rakesh Hasmukhlal Shah (DIN: 00503074), Managing Director of the Company.
- Mr. Paresh Harsukhlal Shah, Chief Financial Officer (CFO) of the Company appointed as on 02nd April, 2018
- Mr. Bhavesh Babulal Pandya, Chief Financial Officer (CFO) of the Company appointed as on 02nd April, 2018
- Ms. Honey Magia, Company Secretary & Compliance Officer of the Company.

a. Declaration by Independent Directors:

All the Directors of the Company have confirmed that they are not disqualified from being appointed as Director in terms of Section 164 (2) of the Companies Act, 2013.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

At the time of appointment of an Independent Director, the Company issued a formal letter of appointment outlining his / her role, function, duties and responsibilities as a director. The formal letter of appointment is hosted on the website of the Company.

b. Familiarization programme for Independent Director:

The Company proactively keeps its Directors informed of the activities of the Company, its Management and operations and provides an overall industry perspective as well as issues being faced by the industry.

14. BOARD EVALUATION

In compliance with the provisions of the Companies Act, 2013 and other provisions, if any, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Nomination & Remuneration Committee and Shareholder's Grievance Committee.

15. MEETING OF BOARD OF DIRECTORS

A) Number of Board Meetings in the year (2017- 18)

The Board met 9 times during the financial year 2017-18 on 18/05/2017, 27/07/2017, 12/10/2017, 05/12/2017, 20/12/2017, 17/01/2018, 06/03/2018, 16/03/2018, 26/03/2018; the intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

B) Attendance of Directors at Board meetings held during the year:

Sr. No.	Name of Director	Category of Director	No. of Board Meetings attended	Attendance at the last AGM
1	Rakesh Hashmukhlal Shah (DIN: 00503074)	Managing Director	9	Yes
2	Apooni Rakesh Shah (DIN: 00503116)	Whole time Director	9	Yes
3	Sharad P Kothari (DIN: 08029922)	Executive Director	5	No
4	Sanjay Natwarlal Mehta (DIN: 08100745)	Additional Independent Director	*0	No
5	Prakash Anna Mahanwar (DIN: 08100755)	Additional Independent Director	*0	No
6	Dilipkumar Mehta (DIN: 08122334)	Additional Director	*0	No

- Mr. Sanjay Mehta and Mr. Prakash Mahanwar were appointed w.e.f. 02.04.2018 and Mr. Dilip Mehta was appointed w.e.f. 28.04.2018

16. COMMITTEES OF THE BOARD:

There are currently three committees of the Board which are as follows:

- Audit Committee;
- Nomination & Remuneration Committee;
- Stakeholders Relationship Committee.

17. MEETING OF MEMBERS

During the year, **31st Annual General Meeting** of the Company was held on 30th September, 2017 and one Extra Ordinary General Meeting was held 30th December, 2017.

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

The Company was originally incorporated as a private company. Subsequently after its conversion from private to public company vide MCA Approval dated 7th March, 2018 the name of the company was changed to Ambani Organics Limited.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

(a) Conservation of energy

(i)	the effort made towards technology absorption	Nil
(ii)	the benefits derived like product improvement cost reduction product development or import substitution	Nil
(iii)	in case of imported technology (important during the last three years reckoned from the beginning of the financial year)	Nil
	(a) the details of technology imported	
(iv)	(b) the year of import;	Nil
	whether the technology been fully absorbed;	
	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	
	the expenditure incurred on Research and Development	
(i)	the effort made towards technology absorption	Nil

(b) Technology absorption

(i)	the steps taken or impact on conservation of energy	Company's operation does not consume significant amount of energy.
(ii)	the steps taken by the company for utilizing alternate sources of energy.	Not applicable, in view of comments in clause (i)
(iii)	the capital investment on energy conservation equipment's	Not applicable, in view of comments in clause (i)

(c) Foreign Exchange earnings and outgo

Expenditure in Foreign Currency- Nil
Earnings in Foreign Exchange- Rs. 87,554,370/

20. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Sub- Section (3) of Section 92 of the Companies Act, 2013, is includes in this Report as “**Annexure-B**” and forms an integral part of this Report.

21. DIRECTORS’ RESPONSIBILITY STATEMENT

- (i) To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of the Section 134(3) (c) of the Companies Act, 2013.
- (ii) That in the preparation of the annual financial statements for the year ended March31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (iii) That such accounting policies, as mentioned in the Financial Statements as ‘Significant Accounting Policies’ have been selected and applied consistently and judgments and estimates have been made 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 of the Company for the year ended on that date;
- (iv) That proper and sufficient care has been taken 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;
- (v) That the annual financial statements have been prepared on a going concern basis;
- (vi) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- (vii) Those proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

22. AUDITORS

Statutory Auditors

M/s Shambhu Gupta & Co., Chartered Accountants Statutory Auditors of the Company, having Firm Registration No. 007234C Statutory Auditors of the Company, were appointed for a term of Five years from the previous 31st Annual General Meeting of the Company, till the conclusion of the 5th consecutive Annual General Meeting of the Company, subject to ratification by the Members at every Annual General Meeting at a remuneration decided by the Board of Directors of the Company. Accordingly, the current term of appointment of M/s Shambhu Gupta & Co., Chartered Accountants, will expire on conclusion of 36th Annual General Meeting of the Company.

The Company has received consent letter and eligibility certificate under Sections 139 and 141 of the Act wherein M/s Shambhu Gupta & Co., Chartered Accountants have confirmed that their appointments, if made would be in accordance with the provisions of the Section 141 Companies Act, 2013 and that they are not disqualified from being re-appointment. As required under Regulation 33 of LODR Regulations they have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Auditors Qualification:

The notes to the financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further explanations or comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

23. DISCLOSURE OF EMPLOYEES REMUNERATION

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 requiring particulars of the employees in receipt of remuneration in excess of Rs.60 Lacs per year to be disclosed in the Report of Board of Directors are not applicable to the Company as none of the employees was in receipt of remuneration in excess of Rs.60 Lacs during the financial year 2017-18.

24. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per the Section 135 of Companies Act, 2013 all companies having Net Worth of Rs. 500 cr or more, or Turnover of Rs. 1,000 core or more, or Net Profit of Rs. 5 core or more during any financial year required to constitute a Corporate Social Responsibility Committee of the Board of Directors comprising of three or more directors, at least one of whom should be an independent director and such Company shall spend at least 2% of the average net profits of the Company's three immediately preceding financial year.

Accordingly, the Company formed a CSR Committee. During the current financial year, the provisions of Section 135 of Companies Act, 2013 is not applicable to the Company, therefore; it is not required to pay 2% of the average net profits of the Company for the current Financial Year.

The Policy outlines the Company's philosophy as a responsible corporate citizen of India. It also lays down the guidelines and mechanism for undertaking socially useful programs for welfare and sustainable development of the community, in the local area and around areas of operations of the Company including other parts of the Country. CSR programs or projects to be undertaken by the Company in terms of the Policy, shall relate to one or more activities listed in Schedule VII of the Companies Act, 2013, at present or as may be amended from time to time. The Corporate Social Responsibility Policy is available on the website of the Company.

25. Listing of Shares:

The Board of Directors are in the process of implementing the Initial Public Offering (IPO) of Ambani Organics Limited on NSE EMERGE SME Platform.

26. GOODS & SERVICE TAX REGISTRATION

Goods & Service Tax ("GST"), which is a comprehensive indirect tax reform is introduced in India w.e.f. 1st July, 2017 and was applicable throughout India which replaced multiple cascading taxes levied by the Central and State Governments. Hence, your Company has also got registered under the same for trading of Paint & Paper Binder. GST registration number of the Company and primary address are as under:

<i>LOCATION OF PRIMARY PLACE OF BUSINESS</i>	<i>GSTIN ALLOTTED</i>
N 44 MIDC Tarapur, Boisar Thane - 401506	27AAECA6247N1ZA

27. Whistle Blower Policy / Vigil Mechanism

Your Company has formulated a Whistle Blower Policy / Vigil Mechanism, which provides a formal mechanism for all employees and the Directors of the Company to report about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or an event he becomes aware of that could have a detrimental effect on the business or reputation of the Company and provides reassurance that they will be protected from reprisals or victimization for whistle blowing. The Policy has been posted on the Company's website. No person was denied access to the Chairperson of the Audit Committee to report any concern.

28. SEXUAL HARASSMENT

There was no case filled during the year, under the sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Further Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and made the necessary policies for safe and secure environment for women employee.

29. ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation to the Bankers of the Company, Company's customers, vendors and investors for their continued support during the year.

The Directors also wish to place on record their appreciation for the dedication and contribution made by employees at all levels and look forward to their support in future as well.

**For and on behalf of the Board of Directors
Ambani Organics Limited**

**Date: 02.05.2018
Place: Mumbai**

**Sd/-
Rakesh Shah
DIN: 00503074
Director**

**Sd/-
Apooni Shah
DIN: 00503116
Director**

ANNEXURE TO DIRECTOR'S REPORT:

ANNEXURE A

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies
(Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate
companies/joint ventures**

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Omega Woven Mills Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4.	Share capital	100,000
5.	Reserves & surplus	(1,684,319)
6.	Total assets	6,121,663
7.	Total Liabilities	6,021,663
8.	Investments	NIL
9.	Turnover	NIL
10.	Profit before taxation	(963,481)
11.	Current Tax	NIL
12.	Profit after taxation	650,803

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Om Maruti Glasswool And Wirenetting Products Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4.	Share capital	350,000
5.	Reserves & surplus	(2,186,163)
6.	Total assets	7,888,472
7.	Total Liabilities	7,538,472
8.	Investments	NIL
9.	Turnover	NIL
10.	Profit before taxation	(397,612)
11.	Current Tax	NIL
12.	Profit after taxation	(1,555,395)

**For and on behalf of the Board of Directors
Ambani Organics Limited**

Date: 02.05.2018
Place: Mumbai

Sd/-
Rakesh Shah
DIN: 00503074
Director

Sd/-
Apooni Shah
DIN: 00503116
Director

Annexure B
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2018
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	U24220MH1985PTC036774
ii)	Registration Date:	08/07/1985
iii)	Name of the Company:	AMBANI ORAGANICS LIMITED
iv)	Category / Sub-Category of the Company:	Company Limited by Shares / Indian Non-Government Company
v)	Address of the Registered office and contact details	N 44 MIDC Tarapur, Boisar, Thane Maharashtra 401506
vi)	Whether listed company Yes / No	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any.	Universal Capital Securities Pvt Ltd. (Formerly known as Mondkar Computers Pvt Ltd.) 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 93 T: +91 (22) 2820 7203-05 / 2825 7641 F: +91 22 2820 7207 W: www.unisec.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Paint and Construction, Textile, Carpet, Adhesive, Paper, etc.	24	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Omega Woven Mills Private Limited	U99999MH1986PTC038908	Subsidiary	99.95%	2(87)
2	Om Maruti Glasswool & Wirenetting Products Private Limited	U74999MH1987PTC042071	Subsidiary	99.95%	2(87)

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

(i) *Category-wise Share Holding*

[illegible]

2)Non- Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i)Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	30,102	30,102	0.79	-	30,100	30,100	0.80	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Individual									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Foreign	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1) + (B)(2)	-	30,102	30,102	0.79	-	30,100	30,100	0.80	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	38,10,659	38,10,659	100	-	38,10,659	38,10,659	100	-

(ii) Shareholding of Promoters:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change In shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Rakesh Shah	3390627	89.68	-	3464721	90.92	-	-
2.	Apooni Shah	314738	8.33	-	314738	8.26	-	-
3.	Maya Shah	6001	0.16	-	-	-	-	-
4.	Shobhana Shah	12501	0.33	-	-	-	-	-
5.	Kalpana Shah	29710	0.79	-	-	-	-	-
6.	Paresh Shah	1100	0.03	-	1100	0.03	-	-
7.	Shailesh Shah	25880	0.68	-	-	-	-	-

(iii) Change in Promoters' Shareholding (Equity Share Capital Details) (please specify, if there is no change):

Sl. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Rakesh Shah				
	At the beginning of the year	3390627	88.98	3390627	88.98
	Date wise Increase / Decrease in Promoters Shareholding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Transferred 74094 shares on 13/11/2017			
	At the End of the year	3464721	90.92	3464721	90.92

