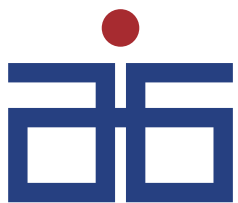


25th

Annual Report
2016-17



Ashok Alco-Chem Limited



Ashok Alco-Chem Limited

Board of Directors

Mr. Purab Shah (DIN : 07490952)	Executive Director & CEO (Appointed w.e.f. April 19, 2016)
Mr. Manoj Ganatra (DIN : 00568914)	Independent Director
Mr. Sunil Shah (DIN : 03567415)	Non - Executive Director
Mrs. Neeta Shah (DIN : 07134947)	Non - Executive Director
Dr. Umesh Kulkarni (DIN : 00394291)	Independent Director (Resigned w.e.f. May 12, 2017)
Mr. Shekhaar Shetty (DIN : 07824778)	Independent Director (Appointed w.e.f. May 17, 2017)

Chief Financial Officer

Mr. V. Shashidharan
(Resigned w.e.f. May 1, 2017)

Company Secretary & Compliance Officer

Ms. Seema Gangawat

Auditors

M/s. R. A. Kuvadia & Co.
Chartered Accountants, Mumbai

Registered Office

104, Venkatesh Chambers, 1st Floor,
Ghanshyam Talwatkar Marg, Fort, Mumbai – 400 001.
CIN: L24110MH1992PLC069615
Tel. No.: 022-61446900 / 01, Fax No.: 022-66104355
Email: info@ashokalcochem.com
Website : <http://www.ashokalcochem.com>

Plant

Plot No. A-22/2/1, Mahad Industrial Area,
Village Kamble, Mahad - 402 301.
Dist :Raigad, Maharashtra.

Registrar & Share Transfer Agent

LINK INTIME INDIA PVT. LTD.
C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400 083
Tel No: +91 22 49186000 Fax: +91 22 49186060
Email: rnt.helpdesk@linkintime.co.in

Bankers

IDBI Bank

INDEX OF CONTENTS	PAGE NO.
NOTICE OF 25 th AGM	1 - 10
DIRECTORS' REPORT & CORPORATE GOVERNANCE REPORT	11 - 53
STANDALONE INDEPENDENT AUDITORS' REPORT	55 - 59
STANDALONE FINANCIAL STATEMENTS	60 - 81
CONSOLIDATED INDEPENDENT AUDITORS' REPORT	82 - 84
CONSOLIDATED FINANCIAL STATEMENTS	86 - 106
PROXY FORM	-



NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the Members of Ashok Alco-Chem Limited will be held on Friday, September 22, 2017 at 11.00 a.m. at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Oricon House, 6th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400 001, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone & Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 together with the Reports of the Board of Directors (“the Board”) and the Auditors' thereon.
2. To declare dividend of Re. 1 per Equity Share for the financial year ended March 31, 2017.
3. To appoint a Director in place of Mrs. Neeta Shah (DIN: 07134947) who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint M/s. R A Maru & Associates, Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration and in this regard, to consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s R A Maru & Associates, Chartered Accountants (Firm Registration No. 141914W) be and is hereby appointed as Statutory Auditors of the Company, in place of retiring Auditors, M/s R. A. Kuvadia & Co., Chartered Accountants (Firm Registration No. 105487W), for a term of five years, to hold office from the conclusion of the 25th Annual General Meeting (AGM) until the conclusion of the 30th AGM, subject to ratification of their appointment by the Members at every AGM, at such remuneration as may be mutually agreed between the Board of Directors and the said Auditors of the Company.”

SPECIAL BUSINESS:

5. **Appointment of Mr. Shekhaar Shetty (DIN: 07824778) as an Independent Director**

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of section 149, 150 and 152 read with schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Shekhaar Shetty (DIN : 07824778) who was appointed as an Additional Director (Category - Non - Executive, Independent) of the Company by the Board of Directors effective May 17, 2017 and in respect of whom the Company has received a notice under section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive, Independent Director of the Company, not liable to retire by rotation, for a period of three consecutive years with effect from May 17, 2017.

RESOLVED FURTHER THAT Mr. Purab Shah - Executive Director & CEO and/or Ms. Seema Gangawat – Company Secretary & Compliance Officer, be and are hereby severally authorised to sign and submit necessary forms / returns with the Registrar of Companies, Mumbai and to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

6. **Appointment and Payment of Remuneration to Cost Auditors**

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company ratifies the appointment of M/s. N. Ritesh & Associates, Cost Accountants (Firm Registration No. R100675), as the Cost Auditors of the Company at the remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) plus applicable taxes and out-of-pocket expenses payable at actual, to conduct the audit of cost records

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

maintained by the Company relating to “Chemicals” for the financial year 2017-18.”

7. Approval for charging fees for service of documents through specified mode

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant Rules prescribed thereunder, approval of the Members be and is hereby accorded for charging fees of Rs. 50/- (Rupees Fifty only) per document plus applicable taxes and reimbursement of actual expenses being incurred by the Company, for service of any document to the Member through a particular mode of delivery as specified by the respective Member.

RESOLVED FURTHER THAT the said fees for delivery of the document shall be paid by the respective Member in advance to the Company, before dispatch of the document.

RESOLVED FURTHER THAT any Director and/or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution.”

For and on behalf of the Board

**Sd/-
Seema Gangawat
Company Secretary & Compliance Officer**

Place : Mumbai

Date : August 11, 2017

Registered Office :

CIN: L24110MH1992PLC069615

104, Venkatesh Chambers,

1st Floor, Ghanshyam Talwatkar Marg,

Fort, Mumbai – 400 001

Tel: 022-61446900/01 Fax: 022-66104355

Email : info@ashokalcochem.com

Website : <http://www.ashokalcochem.com>

NOTES:

- 1) The relevant explanatory statement pursuant to section 102 of the Act, in respect of Special Business including Item no. 4 is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings, for the person seeking appointment/re-appointment as Director(s) are also annexed as Annexure-1.
- 2) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM”) IS ENTITLED TO APPOINT A PROXY (IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

The instrument appointing the proxy, in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the AGM.



- 3) Corporate Members intending to send their authorized representatives to attend the meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) who are authorized to attend and vote on their behalf at the AGM.
- 4) The Register of Members and Share Transfer Books will remain closed from Monday, September 18, 2017 to Friday, September 22, 2017 (both days inclusive).
- 5) The dividend, if declared, at the AGM, will be paid on or after Saturday, September 23, 2017, to those Members holding shares in physical form, whose names appear on the register of Members of the Company on close of business hours on Saturday, September 16, 2017 (Record Date); in respect of the shares held in dematerialized form, the dividend will be paid to the Members whose names are furnished by the National Securities Depository Limited and the Central Depository Services (India) Limited as the beneficial owners as at the close of business hours on Saturday, September 16, 2017. In terms of the directives of Securities and Exchange Board of India (SEBI), shares issued by the Company should rank pari-passu in all respects, including dividend entitlement.
- 6) The Company will disburse the dividend vide ECS/NECS to those shareholders whose requisite particulars are available and to other shareholders vide dividend warrants/cheques. The intimation of dividend payout/dispatch will be sent within the statutory period.
- 7) Members holding shares in physical form are requested to notify any changes, if any, in their registered address, E-mail IDs, Bank mandate etc. to the Company's RTA.

The address of Company's RTA Link Intime India Pvt. Ltd has been changed w.e.f. February 25, 2017, new address is as follows:

M/s. Link Intime India Pvt. Ltd.,

C-101, 247 Park,

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

Mumbai-400 083.

Phone: Tel – 022-49186000 Fax- 022-49186060

E-mail: rnt.helpdesk@linkintime.co.in

Further, Members holding shares in dematerialized/electronic form are requested to notify any changes, if any, in their registered address, E-mail IDs, Bank mandate etc. to their respective Depository Participants at the earliest.