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

Sl. No.		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
	For each of the Top 10 Shareholders				
1.	Jyotsna Tahnawala				
	At the beginning of the year	5000	-	5000	-
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA			
	At the End of the year	5000	-	5000	-
2.	Pravin Jaiswal				
	At the beginning of the year	5100	-	5100	-
	Date wise Increase / Decrease in Share holding during the Year specifying the				

	reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA			
	At the End of the year	5100	-	5100	-
3.	Rajesh Doshi				
	At the beginning of the year	10000	0.03	10000	0.03
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA			
	At the End of the year	10000	0.03	10000	0.03
4.	Sampat Rai				
	At the beginning of the year	10000	0.03	10000	0.03
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA			
	At the End of the year	10000	0.03	10000	0.03

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Rakesh Shah				
	At the beginning of the year	3390627	88.98	3390627	88.98
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Transferred 74094 shares on 13/11/2017			
	At the End of the year	3464721	90.92	3464721	90.92

2.	Apooni Shah				
	At the beginning of the year	314,738	8.26%	314,738	8.26%
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA			
	At the End of the year	314,738	8.26%	314,738	8.26%

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	117,659,966	1,144,058	-	118,866,524
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	117,659,966	1,144,058		118,866,524
Change in Indebtedness during the financial year				
• Addition	23,087,079	11,554,027		34,641,106
• Reduction	-	-	-	-
Net change	23,087,079	11,554,027		34,641,106
Indebtedness at the end of the financial year				
i) Principal Amount	140,747,045	12,698,085		153,445,130
ii) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	-	-	-
Total of (i+ii+iii)	140,747,045	12,698,085		153,445,130

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Executive Directors:

Sl. No	Particulars of Remuneration	Name of Executive Director			Total Amount
		Sharad Kothari	Rakesh Shah	Apooni Shah	
1.	Gross Salary	119,000	3,522,150	1,205,319	4,846,469
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of Profit - others, specify....	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	119,000	3,522,150	1,205,319	4,846,469

B. Remuneration to other directors:

I. Independent Directors:

II. Other Non-Executive Directors:-

Sr n o	Particulars of Remuneration	Name of Directors			Total Amount (Rs.)
	1. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify				
	Total (1)				
	2. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify				
	Total (2)				
	Total (B) = (1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	*Company Secretary	CFO	
1.	Gross Salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of Profit - others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	-	-	-

- The Company Secretary was appointed w.e.f. 02.04.2018

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES: N.A.

For and on behalf of the Board of Directors
Ambani Organics Limited

Date: 02.05.2018
Place: Mumbai

Sd/-
Rakesh Shah
DIN: 00503074
Director

Sd/-
Apooni Shah
DIN: 00503116
Director

CEO/CFO CERTIFICATION

**To,
The Board of Directors
Ambani Organics Limited**

I, Paresh Harsuklal Shah, the Chief Financial Officer (CFO) of the Company do here by certify to the Board that:

1. We have reviewed financial statements and the cash flow statement for the year ending 31st March, 2018 and that to the best of their knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. 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 company 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.
4. We have indicated to the auditors and the Audit committee:
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting;

Ambani Organics Limited

Sd/-

**Paresh Harsuklal Shah
Chief Financial Officer**

INDEPENDENT AUDITOR'S REPORT

To
The Members of Ambani Organics Limited,

1. We have audited the accompanying standalone financial statements of **Ambani Organics Limited** (Formerly Known as Ambani Organics Private Limited), which comprise the Balance Sheet as at 31st March, 2018, Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.
2. Management is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
3. Our responsibility is to express an opinion on these standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.
4. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
 - b) in the case of Profit & Loss Account, of the loss for the year ended on that date; and
 - c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Legal and other Regulatory Requirements

1. As required by Companies (Auditor's Report) Order, 2016 issued by the central government of India in terms of subsection (11) of section 143 of the act, we give in the "**Annexure 1**" a statement on the matters specified in the order.
2. As required by section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards specified under section 133 Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013.
 - f) With respect to the adequacy of Internal Financial controls over financial reporting of company and the operating effectiveness of such controls, refer to our separate report in "**Annexure-2**" to this report.
 - g) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us –
 - i. The Company does not have pending litigation.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

For Shambhu Gupta & Co.

Chartered Accountants

FRN No.:- 007234C

Sd/-

CA. Rajkumar Khatod

Partner

M. No. 133612

Place:-Mumbai

Date: - May, 02 2018

THE ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE COMPANY ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31st MARCH 2018

Re: Ambani Organics Limited ('the Company')

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us during the course of our audit, we report that:

- (i) (a) The Company has maintained the proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, all fixed assets of the Company have been physically verified by the management during the year and the procedures of physical verification followed by the management, in our opinion, was reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies were noticed during such verification.
- (c) According to information & explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- (ii) The inventories have been physically verified at reasonable intervals during the year by the management. The discrepancies noticed on physical verification between the physical stock and book records were not material and have been properly dealt with in the books of accounts.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has granted loans to two parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - (a) The terms & Condition of the grant of such loans are not prejudicial to the company's interest.
 - (b) There is no repayment schedule for payment of principle and interest between both the companies, Hence the provision of clause (b) and (c) are not applicable to company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and advances made.
- (v) In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public. Hence the provisions of this clause are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) The Company is regular in depositing with appropriate authorities all undisputed statutory dues except the followings arrears stood on last day of the concerned financial year, for a period of more than 6 months:

Nature of the Dues	Amount (Rs.)	Period to which the amount relates
Professional Tax	3,13,256	From FY 2013-2014 to 2016-2017

- (b) According to the information and explanation given to us, there are no dues on account of Sales Tax, Wealth tax, Service tax, Customs duty, Excise duty and Cess which have not been deposited on account of any disputes.
- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any Bank or financial institutions during the year.
- (ix) In our opinion and according to the information and explanations given to us, the term loan taken by the company has been applied for the purpose for which they were raised.
- (x) In our opinion and according to the information and explanations given to us there is no any fraud by the company or any fraud on the Company by its officers/ employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, sec 197 read with schedule V of the companies act , 2013 dealing with managerial remuneration is not applicable to the company.
- (xii) The company is not a Nidhi Company so the provision of this clause is not applicable to company.
- (xiii) All transactions with the related parties are in compliance with Section 188 of Companies Act, 2013 and have been disclosed in the Financial Statements as required by the accounting standards and Companies Act, 2013. As regards to Sec 177 of Companies Act, 2013 dealing with the Audit Committee is not applicable to the company.
- (xiv) During the year the Company has not made any preferential allotment/ Private placement of shares or fully or partly convertible debenture during the year.
- (xv) In our opinion and according to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him so provisions of Section 192 of Companies Act, 2013 have been complied with.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Shambhu Gupta & Co.

Chartered Accountants

FRN No.:- 007234C

Sd/-

CA. Rajkumar Khatod

Partner

M. No. 133612

Place:-Mumbai

Date: - May, 02 2018

"ANNEXURE 2" TO THE INDEPENDENT AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 2(F) UNDER THE HEADING "REPORT ON OTHER LEGAL & REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

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

We have audited the internal financial controls over financial reporting of the Company as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the ICAI. Because the matter described in Disclaimer of opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on Internal Financial Controls over Financial Reporting of the company.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Shambhu Gupta & Co.

Chartered Accountants

FRN No.:- 007234C

Sd/-

CA. Rajkumar Khatod

Partner

M. No. 133612

Place:-Mumbai

Date: - May, 02 2018

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

Standalone Balance Sheet for the year ended 31st March, 2018**(Amount in Rs.)**

Particulars	Note No	Year Ended 31.03.2018	Year Ended 31.03.2017
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	38,106,590	38,106,590
(b) Reserves and Surplus	3	21,557,272	4,791,463
(2) Non-Current Liabilities			
(a) Long-term Borrowings	4	28,747,718	21,433,892
(b) Deferred tax liabilities (Net)	5	-	-
(c) Other Long term Liabilities	6	55,334,730	54,185,395
(d) Long-term Provision	7	5,299,056	2,665,608
(3) Current Liabilities			
(a) Short-term borrowings	8	124,697,412	97,370,132
(b) Trade payables	9	194,003,855	154,621,007
(c) Other current liabilities	10	8,296,308	8,908,086
(d) Short-term provisions	11	1,735,363	967,843
Total		477,778,304	383,050,016
II.ASSETS			
(1) Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		105,006,656	102,399,909
(ii) Intangible assets		-	-
(b) Non-current investments	13	14,746,914	9,146,914
(c) Long term loans and advances	14	17,715,724	7,271,710
(d) Deferred Tax Assets (Net)	6	827,206	6,257,200
(d) Other non-current assets		-	-
(2) Current assets			
(a) Inventories	15	103,820,498	62,887,191
(b) Trade receivables	16	181,982,189	160,958,012
(c) Cash and cash equivalents	17	7,521,030	7,415,134
(d) Short-term loans and advances	18	4,405,508	1,740,914
(e) Other current assets	19	41,752,579	24,973,032
Total		477,778,304	383,050,016
Significant accounting policies	1 to 42		
Notes to Accounts			

As per our Report of even date

For Shambhu Gupta & Co.

FRN No.:- 007234C

Chartered Accountants

For and on behalf of Board of Directors of

**AMBANI ORGANICS LIMITED (Formerly Known as
Ambani Organics Private Limited)****Mr. Rakesh Shah**

Director

DIN No. 00503074

Mrs. Apooni Shah

Director

DIN No. 00503116

CA. Rajkumar Khatod

Partner

Membership No. 133612

Mr. Bhavesh Pandya

Chief Financial Officer

Ms. Honey Magia

Company Secretary

Place :- Mumbai

Dated :- May 02nd, 2018

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

Standalone Profit and Loss statement for the year ended 31st March, 2018

(Amount in Rs.)

Particulars	Note No	Year Ended 31.03.2018	Year Ended 31.03.2017
I. Revenue from operations	20	757,152,267	584,185,684
Less:- Duties & Taxes		104,200,850	60,611,312
Net Revenue from operations		652,951,417	523,574,372
II. Other Operational Income	21	2,863,417	5,410,544
III. Total Revenue		655,814,834	528,984,916
<u>IV. Expenses:</u>			
Cost of materials consumed	22	575,017,787	439,819,512
Changes in inventories of finished goods and Stock-in-Trade	23	(34,496,651)	(3,906,564)
Employee benefit expense	24	25,192,067	20,415,562
Financial costs	25	20,992,344	19,274,394
Depreciation and amortization expense		5,966,260	4,782,579
Other expenses	26	40,674,639	34,472,381
IV Total Expenses		633,346,446	514,857,864
V. Profit before exceptional and extraordinary items and tax	(III - IV)	22,468,388	14,127,051
VI. Exceptional items	27	7,635	1,881,762
VII Profit before extraordinary items and tax	(V - VI)	22,460,753	12,245,289
VIII. Extraordinary Items		-	-
IX. Profit before tax	(VIII-IX)	22,460,753	12,245,289
X. Tax expense:			
(1) Current tax		4,579,489	2,665,608
(2) Mat Credit Entitlement		(4,579,489)	(2,665,608)
(3) Tax adjustment of earlier year		264,949	-
(4) Deferred tax		(5,429,994)	(3,781,615)
XI. Profit/(Loss) for the period	(IX-X)	16,765,810	8,463,674
XII. Earning per equity share:			
Basic EPS (In Rs.)		4.40	2.22
Diluted EPS (In Rs.)		4.40	2.22
Significant Accounting Policies	1 to 42		
Notes on Financial Statements			

As per our Report of even date

For Shambhu Gupta & Co.

FRN No.:- 007234C

Chartered Accountants

For and on behalf of Board of Directors of

**AMBANI ORGANICS LIMITED (Formerly Known
as Ambani Organics Private Limited)**

Mr. Rakesh Shah

Director

DIN No. 00503074

Mrs. Apooni Shah

Director

DIN No. 00503116

CA. Rajkumar Khatod

Partner

Membership No. 133612

Place :- Mumbai

Dated :- May 02nd, 2018

Mr. Bhavesh Pandya

Chief Financial Officer

Ms. Honey Magia

Company Secretary

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

Standalone Cash Flow Statement for the year ended 31st March, 2018

Particulars	Year ended on 31.03.2018	Year ended on 31.03.2017
A CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before tax and before extraordinary items	22,460,753	12,245,289
Adjustments for :-		
Depreciation	5,966,260	4,782,579
Interest Expenses	20,992,344	19,349,612
Profit/Loss on sale of fixed assets	-	138,407
Tax of Earlier Years	(264,949)	-
Interest Income	(827,775)	(330,012)
Operating profit before working capital changes	48,326,633	36,185,876
Adjustments for :-		
Inventories	(40,933,307)	(30,161,441)
Short term provisions	767,520	149,691
Short term borrowings	27,327,280	(3,393,567)
Other Current Liabilities	(611,779)	(3,221,386)
Other Current Assets	(13,197,712)	(10,043,988)
Trade and other receivables	(21,024,177)	(41,066,670)
Other Long term Liabilities	1,149,335	-
Short term Loans and Advances	(2,664,594)	6,315,660
Trade Payables	39,382,848	79,127,398
Net (Increase)/Decrease in Working Capital	(17,615,152)	290,025
Cash generated from / (used in) Operating Activities		
Taxes (Paid) (including TDS)	3,581,835	42,398
Net Cash from operating activities	27,129,646	36,433,503
B Cash Flow from Investing Activities:		
Purchase of fixed assets	(8,573,007)	(12,737,914)
Sale of Fixed assets	-	50,000
Investment in Non-Current Investment	(5,600,000)	(7,462,499)
Interest Received	827,775	330,012
Net Cash used in investment activities	(13,345,232)	(19,820,401)
C Cash Flow from Financing Activities:		
Equity Share Issued	-	-
Proceeds / (Repayment) of Long-term Borrowings	7,313,826	(1,165,074)
Interest Paid	(20,992,344)	(19,349,612)
	-13,678,518	-20,514,686
Net Increase / (Decrease) in Cash and Cash Equivalents	105,895	-3,901,585
Cash and Cash Equivalents		
Opening Balance Cash & Cash Equivalents	7,415,134	11,316,719
Closing Balance Cash & Cash Equivalents	7,521,030	7,415,134

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

Standalone Cash Flow Statement for the year ended 31st March, 2018

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- 2 Cash and Cash Equivalent at the end of the year consist of cash in hand and balances with banks, fixed deposit from banks and buyers margin.

As per our Audit Report of even date

As per our Report of even date

For Shambhu Gupta & Co.

FRN No.:- 007234C

Chartered Accountants

For and on behalf of Board of Directors of

**AMBANI ORGANICS LIMITED (Formerly Known as
Ambani Organics Private Limited)**

CA. Rajkumar Khatod

Partner

Membership No. 133612

Place :- Mumbai

Dated :- May 02nd, 2018

Mr. Rakesh Shah

Director

DIN No. 00503074

Mrs. Apooni Shah

Director

DIN No. 00503116

Mr. Bhavesh Pandya

Chief Financial Officer

Ms. Honey Magia

Company Secretary

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

NOTE NO. 1:

Background & General Information

Our Company was incorporated as Ambani Organics Private Limited on 08th July 1985 under the companies Act, 1956 bearing registration no. 036774 and having its registered office in Boisar, Tarapur Maharashtra. Subsequently, the status of company was changed to a public limited company and the name of our company was changed to Ambani Organics Limited vide special resolution dated March 07, 2018. A fresh certificate of incorporation consequent upon change of name was issued on March 07, 2018 by the Registrar of Companies, Mumbai, Maharashtra.

Ambani Organics Limited is a chemical manufacturing company with manufacturing and Processor, Importer, Supplier and Exporter of Chemical & Dyes used in Painting and Textile Industry.

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The Financial Statement have been prepared under the historical cost convention in accordance with the generally accepted accounting principles, applicable accounting standards excepts otherwise stated and the provisions of the Companies Act, 2013 as adopted consistently by the Company. The Company generally follows mercantile system of accounting and recognizes items of income and expenditure on accrual basis.

B. Use of Estimates

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

C. Fixed Assets & Depreciation

Fixed assets are stated at cost inclusive of value added tax less accumulated depreciation and impairment loss, if any. All costs including financing costs till commencement of commercial production. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts

Depreciation on fixed assets is provided on straight line method using the life of assets based on the useful lives provided by the Schedule II of Companies Act 2013.

Depreciation on assets acquired / disposed off during the year has been provided on a pro-rata basis from the date of addition or up to the date of disposal as applicable.

There is no difference in life of assets as prescribed in schedule II of Companies Act 2013 and in our working.

D. Revenue Recognition

Sales are exclusive of Excise Duty, Cess & Sale. Sales are recognized when significant risk and rewards of ownership of goods are passed on to customers. Sales tax incentives are recognized as income as and when the amounts of incentive are confirmed by the respective officers.

E. Investments

Current investments are carried at lower of cost and quoted/ fair market value, compared category wise. Long term Investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than a temporary.

F. Inventories

Inventories are valued at:

1. Raw Materials, Stores & Spare Parts: At Cost (FIFO).
2. Finished Goods: The cost is determined by taking material, labour & related factory overheads. The company follows exclusive method for valuation of stock. It is valued at lower of Cost or net reliable value.
3. Consumable Stores : At Cost (FIFO)

G. Impairment of Assets.

The carrying amount of assets is reviewed at each Balance-sheet date if there is an indication of impairment based on the internal and external factors. An impairment loss if any is charged to Statement of Profit & Loss in the year in which the amount is identified as impaired. There are no assets which can be termed is impaired asset during the year.

H. Employee Benefits

Short term employee benefits and contribution to defined contribution plans are recognized as an expense on accrual at the undiscounted amount in the Statement of Profit and Loss. Other long term employee benefits in the nature of gratuity are accounted on Cash basis and computed in accordance with the policy of the company in the said regard.

I. Foreign Currency Transaction

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the rate of the transactions. Monetary items denominated in foreign currency at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rates and rate on the date of the contract recognized as exchange difference and the premium paid on forward contract is recognized over the life of the contract.

J. Provision for Current and Deferred Tax

Provision for taxation is made on the basis of the taxable profits computed for the current accounting year in accordance with the provision contained in the Income-tax Act, 1961. Provision is also made for the deferred tax assets arising due to C/F losses & deferred tax liability arising due to the timing difference between profit computed as per the Income-tax and the financial statements. Net Deferred tax Assets resulting from the timing difference & losses are expected to crystallize in the future.

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

NOTES ON ACCOUNTS**Note 2.a Disclosure of Share Capital**

<u>Share Capital</u>	As at 31 March 2018		As at 31 March 2017	
	Number	Rs.	Number	Rs.
Authorised Equity Shares Of Rs. 10/- Each	4,000,000	40,000,000	4,000,000	40,000,000
Issued, Subscribed & Paid up Equity Shares of Rs. 10/- each fully Paid	3,810,659	38,106,590	3,810,659	38,106,590
Total Rs.	3,810,659	38,106,590	3,810,659	38,106,590

Note 2.b Disclosure related to Outstanding share detail

<u>Particulars</u>	As at 31 March 2018		As at 31 March 2017	
	Equity Shares		Equity Shares	
	Number	Rs.	Number	Rs.
Shares outstanding at the begining of the year	3,810,659	38,106,590	3,810,659	38,106,590
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,810,659	38,106,590	3,810,659	38,106,590

Note 2.c Details of the Shareholding more than 5%

<u>Name of Shareholder</u>	As at 31 March 2018		As at 31 March 2017	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Rakesh Shah	3,464,721	90.92	3,390,627	88.98
Apooni Shah	314,738	8.26	314,738	8.26

Note 3	Reserves & Surplus	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Securities Premium Account		
	Opening Balance	2,894,410	2,894,410
	Add : Securities premium credited on Share issue	-	-
	Closing Balance	2,894,410	2,894,410
	Profit and loss Account		
	Opening balance	1,897,052	(6,566,622)
	(+) Net Profit/(Net Loss) For the current year	16,765,810	8,463,674
	Closing Balance	18,662,862	1,897,052
	Total Rs.	21,557,272	4,791,463

Note 4	Long Term Borrowings	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Secured		
	(a) Loans from Banks		
	i) Term Loan for Plant and Machinery *	14,541,869	18,256,152
	ii) Car Loan **	1,507,764	2,033,682
	*		
	(i) The Term loan from UBI and debts are secured by first mortgage of Plant & machinery's purchased from this loan and personal guarantee of directors and payable in 84 monthly installment of Rs.3,10,000/- Starting from month of March,2016.		
	**		
	(ii) The Car Loan from UBI and it is secured by vehicle only.		
	A	16,049,633	20,289,834
	Unsecured		
	a) Incorporate Loan	4,455,785	234,242
	b) Loan from Director	5,634,776	909,816
	c) Unsecured Loan from NBFC	2,607,524	-
	B	12,698,085	1,144,058
	Total (A+B)	28,747,718	21,433,892

Note 5	Other Long term Liabilities	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Other Long term Liabilities		
	a) Acceptances	54,185,395	54,185,395
	b) Security Deposit	1,149,335	-
	Closing Balance	55,334,730	54,185,395

Note 6	Deferred Tax Liability/(Assets)	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Opening Deferred Tax Assets	(6,257,200)	(10,038,816)
	For Current Year (P&L)	(5,429,994)	(3,781,615)
	Closing Balance	(827,206)	(6,257,200)

Note 7	Long-term Provision	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Provision for Tax	4,579,489	2,665,608
	Provision for Gratuity (Refer Note 42)	719,567	-
	Total	5,299,056	2,665,608

Note 8	Short Term Borrowings	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Secured		
	(a) Loans Repayable on Demand		
	- Working Capital Loan		
	Union Bank of India, Mumbai.	120,430,412	97,370,132
	(b) Buyers Credit *	4,267,000	-
	*		
	("The validity of the buyers credit and LC is for 3 months from date of issue with the possibility of roll-over. However as the buyers credit is a sub-limit of the LC sanctioned by the bank, the same has been classified as Short term borrowing in the financial Statements.")		
	(Secured against Stock of Raw Material, Finished Goods, Other Inventory, Book Debts, Term Deposit, Land & Building and Personal Guarantee of the Directors.)		
	Total Rs.	124,697,412	97,370,132

Note 9

Trade Payables	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Sundry Creditors (Including Letter of Credit)		
(a) Sundry Creditors for goods & Service	194,003,855	154,621,007
Total Rs.	194,003,855	154,621,007

Note 10

Other Current Liabilities	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
(A) Current Maturities of Long-Term Debt		
Secured		
(a) Loans from Bank		
Union Bank of India, Mumbai		
i) Term Loan for Office	-	2,400,034
ii) Term Loan for Plant and Machinery *	3,720,000	3,720,000
iii) Car Loan **	682,387	778,371
*		
(i) The above loan from UBI and debts are secured by first mortgage of Plant & machinery's purchased from this loan and personal guarantee of directors and payable in 84 monthly installment of Rs.3,10,000/- Starting from month of March,2016.		
**		
(ii) The Car Loan from UBI and it is secured by vehicle only.		
Unsecured		
(a) Loan from NBFC		
i) Unsecured Loan from NBFC	2,631,871	-
(B) Other Current Liabilities		
TDS Payable	283,737	1,086,020
TDS late filing fees payable	17,600	17,600
Service Tax Payable	-	344,951
Advance from customer	279,249	103,896
Professional Tax Payable	325,306	313,256
MLWF Payable	1,632	15,000
Provident Fund Payable	294,702	128,957
ESIC Payable	22,324	-
GST RCM Payable	37,500	-
Total Rs.	8,296,308	8,908,086

Note 11

Short Term Provisions	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Provision Others		
(a) Provision for Salary	1,375,507	834,283
(b) Provision for Taxation	-	133,560
(c) Audit Fees Payable	120,000	-
(d) Provision For Gratuity (Refer Note 42)	239,856	-
Total Rs.	1,735,363	967,843