- 8) Members, Proxies and Authorized Representatives are requested to hand over/submit, the attendance slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID/Folio No., for admission to the venue of the Meeting. Members are requested to bring their copy of Annual Report for their reference.
- 9) Members desirous of seeking any information with regard to the accounts and operations of the Company, are requested to address their queries to the Company at least seven days in advance of the Meeting so that the information required can be readily available at the Meeting.
- 10) Pursuant to SEBI Circular No. D&CC/FITTC/CIR-15/2002 dated 27.12.2002 all the work related to share registry in terms of both physical and electronic are being done by the Company's R&T Agents M/s. Link Intime India Pvt. Ltd. Therefore, Members are requested to send their communication directly to them in future.
- 11) All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days between 11 a.m. to 4.00 p.m. except Saturday, Sunday and public holidays upto the date of the AGM.
- 12) The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members, who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's RTA/Depository Participant.

Members may please note that notices, annual reports etc. will also be available on the Company's website viz. www.ashokalcochem.com.

- 13) In case of joint holders attending the AGM, the Member whose name appears as the first in the order of names as per the Register of Members of the Company will be entitled to vote.
- 14) As per the provisions of section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members holding shares in physical form may submit the same to M/s. Link Intime India Pvt. Ltd., Members holding shares in electronic form may submit the same to their respective depository participant.
- 15) Unclaimed Dividend – details are available on website - <http://www.ashokalcochem.com/InvestorUpdate.html>.
- 16) The route map showing directions to reach the venue of the twenty-fifth AGM is annexed.
- 17) Voting through electronic means:
 - I. In compliance with provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
 - II . The facility for voting through ballot paper shall be made available at the venue of the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III . The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV . The remote e-voting period commences on Tuesday, September 19, 2017 (9:00 am) and ends on Thursday, September 21, 2017(5:00 pm). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Saturday, September 16, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
 - V . The process and manner for remote e-voting are as under:
 - A . In case a Member receives an email from NSDL [for Members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz; “AACL remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file “AACL remote e-voting.pdf”.
 - (ii) Open the internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder –Login



-
- (iv) Put your user ID and password. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select “EVEN” of “Ashok Alco-Chem Limited”.
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to jaymehtaandassociates@gmail.com with a copy marked to evoting@nsdl.co.in
- B . In case a Member receives physical copy of the Notice of AGM [for Members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- () Initial password is provided at the bottom of the Attendance Slip for the AGM.
- (iii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI . In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII . If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- NOTE: Shareholders who forgot the User Details/Password can use “Forgot User Details/Password” or Physical User Reset Password” option available on www.evoting.nsdl.com.*
- In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).*
- In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No)*
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX . The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Saturday, September 16, 2017.
- X . Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Saturday, September 16, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “[Forgot User Details/Password](#) or “[Physical User Reset Password](#)” option available on or contact NSDL at the following toll free no.: 1800-222-990.

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

- XI . A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII . M/s Jay Mehta & Associates, Practicing Company Secretaries (Certificate of Practice No. 8694) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIII . The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “remote e-voting” or “Ballot Paper” or “Poling Paper” for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIV . The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV . The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.ashokalcochem.com and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

Ashok Alco-Chem Limited-Route Map for the 25th AGM



Prominent Land Mark: Rhythm House, Kala Ghoda.



ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF ITEM NO. 4 AND THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (“the Act”) IS GIVEN BELOW:

Item No. 4:

The provisions of section 139 of the Act and Rule 6 of the Companies (Audit and Auditors) Rules, 2014, *inter alia*, provides that no listed Company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years and an audit firm which has completed its term shall not be eligible for re-appointment as Auditor in the same Company.

M/s. R. A. Kuvadia & Co., Chartered Accountants (Firm registration No. 105487W), were appointed as the Auditors of the Company at the 22nd Annual General Meeting (AGM) of the Company held on September 26, 2014 for a term of three years to hold office till the conclusion of 25th AGM. M/s R A Kudadia has been associated with the Company since financial year 2008-09, as auditor of the Company. Hence, not eligible for re-appointment as Statutory Auditor of the Company for the next term.

Accordingly, the Board of Directors, has based on the recommendation of the Audit Committee, at its meeting held on August 11, 2017 proposed the appointment of M/s. R A Maru & Associates (Firm Registration No. 141914W) as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of this AGM till the conclusion of the 30th AGM, (subject to ratification of their appointment by the Members at every AGM) at such remuneration as may be mutually agreed between the Board of Directors and the Auditors of the Company.

M/s. R A Maru & Associates, Chartered Accountants, have consented to the said appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with section 139 read with section 141 of the Act. They have also confirmed that as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Board of Directors recommends the Ordinary Resolution as set out at Item No. 4 for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the proposed resolution.