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

Note 12

Sr No.	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 01 April, 2017	Additions during the year	Delation during the year	Balance as at 31 March 2018	Balance as at 01 April,2017	Depreciation For the Year	Depreciation on Disposal	Balance as at 31 March 2018	Balance as at 31 March 2018	Balance as at 31 Mar 2017
A	Tangible Assets										
1	Freehold Land	80,000	-	-	80,000	-	-	-	-	80,000	80,000
2	Plant & Machinery	49,046,405	4,831,619	-	53,878,024	3,742,313	3,319,617	-	7,061,930	46,816,094	45,304,092
3	Furniture & Fixture	740,007	39,000	-	779,007	160,517	63,241	-	223,758	555,249	579,490
4	Office Building	33,811,548	-	-	33,811,548	3,529,062	1,082,577	-	4,611,639	29,199,909	30,282,486
5	Electrical Installation	3,323,339	741,448	-	4,064,788	306,186	248,410	-	554,596	3,510,192	3,017,153
6	Office Equipments	106,336	-	-	106,336	37,707	4,463	-	42,170	64,166	68,629
7	Motor Car	5,045,010	-	-	5,045,010	237,714	321,552	-	559,266	4,485,744	4,807,296
8	Computers	1,277,888	196,680	-	1,474,568	1,013,549	164,951	-	1,178,500	296,068	264,339
9	Air Conditioners	180,669	120,303	-	300,972	121,846	36,007	-	157,853	143,119	58,823
10	Mobile Phone	319,536	139,384	-	458,920	219,148	48,888	-	268,036	190,884	100,388
11	Testing Instrument	830,944	-	-	830,944	206,086	47,813	-	253,899	577,045	624,858
12	Scooter	117,500	-	-	117,500	13,518	11,163	-	24,681	92,819	103,982
13	Factory Shed	17,723,120	2,234,572	-	19,957,692	614,749	617,016	-	1,231,765	18,725,927	17,108,371
	Total (A)	112,602,304	8,303,007	-	120,905,310	10,202,395	5,965,698	-	16,168,093	104,737,218	102,399,909
B	Intangible Assets										
1	Software	-	270,000	-	270,000	-	562	-	562	269,438	-
	Total (B)	-	270,000	-	270,000	-	562	-	562	269,438	-
C	Capital - WIP	-	-	-	-	-	-	-	-	-	-
	Total	112,602,304	8,573,007	-	121,175,310	10,202,395	5,966,260	-	16,168,655	105,006,656	102,399,909
	Previous Year's Total	100,579,180	12,737,914	714,790	112,602,304	5,946,199	4,782,579	526,383	10,202,395	102,399,909	94,632,982

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

Note 13

<u>Non Current Investment</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Long term Investments		
Gold Coin	1,338,814	1,338,814
Shares with Tarapur Enviornmental Protection Society	345,600	345,600
Investment in Subsidiary company		
Omega Woven Mills Pvt Ltd	7,462,500	7,462,500
Om Maruti Glasswool & Wirenetting Products Pvt Ltd	5,600,000	-
Total Rs.	14,746,914	9,146,914

Note 14

<u>Long Term Loans and Advances</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Security Deposits		
Unsecured, considered good		
Other deposits	553,982	358,131
Loans & Advances		
Unsecured, considered good		
- To Subsidiary Companies	17,161,742	6,913,579
Total Rs.	17,715,724	7,271,710

Note 15

<u>Inventories</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
(a) Raw Materials and components (Valued at cost)	50,398,556	41,915,856
(b) Finished goods (Valued at cost or market value which ever is less)	37,528,774	18,793,040
(c) WIP	4,561,502	132,251
(d) Goods In Transit	11,331,665	2,046,043
Total Rs.	103,820,498	62,887,191

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

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Note 16

<u>Trade Receivables</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Sundry Debtors (Unsecured, considered good)		
Debt outstanding for the period exceeding Six Months	21,642,535	13,241,420
Other Debts	160,339,654	147,716,592
Total Rs.	181,982,189	160,958,012

Note:- "Debt outstanding for the period exceeding Six Months" includes 3 parties to whom legal notice for recovery of debt amounted to Rs. 577314 has been initiated in year 2014-15 and the same is under dispute till date of signing of Financials.

Note 17

<u>Cash And Cash Equivalent</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Cash & Cash Equivalent		
i) Cash in hand	910,327	342,277
ii) Balance with Banks		
-Current account with Scheduled Bank	695,905	380,258
iii) Buyers Credit Margin	5,914,798	6,692,599
Total Rs.	7,521,030	7,415,134

Note 18

<u>Short Term Loans And Advances</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Other loans and advances Unsecured, Considered Good		
i. Advances Income Tax & TDS	3,630,341	42,398
ii. Advances to Employees	575,167	959,058
iii. Others	200,000	594,737
iv. Advances for fixed assets	-	144,721
Total Rs.	4,405,508	1,740,914

Note 19

<u>Other Current Assets</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Cenvat Credit Receivable	-	1,378,232
Excise Refund Receivable	704,050	3,568,929
Service Tax Claimable	-	4,194,865
Vat Refund Receivable	15,625,472	12,559,241
Advance given to Supplier	4,395,322	503,012
Advance against Expenses	8,673	95,510
Mat Credit Entitlement	7,076,162	2,665,608
Duty Drawback Receivable	80,629	7,635
Prepaid expenses	1,254,615	-
GST Credit Receivable	8,101,962	-
GST Refund Receivable	4,505,694	-
Total Rs.	41,752,579	24,973,032

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Note 20	Revenue From Operation	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Domestic Sales	644,645,740	512,684,878
	Export Sales	112,506,527	71,500,806
	Total Rs.	757,152,267	584,185,684

Note 21	Other Operational Income	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Octroi Received	27,503	72,303
	Export Incentive	319,708	729,102
	Foreign Exchange Gain	614,068	729,542
	Interest Income	827,775	330,012
	Discount received	884,165	3,316,846
	Sundry Balance Written Off	-	149,939
	Other Income	190,198	82,800
	Total Rs.	2,863,417	5,410,544

Note 22	<u>Cost of Material Consumed</u>	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Opening Stock	41,915,856	17,707,028
	Add : Purchase	583,500,486	464,028,341
	Less : Closing Stock	50,398,556	41,915,856
	Total Rs.	575,017,787	439,819,512

Note 23	<u>Changes in Inventories</u>	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Closing Stock		
	Finish Goods	37,528,774	18,793,040
	Semi Finish Goods	4,561,502	132,251
	Goods in Transit	11,331,665	-
		53,421,942	18,925,291
	Opening Stock		
	Finished Goods	18,793,040	14,745,727
	Semi Finish Goods	132,251	273,000
		18,925,291	15,018,727
	Net (Increase) / Decrease in Inventories	(34,496,651)	(3,906,564)

Note 24	<u>Employee Benefit Expenses</u>	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Salaries & Wages		
	Salaries, PF employer Contribution & Bonus	17,704,584	15,581,299
	Staff Welfare	707,054	502,466
	Wages	563,959	833,497
	Director Remuneration	4,846,469	3,456,000
	Gratuity Expenses - (Refer Note 42)	1,370,002	42,300
	Total Rs.	25,192,067	20,415,562

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Note 25

Financial Cost	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Bank Interest		
Interest Paid to Bank	17,073,797	17,114,527
Bank Charges		
Bank Charges	3,680,747	853,201
Interest to others		
Interest on NBFC	237,800	1,306,666
Total Rs.	20,992,344	19,274,394

Note 26

Other Expenses	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
A. Manufacturing & Operating Expenses		
Power & Fuel (Electricity Charges)	609,306	1,461,502
Stores & Spare Consumed	853,710	1,052,594
Transport Charges	9,811,904	8,032,098
Agency Charges	495,657	529,606
Water Charges	262,495	588,978
Factory Expenses	862,667	427,157
Factory Rent	300,000	-
Packing Expenses	984,979	38,104
Interest Paid to Suppliers	406,986	75,218
Clearing and Forwarding Charges	2,605,300	4,257,323
Warehousing Charges	870,517	615,340
Terminal Handling & Vessel Charges	697,708	400,431
Total Manufacturing & Operating Expenses	18,761,228	17,478,351
B. Selling and Distribution Expenses		
Commission Brokerage	4,965,325	2,956,210
Advertisement	3,024	308,480
Inland Travelling	225,218	934,580
Discount (Sale)	3,860,878	3,735,716
Total Selling and Distribution Expenses	9,054,445	7,934,986
C. General Expenses		
Miscellaneous Expenses	1,507,181	1,809,088
Interest on payment of statutory dues	418,161	180,484
Total Genral Expenses	1,925,342	1,989,572
C. Establishment Expenses		
Postage & Telegram	280,610	292,808
Professional Charges	2,244,688	889,651
Security Charges	654,616	806,244
Stationery Expenses	253,332	200,987
Auditors Remuneration	120,000	93,500
Repair & Maintanance	1,075,692	1,173,902
Donation	26,700	-
Membership & Subscription	125,406	132,150
Office Expenses	667,928	316,995
Insurance	826,412	916,014
Conveyance Expenses	680,621	60,565
Telephone and Internet Expenses	396,214	412,385
Electricity Expenses	1,943,915	1,015,911
Motor Car Expenses	264,855	152,294
Rent, Rate & Taxes	432,929	37,333
Lab Expenses	413,378	272,171
Vat Expenses	526,328	296,562
Total Establishment Expenses	10,933,624	7,069,471
Total Rs.(A+B+C)	40,674,639	34,472,381

Note :- Research and Development Expenditure included in the Statement of Profit & Loss

Salaries, PF employer Contribution & Bonus	3,249,500	2,390,870
Rent, Rate & Taxes	121,000	-
Lab Expenses	413,377	272,170
Staff Welfare	83,178	63,866
Postage & Telegram	55,612	43,739
Material Cost	810,000	630,000
Packing Material	540,000	450,000
Total Rs.	5,272,667	3,850,644

Note 27 Profit and loss from exceptional items:

Exceptional Items	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Loss on sale of Motor Car	-	138,407
Prior Period Expenses	7,635	1,743,355
Total Rs.	7,635	1,881,762

Note 28 Contingent Liabilities:

Sr. No	Particular	2017-18	2016-17
(i)	Claims against the company not acknowledged	NIL	NIL
(ii)	Commitments, Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets.	-	2,000,000

Note: The Income-tax assessment of the Company has been completed up-to assessment year 2015-16, The Company has been demanded to pay a tax liability of Rs. 65,950 & Rs.67,600 for the F.Y. 2011-12 & 2012-13 respectively and same has been paid in FY 2017-18.

Note 29 Balances of Sundry Debtors, Sundry Creditors Assets, Loans & Advances and Deposits as on 31/3/2018 either debit or credit are subject to confirmation, reconciliation and adjustments, if any.

Note 30 In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value stated in the Balance Sheet which would be realized in the ordinary course of business.

Note 31 The Board of Directors has waived off the board Meeting fees.

Note 32 Figures of the previous year have been regrouped / reclassified, wherever necessary to make them comparable with the figures under review.

Note 33 Segment Reporting as per AS-17

- a. The Organization been processor,importer,Supplier and Exporter of Chemical & Dyes used in the Painting and Textile Industry, which have similar risk and returns and also similar market conditions of demand and supply. All other activities of the company revolve around the main business; as such there are inherent natures of these activities are governed by the same set of risk and returns; these have been grouped as a single segment. The company does not have any other reportable as defined under the Accounting Standard 17 (AS-17) for segment reporting.

- b. Geographical Segments as secondary segment:

Particular	2017-18	2016-17
Exports (Including duties & Taxes)	112,506,527	71,500,806
India (Including duties & Taxes)	644,645,740	512,684,878
Total	757,152,267	584,185,684

Note 34 Particulars of Remuneration to Statutory Auditors

(Amount In Rs.)

Particular	2017-18	2016-17
Audit Fees (Excluding Taxes)	80,000	70,000
Tax Audit (Excluding Taxes)	40,000	23,500
Fees for Certification Charges	5,870	-

Note 35 Details of Component of Raw material consumed

(Amount in Rs.)

Particular	2017-18		2016-17	
	Value	Percentage	Value	Percentage
Indigenous	494,476,982	86%	367,972,255	84%
Imported	80,540,804	14%	71,847,257	16%
Total	575,017,787	100%	439,819,512	100%

Note 36 Expenditure In Foreign Currency

Particular	2017-18	2016-17
Commission	288,673	770,058

Note 37 Value of Imports and Exports

Particular	2017-18	2016-17
Value of Imports on CIF Basis	86,629,804	88,587,257
Value of Exports on FOB Basis	112,506,527	71,500,805

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Note 38 Earnings In Foreign Currency

Particular	2017-18	2016-17
Towards Export of goods	87,554,370	71,279,584

Note 39 There are No Micro, small and Medium Enterprises to whom the company owes dues which are outstanding for more than 45 days during the period. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006 has been determined to the extent such parties have been identified in the basis of information available with the company.

Note 40 Disclosure of related parties (As required by AS-18 Related party disclosure)

List of key management personnel:

Reno.	Name of the Individual	Relationship
1	Mr Rakesh Shah	Key Management
2	Mrs Apooni Shah	Key Management
3	Mr Sharad Kothari	Key Management (From 12th Dec 2017)
4	Mr Aashay R Shah	Relative of Key Management

List of Subsidiary Company :-

Sn.	Name	Relation
1	Omega Woven Mills Pvt Ltd	Subsidiary Company
2	Om Maruti Glasswool & Wirenetting Products Pvt Ltd	Subsidiary Company

Disclosure of related party transaction (During the year):

(Amount in Rs.)

Sr.No.	Nature of transaction	Subsidiary Company	Key Management	Relative of Key Management/ Associate	Total
1	Salary	-	4,846,469	-	4,846,469
		-	(3,456,000)	(900,000)	(4,356,000)
2	Investment Made during the year	5,600,000	-	-	5,600,000
		(7,462,500)	-	-	(7,462,500)
3	Unsecured Loan Received	-	11,255,666	-	11,255,666
		-	(20,596,597)	-	(20,596,597)
4	Unsecured Loan Repayment	-	8,976,523	-	8,976,523
		-	(19,608,159)	-	(19,608,159)
5	Unsecured Loan given	10,248,163	-	-	10,248,163
		(6,913,579)	-	-	(6,913,579)
6	Equity Share Purchase of subsidiary Company	-	5,600,000	-	5,600,000
		-	-	-	-
7	Factory Rent Paid	300,000	-	-	300,000
		-	-	-	-

Note- Figure in bracket represents last year data.

Detail of Investment made in Subsidiary company :-

No	Name	Amount
1	Om Maruti Glasswool & Wirenetting Products Pvt Ltd	5,600,000
	Total	5,600,000

Detail of transaction with Subsidiary company :-

No	Name	Unsecured Loan given	Rent Paid
1	Omega Woven Mills Pvt Ltd	696,303	-
2	Om Maruti Glasswool & Wirenetting Products Pvt Ltd	9,551,860	300,000
	Total Rs.	10,248,163	300,000

Detail of Salary and interest given to key managerial personnel:

(Amount in Rs.)

No	Name	Salary	Unsecured Loan Received	Unsecured Loan Repayment	Equity Share Purchase of subsidiary Company
1	Mr. Rakesh Shah	3,522,150	8,270,666	8,224,024	3,200,000
2	Mrs. Apooni Shah	1,205,319	2,985,000	752,499	2,400,000
3	Mr. Sharad Kothari	119,000	-	-	-
	Total Rs.	4,846,469	11,255,666	8,976,523	5,600,000

Disclosure of outstanding amount at year end:

(Amount in Rs.)

No	Name	Type of Transaction	Amount
1	Mrs. Apooni Shah	Unsecured Loan Received	5,634,776
2	Omega Woven Mills Pvt Ltd	Unsecured Loan Given	7,609,882
3	Om Maruti Glasswool & Wirenetting Products Pvt Ltd	Unsecured Loan Given	9,551,860

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Note 41 In compliance with the Accounting Standard 22 relating to "Accounting for Taxes on Income" issued by the Institute of Chartered Accountant of India, the deferred tax liability accruing during the year has been recognized in the Profit and Loss Account.

Major components of the Deferred Tax Liability/Asset are as follows:-

(Amount in Rs.)

Particulars	Balance as on April 1, 2017 (DTA)	Arising during the year (P&L)	Balance carried forward (DTA)
Deferred Tax liability/Asset on account of timing difference in depreciation	6,257,200	(5,429,994)	827,206
Total	6,257,200	(5,429,994)	827,206

Note 42 Disclosure as per AS 15 for Gratuity Liability

Defined Contribution Plans Amount of Rs. 621275 (PY Rs. 474670) towards Provident Fund is recognized as an expenses & included in "Salaries, PF employer Contribution & Bonus" in Profit & Loss.

Defined Benefits plan and short term Employee benefits**Gratuity (Defined Benefits Plan)**

The Company has a defined benefit gratuity plan. Every Employee who has completed Five years of service get a gratuity on death or resignation or retirement at 15 days of salary (last drawn salary) for each completed year of service. The Gratuity has been provided on the basis of valuation provided by the actuary based on Projected Unit Credit Method.

Date of Valuation	3/1/2018
Number of Member	68
Average Age	33.56
Average Monthly Salary	8243.46
Average Past Service	4.46
Mortality Rate	LIC (2006-08)
Withdrawal Rate	1% to 3% depending
Discount Rate	7.5% P.A.
Salary Escalation	4%

Result of Valuation

PV Of Past Service Benefit	1,199,279
Current Service Cost	170,723
Total Expenses recognised during the year	1,370,002

Particular	31-Mar-18
Gratuity Provision - Non Current	719,567
Gratuity Provision -Current	239,856

Signature to Note No. 1 to 42 forming part of the Balance Sheet and Statement of Profit & Loss.

As per our audit report of even date.

As per our Report of even date**For Shambhu Gupta & Co.**

FRN No.:- 007234C

Chartered Accountants

For and on behalf of Board of Directors of

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

CA. Rajkumar Khatod

Partner

Membership No. 133612

Mr. Rakesh Shah

Director

DIN No. 00503074

Mrs. Apooni Shah

Director

DIN No. 00503116

Place :- Mumbai

Dated :- May, 02nd 2018

Mr. Bhavesh Pandya

Chief Financial Officer

Ms. Honey Magia

Company Secretary

INDEPENDENT AUDITOR'S REPORT

To

The Members of Ambani Organics Limited,

1. We have audited the accompanying consolidated financial statements of **Ambani Organics Limited** (Formally Known as Ambani Organics Private Limited) and its subsidiaries **Omega Woven Mills Private Limited and Om Maruti Glasswool & Wirenwtting Products Private Limited** (collectively referred to as "group") which comprise the consolidated Balance Sheet as at 31st March, 2018 and consolidated Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.
2. The Holding Company Management is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position and consolidated financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (particularly AS 21, consolidated Financial Statement). This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the group and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements by the Directors of the Holding Company as aforesaid that give a true and fair view and are free from material misstatement, whether due to fraud or error.
3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company that gives true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.
4. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion we report that the Consolidated Financial Statement have been prepared by the company's Management in accordance with the requirement of Accounting Standard (AS) 21 - Consolidated Financial Statement notified under section 2 Clause 2 of Companies Act 2013, In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a

true and fair view in conformity with the accounting principles generally accepted in India.

- d) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- e) in the case of Consolidated Profit & Loss Account, of the loss for the year ended on that date; and
- f) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Legal and other Regulatory Requirements

- 3. As required by Companies (Auditor's Report) Order, 2016 issued by the central government of India in terms of subsection (11) of section 143 of the act, we give in the "**Annexure 1**" a statement on the matters specified in the order.
- 4. As required by section 143 (3) of the Act, we report that:
 - h) We have sought and obtained all information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - i) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - j) The Consolidated Balance Sheet and Consolidated Statement of Profit and Loss dealt with by this report are in agreement with the books of account.
 - k) In our opinion, the Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss comply with the Accounting Standards specified under section 133 Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - l) On the basis of written representations received from the directors of the Holding company as on 31st March 2018 and taken on record by the Board of Directors of Holding Company, none of the directors is disqualified as on 31st March 2018, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013.
 - m) With respect to the adequacy of Internal Financial controls over financial reporting of company and the operating effectiveness of such controls, refer to our separate report in "**Annexure-2**" to this report.
 - n) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us –

- iii. The Company does not have pending litigation.
- iv. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

For Shambhu Gupta & Co.

Chartered Accountants

FRN No.:- 007234C

Sd/-

CA. Rajkumar Khatod

Partner

M. No. 133612

Place:-Mumbai

Date: - May 02, 2018

THE ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE COMPANY ON THE ACCOUNTS OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2018

Our reporting on the Order includes Two Subsidiaries Company incorporated in India, to which the Order is applicable, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

In respect of a subsidiary company incorporated in India, which have been included in the consolidated financial statements based on audited financial statements of such entities provided to us by the Management, whilst in our opinion, and according to the information and explanations given to us, we report that

- (i) (a) The Group Company has maintained the proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, all fixed assets of the Holding and subsidiary Company have been physically verified by the management during the year and the procedures of physical verification followed by the management, in our opinion, was reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies were noticed during such verification.
- (c) According to information & explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- (ii) In respect of the inventories of the holding company and its subsidiary company incorporated in the inventories have been physically verified at reasonable intervals during the year by the management. The discrepancies noticed on physical verification between the physical stock and book records were not material and have been properly dealt with in the books of accounts.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the holding company and its subsidiary company incorporated in India has granted loans to two parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - (c) The terms & Condition of the grant of such loans are not prejudicial to the company's interest.
 - (d) There is no repayment schedule for payment of principle and interest between both the companies, Hence the provision of clause (b) and (c) are not applicable to company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and advances made.
- (v) In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public. Hence the provisions of this clause are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under

Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

- (vii) (a) The Company is regular in depositing with appropriate authorities all undisputed statutory dues except the followings arrears stood on last day of the concerned financial year, for a period of more than 6 months:

Nature of the Dues	Amount (Rs.)	Period to which the amount relates
Professional Tax	3,13,256	From FY 2013-2014 to 2016-2017

- (b) According to the information and explanation given to us, there are no dues on account of Sales Tax, Wealth tax, Service tax, Customs duty, Excise duty and Cess which have not been deposited on account of any disputes.
- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any Bank or financial institutions during the year.
- (ix) In our opinion and according to the information and explanations given to us, the term loan taken by the company has been applied for the purpose for which they were raised.
- (x) In our opinion and according to the information and explanations given to us there is no any fraud by the company or any fraud on the Company by its officers/ employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, sec 197 read with schedule V of the companies act , 2013 dealing with managerial remuneration is not applicable to the company.
- (xii) The company is not a Nidhi Company so the provision of this clause is not applicable to company.
- (xiii) All transactions with the related parties are in compliance with Section 188 of Companies Act, 2013 and have been disclosed in the Consolidated Financial Statements as required by the accounting standards and Companies Act, 2013. As regards to Sec 177 of Companies Act, 2013 dealing with the Audit Committee is not applicable to the company.
- (xiv) During the year the Group Company has not made any preferential allotment/ Private placement of shares or fully or partly convertible debenture during the year.
- (xv) In our opinion and according to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him so provisions of Section 192 of Companies Act, 2013 have been complied with.

(xvi) The group company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Shambhu Gupta & Co.

Chartered Accountants

FRN No.:- 007234C

Sd/-

CA. Rajkumar Khatod

Partner

M. No. 133612

Place:-Mumbai

Date: - May 02, 2018

"ANNEXURE 2" TO THE INDEPENDENT AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 2(F) UNDER THE HEADING "REPORT ON OTHER LEGAL & REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

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

We have audited the internal financial controls over financial reporting of the Company as of 31 March 2018 in conjunction with our audit of the standalone financial statements "Ambani Organics Limited " (the Holding Company) and its subsidiary which is incorporated in India as on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the ICAI. Because the matter described in Disclaimer of opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on Internal Financial Controls over Financial Reporting of the company.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding company and its subsidiary company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI).

For Shambhu Gupta & Co.