Item No. 5:

Consequent to cessation of Dr. Umesh Kulkarni, Independent Director w.e.f. May 12, 2017 and in order to comply with the various provisions of the Act and SEBI Listing Regulations, the Company was required to appoint an Independent Director.

The Board of Directors of the Company on May 17, 2017 by passing circular resolution, appointed Mr. Shekhaar Shetty (DIN: 07824778) as an Additional Director (Category – Non - Executive, Independent) of the Company effective May 17, 2017 pursuant to section 161 of the Act.

Mr. Shekhaar Shetty is not disqualified from being appointed as Director in terms of section 164 of the Act. In terms of section 160 of the Act, the Company has received notice in writing from a Member along with a deposit of Rs. 1 Lakh proposing his candidature to be appointed as an Independent Director as per the provisions of section 149 and 152 of the Act.

Mr. Shekhaar Shetty has given a declaration to the Board of Directors of the Company that he meets criteria of Independence as required under section 149 of the Companies Act, 2013. In the opinion of the Board of Directors, Mr. Shekhaar Shetty fulfills the conditions specified in the SEBI Listing Regulations and the Act and rules made thereunder for his appointment as an Independent Director of the Company and he is Independent of the Management of the Company.

Brief Profile

Mr. Shekhaar Shetty is a commerce graduate from University of Mumbai and also holds a LLB degree from renowned Government Law College. He is an Independent lawyer by profession and has 17 years of vast experience of practice in Criminal & Family Courts. He is a panel Member of Lok-Adalat and advisory Member and panel advocate for legal aid cases. He has actively

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

participated and attended various Legal Seminars held by the legal fraternity and Bar Councils of Maharashtra & Goa.

Mr. Shekhaar Shetty was the Joint Secretary of Borivali Advocates Bar Association from 2012-13 and was the Secretary of Borivali Advocates Bar Association from 2013-2014 and 2014-2015. He has attended various Mediation Seminars held in Metropolitan Centre of Courts, Borivali.

Brief resume of Mr. Shekhaar Shetty, nature of his expertise in specific functional areas and names of companies in which he holds Directorships and Memberships / chairmanships of Board Committees, as required under Regulation 36 of the SEBI Listing Regulations and Secretarial Standards are as below:

Name of Director	Mr. Shekhaar Shetty
Director Identification Number (DIN)	07824778
Date of Birth (Age)	September 5, 1974 (42 years)
Nationality	Indian
Date of Appointment	May 17, 2017
Qualifications	LLB & B.com
Expertise in specific functional areas	Vast experience of practice in Criminal & Family Courts
Shareholding in Ashok Alco-Chem Limited	Nil
Directorships held in other Companies (excluding foreign, private and section 8 Companies)	Nil
Membership/Chairmanships of Audit and Stakeholders Relationship Committees across public Companies including Ashok Alco - Chem Limited	Audit Committee - Member Stakeholder Relationship Committee - Member
Number of Meetings of the Board attended during the year ended March 31, 2017	NA
Remuneration Details	Will be entitled to receive sitting fee for attending the Board and Committee Meetings.
Relationship with other Directors / Managers/ Key Managerial Personnel	Nil

The Board of Directors recommends the Ordinary Resolution as set out at Item No. 5 for approval of the Members.

Except Mr. Shekhaar Shetty, being the appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the proposed resolution.

Item No. 6:

In terms of the provisions of section 148 of the Act, the Company is required to have its cost records audited by cost accountant in practice.

The Company had received the unwillingness letter from M/s V. J. Talati & Co., Cost Accountants, an existing Cost Auditors of the Company to act as a Cost Auditors for the financial year 2017-18 and accordingly to comply with the provisions of the section 148 of the Act, the Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment of M/s. N. Ritesh & Associates, Cost Accountants, as Cost Auditors of the Company to conduct audit of the cost records maintained by the Company relating to "Chemicals" for the financial year 2017-18, at remuneration of Rs. 50,000 plus applicable taxes and out-of-pocket expenses incurred by them in connection with the aforesaid audit.

M/s. N. Ritesh & Associates, Cost Accountants, have consented to the said appointment and have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company.