Chartered Accountants

FRN No.:- 007234C

Sd/-

CA. Rajkumar Khatod

Partner

M. No. 133612

Place:-Mumbai

Date: - May 02, 2018

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

Consolidated Balance Sheet for the year ended 31st March, 2018

Particulars	Note No	Year Ended 31.03.2018	Year Ended 31.03.2017
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	38,106,590	38,106,590
(b) Reserves and Surplus	3	20,775,013	4,647,224
(2) Non-Current Liabilities			
(a) Long-term Borrowings	4	28,760,218	21,496,392
(c) Other Long term Liabilities	5	55,334,730	54,185,395
(b) Deferred tax liabilities (Net)	6	-	-
(d) Long-term Provision	7	5,299,056	2,665,608
(3) Current Liabilities			
(a) Short-term borrowings	8	124,747,412	97,370,132
(b) Trade payables	9	194,147,130	154,577,571
(c) Other current liabilities	10	8,296,308	8,908,086
(d) Short-term provisions	11	1,798,463	1,021,278
Total		477,264,920	382,978,276
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		113,462,369	108,361,013
(ii) Intangible assets		15,970,161	8,251,776
(b) Non-current investments	13	2,001,584	1,684,414
(c) Long term loans and advances	14	566,132	370,281
(d) Deferred Tax Assets (Net)	6	3,092,891	6,257,200
(d) Other non-current assets		-	-
(2) Current assets			
(a) Inventories	15	103,820,498	62,887,191
(b) Trade receivables	16	183,819,457	160,958,012
(c) Cash and cash equivalents	17	7,776,551	7,494,443
(d) Short-term loans and advances	18	4,526,508	1,740,914
(e) Other current assets	19	42,228,769	24,973,032
Total		477,264,920	382,978,276
Significant accounting policies	1 to 42		
Notes to the consolidated financial statements			

As per our Report of even date

For Shambhu Gupta & Co.

FRN No.:- 007234C

Chartered Accountants

For and on behalf of Board of Directors of

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)**Mr. Rakesh Shah**

Director

DIN No. 00503074

Mrs. Apooni Shah

Director

DIN No. 00503116

CA. Rajkumar Khatod

Partner

Membership No. 133612

Mr. Bhavesh Pandya

Chief Financial Officer

Ms. Honey Magia

Company Secretary

Place :- Mumbai

Dated :- May 02nd, 2018

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

Consolidated Profit and Loss statement for the year ended 31st March, 2018

<u>Particulars</u>	<u>Note No</u>	<u>Year Ended 31.03.2018</u>	<u>Year Ended 31.03.2017</u>
I. Revenue from operations	20	757,152,267	584,185,684
Less:- Duties & Taxes		104,200,850	60,611,312
Net Revenue from operations		652,951,417	523,574,372
II. Other Operational Income	21	2,863,417	5,410,544
III. Total Revenue		655,814,834	528,984,916
<u>IV. Expenses:</u>			
Cost of materials consumed	22	575,017,786	439,819,512
Changes in inventories of finished goods and Stock-in-Trade	23	(34,496,650)	(3,906,564)
Employee benefit expense	24	25,392,068	20,415,562
Financial costs	25	20,993,115	19,352,054
Depreciation and amortization expense		6,378,650	4,782,579
Other expenses	26	41,531,410	34,715,742
IV Total Expenses		634,816,379	515,178,885
V. Profit before exceptional and extraordinary items and tax	(III - IV)	20,998,455	13,806,030
VI. Exceptional items	27	(101,205)	1,881,762
VII Profit before extraordinary items and tax	(V - VI)	21,099,660	11,924,268
VIII. Extraordinary Items		-	-
IX. Profit before tax	(VIII-IX)	21,099,660	11,924,268
X. Tax expense:			
(1) Current tax		4,579,489	2,665,608
(2) Mat Credit Entitlement		(4,579,489)	(2,665,608)
(3) Tax adjustment of earlier year		264,949	-
(3) Deferred tax		(3,164,309)	(3,781,615)
XI. Profit/(Loss) before Minority Interest	(IX-X)	17,670,402	8,142,653
XII. Minority Interest		-	-
XIII. Profit/(Loss) transfer to Reserve & Surplus	(XI-XII)	17,670,402	8,142,653
XIV. Earning per equity share:			
Basic EPS (In Rs.)		4.64	2.14
Diluted EPS (In Rs.)		4.64	2.14
Significant Accounting Policies	1 to 42		
Notes on Financial Statements			

As per our Report of even date

For Shambhu Gupta & Co.

FRN No.:- 007234C

Chartered Accountants

For and on behalf of Board of Directors of

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

CA. Rajkumar Khatod
Partner
Membership No. 133612

Mr. Rakesh Shah
Director
DIN No. 00503074

Mrs. Apooni Shah
Director
DIN No. 00503116

Place :- Mumbai
Dated :- May 02nd, 2018

Mr. Bhavesh Pandya
Chief Financial Officer

Ms. Honey Magia
Company Secretary

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

Consolidated Cash Flow Statement for the year ended 31st March, 2018

Particulars	Year ended on 31.03.2018
A CASH FLOWS FROM OPERATING ACTIVITIES	
Net Profit before tax and before extraordinary items	21,099,660
Adjustments for : -	
Depreciation	6,378,650
Interest Expenses	20,993,115
Profit/Loss on sale of fixed assets	(108,840)
Tax Adjustment of Earlier Years	(264,949)
Pre-Acquisition Profit/Loss	(1,542,612)
Interest Income	(190,198)
Operating profit before working capital changes	46,364,827
Adjustments for : -	
Inventories	(40,933,307)
Short term provisions	777,185
Short term borrowings	27,377,280
Other Current Liabilities	(611,778)
Other Current Assets	(17,255,737)
Trade and other receivables	(22,861,445)
Long term Provision	2,633,448
Other Long term Liabilities	1,149,335
Other Non Current Assets	-
Long term Loans and Advances	(195,851)
Short term Loans and Advances	874,747
Trade Payables	39,569,559
Net (Increase)/Decrease in Working Capital	(9,476,565)
Cash generated from / (used in) Operating Activities	
Taxes (Paid) (including TDS)	3,660,341
Net Cash from operating activities	33,227,921
B Cash Flow from Investing Activities:	
Purchase of fixed assets	(19,997,053)
Sale of Fixed assets	907,500
Investment in Non-Current Investment	(317,170)
Interest Received	190,198
Net Cash used in investment activities	(19,216,525)
C Cash Flow from Financing Activities:	
Equity Share Issued	-
Proceeds / (Repayment) of Long-term Borrowings	7,263,826
Interest Paid	(20,993,115)
	-13,729,289
Net Increase / (Decrease) in Cash and Cash Equivalents	282,108
Cash and Cash Equivalents	
Opening Balance Cash & Cash Equivalents	7,494,443
Closing Balance Cash & Cash Equivalents	7,776,551

Consolidated Cash Flow Statement for the year ended 31st March, 2018

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- 2 Cash and Cash Equivalent at the end of the year consist of cash in hand and balances with banks, fixed deposit from banks and buyers margin.

As per our Audit Report of even date

As per our Report of even date
For Shambhu Gupta & Co.
FRN No.:- 007234C
Chartered Accountants

For and on behalf of Board of Directors of
**AMBANI ORGANICS LIMITED (Formerly Known as
Ambani Organics Private Limited)**

CA. Rajkumar Khatod
Partner
Membership No. 133612

Mr. Rakesh Shah
Director
DIN No. 00503074

Mrs. Apooni Shah
Director
DIN No. 00503116

Place :- Mumbai
Dated :- May 02nd, 2018

Mr. Bhavesh Pandya
Chief Financial Officer

Ms. Honey Magia
Company Secretary

NOTE NO. 1: SIGNIFICANT ACCOUNTING POLICIES**Background & General Information**

Our Company was incorporated as Ambani Organics Private Limited on 08th July 1985 under the companies Act, 1956 bearing registration no. 036774 and having its registered office in Boisar, Tarapur Maharashtra. Subsequently, the status of company was changed to a public limited company and the name of our company was changed to Ambani Organics Limited vide special resolution dated March 07, 2018. A fresh certificate of incorporation consequent upon change of name was issued on March 07, 2018 by the Registrar of Companies, Mumbai, Maharashtra.

Ambani Organics Limited is a chemical manufacturing company with manufacturing and Processor, Importer, Supplier and Exporter of Chemical & Dyes used in Painting and Textile Industry.

A. Basis for Consolidation

The Consolidated Financial Statements comprise the individual financial statements of the Company and its subsidiary as on March, 31 2018 and for the year ended on that date. The consolidated financial statements have been prepared on the following basis:-

(a) The financial statements of the Company and its subsidiary have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra group balances and intra group transactions resulting in unrealised profits or losses in accordance with the Accounting Standard 21 on "Consolidated Financial Statements" as notified by the Companies (Accounting Standards) Rules, 2006.

(b) The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Company, i.e. March 31, 2018.

(c) Investments in subsidiaries are eliminated and differences between the cost of investment over the net assets on the date of investment in subsidiaries are recognised as Goodwill or Capital Reserve, as the case may be.

(d) Minority Interest's share of net profit or loss of subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to the Equity Shareholders of the Company.

(e) **Minority Interest's share of net assets** of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet as a separate item from liabilities and the Shareholders' Equity.

(f) The Consolidated Financial Statements are prepared using **uniform Accounting Policies** for like transactions and other events in similar circumstances and are presented in the same manner as the standalone financial statements of the Company.

The Subsidiaries in the Consolidated Financial Statements are as under:

Name of the entity	Proportion of ownership interest March 2018
Subsidiary	
Omega Woven Mills Private Limited	99.50%
Om Maruti Glasswool & Wirenetting Products Private Ltd	99.86%

B. Use of Estimates

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

C. Fixed Assets & Depreciation

Fixed assets are stated at cost inclusive of value added tax less accumulated depreciation and impairment loss, if any. All costs including financing costs till commencement of commercial production. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of fixed assets are required to be

Depreciation on fixed assets is provided on straight line method using the life of assets based on the useful lives provided by the Schedule II of Companies Act 2013.

Depreciation on assets acquired / disposed off during the year has been provided on a pro-rata basis from the date of addition or up to the date of disposal as applicable.

There is no difference in life of assets as prescribed in schedule II of Companies Act 2013 and in our working.

D. Revenue Recognition

Sales are exclusive of Duties & Taxes. Sales are recognized when significant risk and rewards of ownership of goods are passed on to customers. Sales tax incentives are recognized as income as and when the amounts of incentive are confirmed by the respective officers.

E. Investments

Current investments are carried at lower of cost and quoted/ fair market value, compared category wise. Long term Investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than a temporary.

F. Inventories

Inventories are valued at:

1. Raw Materials, Stores & Spare Parts: At Cost (FIFO).
2. Finished Goods: The cost is determined by taking material, labour & related factory overheads. The company follows exclusive method for valuation of stock. It is valued at lower of Cost or net reliable value.
3. Consumable Stores : At Cost (FIFO)

G. Impairment of Assets.

The carrying amount of assets is reviewed at each Balance-sheet date if there is an indication of impairment based on the internal and external factors. An impairment loss if any is charged to Statement of Profit & Loss in the year in which the amount is identified as impaired. There are no assets which can be termed is impaired asset during the year.

H. Employee Benefits

Short term employee benefits and contribution to defined contribution plans are recognized as an expense on accrual at the undiscounted amount in the Statement of Profit and Loss. Other long term employee benefits in the nature of gratuity are accounted on Cash basis and computed in accordance with the policy of the company in the said regard.

I. Foreign Currency Transaction

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the rate of the transactions. Monetary items denominated in foreign currency at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rates and rate on the date of the contract recognized as exchange difference and the premium paid on forward contract is recognized over the life of the contract.

J. Provision for Current and Deferred Tax

Provision for taxation is made on the basis of the taxable profits computed for the current accounting year in accordance with the provision contained in the Income-tax Act, 1961. Provision is also made for the deferred tax assets arising due to C/F losses & deferred tax liability arising due to the timing difference between profit computed as per the Income-tax and the financial statements. Net Deferred tax Assets resulting from the timing difference & losses are expected to crystallize in the future.

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

NOTES ON ACCOUNTS**Note 2.a Disclosure of Share Capital**

<u>Share Capital</u>	As at 31 March 2018		As at 31 March 2017	
	Number	Rs.	Number	Rs.
Authorised Equity Shares Of Rs. 10/- Each	4,000,000	40,000,000	4,000,000	40,000,000
Issued, Subscribed & Paid up Equity Shares of Rs. 10/- each fully Paid	3,810,659	38,106,590	3,810,659	38,106,590
Total Rs.	3,810,659	38,106,590	3,810,659	38,106,590

Note 2.b Disclosure related to Outstanding share detail

<u>Particulars</u>	As at 31 March 2018		As at 31 March 2017	
	Equity Shares		Equity Shares	
	Number	Rs.	Number	Rs.
Shares outstanding at the begining of the year	3,810,659	38,106,590	3,810,659	38,106,590
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,810,659	38,106,590	3,810,659	38,106,590

Note 2.c Details of the Shareholding more than 5%

<u>Name of Shareholder</u>	As at 31 March 2018		As at 31 March 2017	
	No. of Shares	% of	No. of Shares	% of Holding
Rakesh Shah	3,464,721	90.92	3,390,627	88.98
Apooni Shah	314,738	8.26	314,738	8.26

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

Note 3

Reserves & Surplus	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Securities Premium Account		
Opening Balance	2,894,410	2,894,410
Add : Securities premium credited on Share issue	-	-
Closing Balance	2,894,410	2,894,410
Investment Allowance Reserves	-	-
Subsidy	-	-
	-	-
Profit and loss Account		
Opening balance	1,752,813	(6,566,622)
(+) Net Profit/(Net Loss) For the current year	17,670,402	8,142,653
(+) Pre-Acquisition Profit/Loss	(1,542,612)	176,781
Closing Balance	17,880,603	1,752,813
Total Rs.	20,775,013	4,647,224

Note 4

Long Term Borrowings	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Secured		
(a) Loans from Banks		
Union Bank of India		
i) Term Loan for Plant and Machinery *	14,541,869	18,256,152
ii) Car Loan **	1,507,764	2,033,682
*		
(i) The above loan from UBI and debts are secured by first mortgage of Plant & machinery's purchased from this loan and personal guarantee of directors and payable in 84 monthly installment of Rs.3,10,000/- Starting from month of March,2016.		
**		
(ii) The Car Loan from UBI and it is secured by vehicle only.		
A	16,049,633	20,289,834
Unsecured		
a) Intercompany Loans	4,468,285	284,242
b) From Directors	5,634,776	922,316
c) Unsecured Loan from NBFC	2,607,524	-
d) Loan from Holding Company	-	-
B	12,710,585	1,206,558
Total (A+B)	28,760,218	21,496,392

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

Note 5	<u>Other Long term Liabilities</u>	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Other Long term Liabilities		
	a) Acceptances	54,185,395	54,185,395
	b) Security Deposit	1,149,335	-
	Closing Balance	55,334,730	54,185,395

Note 6	<u>Deferred Tax Liability/(Assets)</u>	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Opening Deferred Tax Assets	(6,257,200)	(10,038,816)
	For Current Year (P&L)	(3,164,309)	(3,781,615)
	Closing Balance	(3,092,891)	(6,257,200)

Note 7	<u>Long-term Provision</u>	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Provision for Tax	4,579,489	2,665,608
	Provision for Gratuity -Refer Note 42	719,567	-
	Total	5,299,056	2,665,608

Note 8	<u>Short Term Borrowings</u>	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Secured		
	(a) Loans Repayable on Demand		
	- Working Capital Loan		
	Union Bank of India, Mumbai.	120,430,412	97,370,132
	(b) Buyers Credit	4,267,000	-
	*		
	("The validity of the buyers credit and LC is for 3 months from date of issue with the possibility of roll-over. However as the buyers credit is a sub-limit of the LC sanctioned by the bank, the same has been classified as Short term borrowing in the financial Statements.")		
	(Secured against Stock of Raw Material, Finished Goods, Other Inventory, Book Debts, Term Deposit, Land & Building and Personal Guarantee of the Directors.)		
	Other Loans and Advances		
	Others.	50,000	-
	Total Rs.	124,747,412	97,370,132

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

Note 9	<u>Trade Payables</u>	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Sundry Creditors (Including Letter of Credit)		
	(a) Sundry Creditors for goods & Service	194,147,130	154,577,571
	Total Rs.	194,147,130	154,577,571

Note 10	<u>Other Current Liabilities</u>	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	(A) Current Maturities of Long-Term Debt		
	Secured		
	(a) Loans from Bank		
	Union Bank of India, Mumbai		
	i) Term Loan for Office *	-	2,400,034
	ii) Term Loan for Plant and Machinery *	3,720,000	3,720,000
	iii) Car Loan **	682,387	778,371
	*		
	(i) The above loan from UBI and debts are secured by first mortgage of Plant & machinery's purchased from this loan and personal guarantee of directors and payable in 84 monthly installment of Rs.3,10,000/- Starting from month of March,2016.		
	**		
	(ii) The above loan from UBI and it is secured by vehicle only		
	Unsecured		
	(a) Loan from NBFC		
	i) Unsecured Loan from NBFC	2,631,871	-
	(B) Other Current Liabilities		
	TDS Payable	283,737	1,086,020
	TDS late filing fees payable	17,600	17,600
	Service Tax Payable	-	344,951
	Advance from customer	279,249	103,896
	Professional Tax Payable	325,306	313,256
	MLWF Payable	1,632	15,000
	Provident Fund Payable	294,702	128,957
	ESIC Payable	22,324	-
	GST RCM Payable	37,500	-
	Total Rs.	8,296,308	8,908,086

Note 11	<u>Short Term Provisions</u>	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Provision Others		
	(a) Provision for Salary	1,375,507	834,283
	(b) Provision for Taxation	-	133,560
	(c) Provision for Expenses	-	43,435
	(d) Audit Fees Payable	183,100	10,000
	(e) Provision For Gratuity -Refer Note 42	239,856	-
	Total Rs.	1,798,463	1,021,278

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

N-44, MIDC, Boisar

CIN:- U24220MH1985PTC036774

Note 12

Sr No.	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 01 April, 2017	Additions during the year	Delation during the year	Balance as at 31 March 2018	Balance as at 01 April,2017	Depreciation For the Year	Depreciation on Disposal	Balance as at 31 March 2018	Balance as at 31 March 2018	Balance as at 31 March 2017
A	Tangible Assets										
1	Freehold Land	129,020	-	-	129,020	-	-	-	-	129,020	109,020
2	Plant & Machinery	49,046,405	8,684,619	907,500	56,823,524	3,742,313	3,478,169	108,840	7,111,642	49,711,882	45,304,092
3	Furniture & Fixture	747,557	39,000	-	786,557	167,690	63,241	-	230,931	555,626	579,490
4	Building	39,497,034	-	-	39,497,034	4,128,221	1,245,382	-	5,373,603	34,123,431	35,334,636
5	Electrical Installation	4,370,790	741,448	-	5,112,239	455,667	339,445	-	795,112	4,317,127	3,897,087
6	Office Equipments	106,336	-	-	106,336	37,707	4,463	-	42,170	64,166	68,629
7	Motor Car	5,519,081	-	-	5,519,081	672,707	321,552	-	994,259	4,524,822	4,807,296
8	Computers	1,395,000	196,680	-	1,591,680	1,124,805	164,951	-	1,289,756	301,924	264,339
9	Air Conditioners	180,669	120,303	-	300,972	121,846	36,007	-	157,853	143,119	58,823
10	Mobile Phone	333,367	139,384	-	472,751	230,890	48,888	-	279,778	192,973	100,388
11	Testing Instrument	830,944	-	-	830,944	206,086	47,813	-	253,899	577,045	624,858
12	Scooter	117,500	-	-	117,500	13,518	11,163	-	24,681	92,819	103,982
13	Factory Shed	17,723,120	2,234,572	-	19,957,692	614,749	617,016	-	1,231,765	18,725,927	17,108,371
14	Xerox Machine	49,725	-	-	49,725	47,239	-	-	47,239	2,486	-
	Total (A)	120,046,550	12,156,007	907,500	131,295,056	11,563,438	6,378,090	108,840	17,832,688	113,462,369	108,361,013
B	Intangible Assets										
	Goodwill on Consolidation	8,251,776	7,448,946	-	15,700,723	-	-	-	-	15,700,723	8,251,776
	Software	-	270,000	-	270,000	-	562	-	562	269,438	-
	Total (B)	8,251,776	7,718,946	-	15,970,723	-	562	-	562	15,970,161	8,251,776
C	Capital - WIP	-	-	-	-	-	-	-	-	-	-
	Total	128,298,326	19,874,953	907,500	147,265,779	11,563,438	6,378,652	108,840	17,833,250	129,432,529	116,612,789
	Previous Year's Total	100,579,180	20,985,744	-	120,850,134	6,132,514	4,782,579	526,383	10,388,710	129,432,529	116,608,843

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Note 13

<u>Non Current Investment</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Long term Investments		
Gold Coin	1,646,014	1,338,814
Shares of Tarapur Enviornmental Protection Society	345,600	345,600
Maharastra State Electricity Board Bond	9,970	-
Investment in Subsidiary company		
Omega Woven Mills Pvt Ltd	-	-
Om Maruti Glasswool & Wirenetting Products Pvt Ltd	-	-
Total Rs.	2,001,584	1,684,414

Note 14

<u>Long Term Loans and Advances</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Security Deposits		
Unsecured, considered good		
Other deposits	566,132	370,281
Loans & Advances		
Unsecured, considered good		
- To Subsidiary Companies	-	-
Total Rs.	566,132	370,281

Note 15

<u>Inventories</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
(a) Raw Materials and components (Valued at cost)	50,398,556	41,915,856
(b) Finished goods (Valued at cost or market value which ever is less)	37,528,774	18,793,040
(c) WIP	4,561,502	132,251
(d) Goods In Transit	11,331,665	2,046,043
Total Rs.	103,820,498	62,887,191

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Note 16

<u>Trade Receivables</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Sundry Debtors (Unsecured, considered good)		
Debt outstanding for the period exceeding Six Months	23,479,803	13,241,420
Other Debts	160,339,654	147,716,592
Total Rs.	183,819,457	160,958,012

Note:- "Debt outstanding for the period exceeding Six Months" it includes 3 parties to whom legal notice for recovery of debt amounted to Rs. 577314 has been initiated in year 2014-15 and the same is under dispute till date of signing of Financials.

Note 17

<u>Cash And Cash Equivalent</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Cash & Cash Equivalent		
i) Cash in hand	1,055,726	347,183
ii) Balance with Banks		
-Current account with Scheduled Bank	790,434	454,661
iii) Fixed Deposit	15,593	1,316,153
iv) Buyers Credit Margin	5,914,798	5,376,446
Total Rs.	7,776,551	7,494,443

Note 18

<u>Short Term Loans And Advances</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Other loans and advances Unsecured, Considered Good		
i. Advances Income Tax & TDS	3,660,341	42,398
ii. Advances to Employees	575,167	959,058
iii. Others	200,000	594,737
iv. Advances for fixed assets	-	144,721
v. Advance given to Supplier	91,000	-
Total Rs.	4,526,508	1,740,914

Note 19

<u>Other Current Assets</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.
Cenvat Credit Receivable	-	1,378,232
Excise Refund Receivable	704,050	3,568,929
Service Tax Claimable	-	4,194,865
Vat Refund Receivable	15,625,472	12,559,241
Advance given to Supplier	4,395,322	503,012
Advance against Expenses	8,673	95,510
Mat Credit Entitlement	7,076,162	2,665,608
Duty Drawback Receivable	80,629	7,635
Prepaid expenses	1,254,615	-
GST Credit Receivable	8,578,152	-
GST Refund Receivable	4,505,694	-
Total Rs.	42,228,769	24,973,032

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Note 20	Revenue From Operation	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.	Rs.
	Domestic Sales	644,645,740	512,684,878
	Export Sales	112,506,527	71,500,806
	Total Rs.	757,152,267	584,185,684

Note 21	Other Operational Income	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.	Rs.
	Octroi Received	27,503	72,303
	Export Incentive	319,708	729,102
	Foreign Exchange Gain	614,068	729,542
	Interest Income	827,775	330,012
	Discount received	884,165	3,316,846
	Sundry Balance Written Off	-	149,939
	Other Income	190,198	82,800
	Rent Income	-	-
	Total Rs.	2,863,417	5,410,544