In terms of the provisions of section 148(3) of the Act, read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014,



the remuneration payable to the Cost Auditors is required to be approved by the Members of the Company. Accordingly, consent of the Members is sought to ratify the appointment of M/s N. Ritesh & Associates, Cost Auditor and approve the payment of remuneration for the FY 2017-18.

The Board of Directors recommends the Ordinary Resolution as set out at Item No. 6 for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the proposed resolution.

Item No. 7:

As per the provisions of section 20 of the Act, a document may be served on any Member by sending it to him by Post, Registered post, Speed post, Courier, delivering at his office or address or by prescribed electronic or other mode. Further, a Member may request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the Company in its Annual General Meeting.

Therefore, to enable the Members to avail such facility, it is proposed to charge the fees of Rs. 50/- per document plus applicable taxes and reimbursement of actual expenses being incurred by the Company for delivery of a document in a particular mode, if any, prescribed by the respective Member.

The Board of Directors recommends the Ordinary Resolution as set out at Item No. 7 for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

For and on behalf of the Board

Place: Mumbai
Date: August 11, 2017

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer

Registered Office:

CIN: L24110MH1992PLC069615
104, Venkatesh Chambers, 1st Floor, Ghanshyam Talwatkar Marg,
Fort, Mumbai – 400 001
Tel: 022-61446900/01 Fax: 022-66104355
Email: info@ashokalcochem.com
Website: <http://www.ashokalcochem.com>

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Annexure 1 – Details of Directors seeking appointment /re-appointment at the AGM, Pursuant to Regulation 36 of SEBI Listing Regulations.

Name of Director	Mrs. Neeta Shah (DIN - 07134947)
Date of Birth (Age)	January 27, 1965 (52 years)
Date of Appointment	April 1, 2015
Expertise in specific functional areas	Wide experience in the field of Marketing and actively involved in social welfare activities.
Qualifications	BA, B.Ed.
List of outside Directorships held Excluding Alternate Directorship, Private Companies and Foreign Companies.	Nil
Chairman/ Member of the Committee of the Board of Directors of the Company	Nil
Chairman/ Member of the Committee of the Board of Directors of other companies in which he/she is a Director	Nil
No. of Shares Held in the Company	Nil
Relationship with other Directors/ Mangers / Key Managerial Personnel	Spouse of Mr. Sunil Shah



DIRECTORS REPORTS

The Members,
Ashok Alco-Chem Limited

Your Directors present their 25th Annual Report together with the Audited Financial Statements of your Company for the year ended March 31, 2017.

FINANCIAL RESULTS

The following figures summaries the financial performance of your Company during the year under review: (Amount in Rs.)

	Standalone		Consolidated*
	2016-17	2015-16	2016-17
Income from Operations	1,478,434,871	3,362,446,294	1,612,194,784
Other Income	32,482,016	32,774,556	33,520,491
Total Income	1,510,916,887	3,395,220,850	1,645,715,275
Less : Total Expenditure	1,456,210,145	3,183,324,111	1,566,911,346
Profit/(Loss) before Interest, Depreciation and Tax	54,706,742	211,896,739	78,803,929
Less : Interest	12,896,641	5,754,787	12,938,002
Profit/(Loss) before Depreciation and Tax	41,810,101	206,141,952	65,865,927
Less : Depreciation	10,236,131	8,870,972	10,523,241
Profit/(Loss) before Tax	31,573,970	197,270,980	55,342,686
Less : Tax Expenses			
Current Tax	9,200,000	66,000,000	18,000,000
Earlier Year's Tax	-	5,630,429	2,380
Deferred Tax	1,479,037	1,836,874	1,518,408
Net Profit/(Loss)	20,894,933	123,803,677	35,821,898

* -This being the first year of Consolidation for the Company with respect to the Profit & Loss Items, previous year's figures have not been disclosed.

OVERVIEW OF THE FINANCIAL PERFORMANCE

The performance of the Manufacturing Vertical of your Company has slightly increased vis a vis previous year 2015-16, despite the challenges of the competitive identical imported products. The Chemical Segment is gradually growing at 15.60% annually.