Note 22	<u>Cost of Material Consumed</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.	Rs.
	Opening Stock	41,915,856	17,707,028
	Add : Purchase	583,500,486	464,028,341
	Less : Closing Stock	50,398,556	41,915,856
	Total Rs.	575,017,786	439,819,512

Note 23	<u>Changes in Inventories</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.	Rs.
	Closing Stock		
	Finish Goods	37,528,774	18,793,040
	Semi Finish Goods	4,561,502	132,251
	Goods in Transit	11,331,665	
		53,421,942	18,925,291
	Opening Stock		
	Finished Goods	18,793,040	14,745,727
	Semi Finish Goods	132,251	273,000
		18,925,291	15,018,727
	Net (Increase) / Decrease	(34,496,650)	(3,906,564)

Note 24	<u>Employee Benefit Expenses</u>	As at 31 March 2018	As at 31 March 2017
	Rs.	Rs.	Rs.
	Salaries & Wages		
	Salaries, PF employer Contribution & Bonus	17,904,584	15,581,299
	Staff Welfare	707,054	502,466
	Wages	563,959	833,497
	Director Remuneration	4,846,469	3,456,000
	Gratuity - Refer Note 42	1,370,002	42,300
	Total Rs.	25,392,068	20,415,562

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Note 25	Financial Cost	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Bank Interest		
	Interest Paid to Bank	17,073,797	17,114,527
	Bank Charges		
	Bank Charges	3,681,518	855,643
	Interest to others		
	Interest on NBFC	237,800	1,306,666
	Total Rs.	20,993,115	19,276,836

Note 26	Other Expenses	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	A. Manufacturing & Operating Expenses		
	Power & Fuel (Electricity Charges)	609,306	1,461,502
	Stores & Spare Consumed	853,710	1,052,594
	Transport Charges	9,811,904	8,032,098
	Agency Charges	495,657	529,606
	Water Charges	299,521	588,978
	Factory Expenses	862,667	427,157
	Factory Rent	-	-
	Packing Expenses	984,979	38,104
	Clearing and Forwarding Charges	2,605,300	4,257,323
	Interest Paid to Suppliers	406,986	75,218
	Warehousing Charges	870,517	615,340
	Terminal Handling & Vessel Charges	697,708	400,431
	Total Manufacturing & Operating Expenses	18,498,254	17,478,351
	B. Selling and Distribution Expenses		
	Commission Brokerage	4,965,325	2,956,210
	Advertisement	3,024	308,480
	Inland Travelling	225,218	934,580
	Discount (Sale)	3,860,878	3,735,716
	Total Selling and Distribution Expenses	9,054,445	7,934,986
	C. General Expenses		
	Miscellaneous Expenses	1,507,181	1,809,088
	Interest on payment of statutory dues	418,161	180,484
	Total Genral Expenses	1,925,342	1,989,572
	D. Establishment Expenses		
	Postage & Telegram	280,610	292,808
	Professional Charges	2,299,997	930,580
	Security Charges	654,616	806,244
	Stationery Expenses	253,332	200,987
	Auditors Remuneration	179,000	98,500
	Repair & Maintanance	1,075,692	-
	Donation	26,700	1,173,902
	Membership & Subscription	125,406	132,150
	Office Expenses	667,928	316,995
	Insurance	826,412	916,014
	Conveyance Expenses	680,621	60,565
	Telephone and Internet Expenses	396,214	412,385
	Electricity Expenses	2,552,351	1,037,201
	Motor Car Expenses	264,855	152,294
	Rent, Rate & Taxes	448,929	75,293
	Lab Expenses	413,378	272,171
	Share Transfer Fees	379,000	20,000
	Lease Deed Charges	-	193,400
	Vat Expenses	526,328	296,562
	Sundry Balance Written Off	2,000	-
	Total Establishment Expenses	12,053,369	7,388,050
	Total Rs.(A+B+C+D)	41,531,410	34,790,960

Note :- Research and Development Expenditure included in the Statement of Profit & Loss

Salaries, PF employer Contribution & Bonus	3,249,500	2,390,870
Rent, Rate & Taxes	121,000	-
Lab Expenses	413,377	272,170
Staff Welfare	83,178	63,866
Postage & Telegram	55,612	43,739
Material Cost	810,000	630,000
Packing Material	540,000	450,000
Total Rs.	5,272,667	3,850,644

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Note 27	Exceptional Items	As at 31 March 2018	As at 31 March 2017
		Rs.	Rs.
	Loss on sale of Motor Car	-	138,407
	Profit on Sale of Fixed Assets	(108,840.00)	-
	Prior Period Expenses	7,635.00	1,743,355
	Total Rs.	(101,205)	1,881,762

Note 28 Contingent Liabilities:

Sr. No	Particular	2017-18	2016-17
(i)	Claims against the company not acknowledged	NIL	NIL
(ii)	Commitments, Estimated amount of contracts remaining to be executed on capital	-	2,000,000

Note: The Income-tax assessment of the Company has been completed up-to assessment year 2015-16, The Company has been demanded to pay a tax liability of Rs. 65,950 & Rs.67,600 for the F.Y. 2011-12 & 2012-13 respectively and same has been paid in FY 2017-18.

Note 29 Balances of Sundry Debtors, Sundry Creditors Assets, Loans & Advances and Deposits as on 31/3/2018 either debit or credit are subject to confirmation, reconciliation and adjustments, if any.

Note 30 In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value stated in the Balance Sheet which would be realized in the ordinary course of business.

Note 31 The Board of Directors has waived off the board Meeting fees.

Note 32 Figures of the previous year have been regrouped / reclassified, wherever necessary to make them comparable with the figures under review.

Note 33 Segment Reporting as per AS-17

a. The Organization been processor,importer,Supplier and Exporter of Chemical & Dyes used in the Painting and Textile Industry, which have similar risk and returns and also similar market conditions of demand and supply. All other activities of the company revolve around the main business; as such there are inherent natures of these activities are governed by the same set of risk and returns; these have been grouped as a single segment. The company does not have any other reportable as defined under the Accounting Standard 17 (AS-17) for segment reporting.

b. Geographical Segments as secondary segment:

Particular	2017-18	2016-17
Exports (Including duties & Taxes)	112,506,527	71,500,806
India (Including duties & Taxes)	644,645,740	512,684,878
Total	757,152,267	584,185,684

Note 34 Particulars of Remuneration to Statutory Auditors

(Amount In Rs.)

Particular	2017-18	2016-17
Audit Fees (Excluding Taxes)	139,000	75,000
Tax Audit (Excluding Taxes)	40,000	23,500
Fees for Certification Charges	5,870	0

Note 35 Details of Component of Raw material consumed

Particular	2017-18		2016-17	
	Value	Percentage	Value	Percentage
Indigenous	494,476,982	86%	367,972,255	84%
Imported	80,540,804	14%	71,847,257	16%
Total	575,017,786	100%	439,819,512	100%

Note 36 There are No Micro, small and Medium Enterprises to whom the company owes dues which are outstanding for more then 45 days during the period. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006 has been determined to the extent such parties have been identified in the basis of information available with the company.

Note 37 Value of Imports and Exports

Particular	2017-18	2016-17
Value of Imports on CIF Basis	86,629,804	88,587,257
Value of Exports on FOB Basis	112,506,527	71,500,805

Note 38 Expenditure In Foreign Currency

Particular	2017-18	2016-17
Commission	288,673	770,058

Note 39 Earning Foreign Exchange

Particular	2017-18	2016-17
Towards Export of goods	87,554,370	71,279,584

Note 40 Disclosure of related parties (As required by AS-18 Related party disclosure)

List of key management personnel:

Reno.	Name of the Individual	Designation
1	Mr Rakesh Shah	Key Management
2	Mrs Apooni Shah	Key Management
3	Mr Sharad Kothari	Key Management (From 12/12/2017)
4	Mr Aashay R Shah	Relative of Key Management
5	Mr. Chandermohan Bhutani	Key Management (Till 12/10/2017)
6	Mr. Manish Bhutani	Key Management (Till 12/10/2017)
7	Mrs. Saroj Bhutani	Key Management (Till 12/10/2017)
8	Mrs. Madhu Bhutani	Key Management (Till 12/10/2017)

List of Concern of Key Mangement personnel :-

Sn.	Name	Relation
1	M/s A.M. Industries	Concern of Key Mangement Personnel (Till 12/10/2017)

Disclosure of related party transaction (During the year): (Amount in Rs.)

Sr.No.	Nature of transaction	Key Management	Relative of Key Management/ Associate	Total
1	Salary	4,846,469	-	4,846,469
		(3,456,000)	(900,000)	(4,356,000)
2	Unsecured Loan Received	11,255,666	-	11,255,666
		(29,168,859)	-	(29,168,859)
3	Unsecured Loan Repayment	8,976,523	-	8,976,523
		(25,382,494)	-	(25,382,494)
4	Equity Share Purchase of subsidiary Company	5,600,000	-	5,600,000
		-	-	-
5	Sale	-	-	-
		-	(5,400)	(5,400)

Note- Figure in bracket represents last year data.

Disclosure of outstanding amount at year end: (Amount in Rs.)

No	Name	Type of Transaction	Amount
1	Mrs. Apooni Shah	Unsecured Loan Received	5,634,776

Detail of Salary and interest given to key managerial personnel: (Amount in Rs.)

No	Name	Salary	Unsecured Loan Received	Unsecured Loan Repayment	Equity Share Purchase of subsidiary Company
1	Mr. Rakesh Shah	3,522,150	8,270,666	8,224,024	3,200,000
2	Mrs. Apooni Shah	1,205,319	2,985,000	752,499	2,400,000
3	Mr. Sharad Kothari	119,000	-	-	-
Total Rs.		4,846,469	11,255,666	8,976,523	5,600,000

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Note 41 Deferred Tax

In compliance with the Accounting Standard 22 relating to "Accounting for Taxes on Income" issued by the Institute of Chartered Accountant of India, the deferred tax liability accruing during the year has been recognized in the Profit and Loss Account.

Major components of the Deferred Tax Liability/Asset are as follows:-

(Amount in Rs.)			
Particulars	Balance as on April 1, 2017 (DTA)	Arising during the year (P&L)	Balance carried forward (DTA)
Deferred Tax liability/Asset on account of timing difference in depreciation	6,257,200	(3,164,309)	3,092,891
Total	6,257,200	(3,164,309)	3,092,891

Note 42 Discloser as per AS 15 for Gratuity Liability

Defined Contribution Plans Amount of Rs. 621275 (PY Rs. 474670) towards Provident Fund is recognized as an expenses & included in "Salaries, PF employer Contribution & Bonus" in Profit & Loss.

Defined Benefits plan and short term Employee benefits**Gratuity (Defined Benefits Plan)**

The Company has a defined benefit gratuity plan. Every Employee who has completed Five years of service get a gratuity on death or resignation or retirement at 15 days of salary (last drawn salary) for each completed year of service. The Gratuity has been provided on the basis of valuation provided by the actuary based on Projected Unit Credit Method.

Date of Valuation	3/1/2018
Number of Member	68
Average Age	33.56
Average Monthly Salary	8243.46
Average Past Service	4.46
Mortality Rate	LIC (2006-08)
Withdrawal Rate	1% to 3% depending
Discount Rate	7.5% P.A.
Salary Escalation	4%

Result of Valuation

PV Of Past Service Benefit	1,199,279
Current Service Cost	170,723
Total Expenses recognised during the year	1,370,002

Particular	31-Mar-18
Gratuity Provision - Non Current	719,567
Gratuity Provision -Current	239,856

Signature to Note No. 1 to 42 forming part of the Balance Sheet and Statement of Profit & Loss.

As per our audit report of even date.

As per our Report of even date

For Shambhu Gupta & Co.

FRN No.:- 007234C

Chartered Accountants

For and on behalf of Board of Directors of

AMBANI ORGANICS LIMITED (Formerly Known as Ambani Organics Private Limited)

CA. Rajkumar Khatod

Partner

Membership No. 133612

Mr. Rakesh Shah

Director

DIN No. 00503074

Mrs. Apooni Shah

Director

DIN No. 00503116

Place :- Mumbai

Dated :- May 02nd, 2018

Mr. Bhavesh Pandya

Chief Financial Officer

Ms. Honey Magia

Company Secretary