The plummet in the overseas market for Bauxite and Iron Ore continued in the financial year 2016-17, which resulted in the less contribution of profits from the Trading Division. Adverse market conditions globally affected the Trading Division resulting in dip in the Profit Before Taxes (Trading Division) compared to 2015-16. However, your Company is endeavoring few chemical products along with mineral products in trading line to capitalize the overseas niche market.

The Government has envisaged better economic conditions at domestic and global level which will attribute beacon of hope for sustained growth momentum that could potentially bring vast improvements in the lives of hundreds of millions of people in our country.

The goals of the entire work force in the organization stood strong and high to sustain and drive the negative forces for fetching positive results.

Your Company has invested Rs. 15,182,974 in Cooling Tower and Steam Turbine, which reduced power consumption by 15% resulting into increase in profitability of the Company.

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES AND THEIR CONTRIBUTION TO OVERALL PERFORMANCE OF THE COMPANY

The subsidiary of your Company has performed well and contributed to the extent of 43% to the Profit before Tax in the consolidated profit and loss account of parent Company. The trading nature and scope of business in certain range of products along with the dedicated team of enthusiastic and energetic personnel's, the subsidiary of your Company has grown at the rate of 5.97% in terms of Turnover and at 5.22% towards contribution in terms of Profit Before Tax during 2016-17 as compared to its contribution during 2015-16.

DIVIDEND

Considering the performance of your Company, the Directors are pleased to recommend for approval of the Members a dividend of Re. 1/- (i.e. 10%) per equity share of Rs. 10/- each for the financial year ended March 31, 2017.

The dividend, if approved, at the 25th Annual General Meeting ("AGM"), will be paid to those shareholders whose names appear on the Register of Members of the Company as of the end of the day on Saturday, September 16, 2017, being the record date and it would involve the total cash outflow of Rs. 5,536,862/-, including dividend tax.

TRANSFER TO GENERAL RESERVES

The Company proposes to transfer Rs. 5,000,000/- (Rupees Fifty Lakhs Only) to the general reserves of the Company.

SHARE CAPITAL

During the financial year 2016-17, there is no change in the Authorized, issued, subscribed and paid-up share capital of the Company. As on March 31, 2017, the Company is having Authorized share capital of Rs.70,000,000/- comprising of 5,000,000 Equity Shares of Rs 10/- each and 2,000,000 11% Preference Shares of Rs 10/- each.

The Issued, Subscribed and Paid-Up Equity Share Capital of the Company as on March 31, 2017 is Rs. 46,003,430/- comprising of 4,600,343 Equity Shares of Rs. 10/- each.

During the year under review, the Company has not issued shares with differential rights as to dividend, voting or otherwise or bought back any of its securities. The Company has not issued any sweat equity/bonus shares/employee stock option plan, under any scheme.

HOLDING COMPANY

Aura Alkalies and Chemicals Private Limited continues to be the Holding Company of the Company by holding 2,518,632 Equity Shares of the Company i.e. 54.75%, at the end of the financial year March 31, 2017.

SUBSIDIARY / JOINT VENTURE / ASSOCIATE COMPANY

The Company continues to be a Holding Company of Ashwa Minerals Private Limited as on March 31, 2017.

The Company does not have any Associate or Joint Venture companies within the meaning of section 2(6) of the Companies Act, 2013 ("the Act").

Pursuant to provisions of section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiary in Form AOC-1 is attached to the financial statements of the Company.

Further, pursuant to the provisions of section 136 of the Act, the audited standalone and consolidated financial statements and other relevant documents and audited accounts of the said subsidiary Company, are available on the website of the Company, www.ashokalcochem.com/InvestorUpdate.html.



PROMOTERS

There has been no change in the shares of the Company under the “Promoter and Promoter Group”. The present promoters of the Company are:

Sr. No.	Name	No. of shares held	% to total paid up capital
1	Aura Alkalies and Chemicals Private Limited	2,518,632	54.75
2	Mr. Sunil Shah	1,000	0.02
3.	HK Dealers Private Limited	1,000	0.02
	Total Promoter’s holding	2,520,632	54.79

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Induction

During the year under review, Mr. Purab Shah was appointed as an Additional Director designated as Executive Director & Chief Executive Officer (“Executive Director & CEO”) of the Company for a period of two years effective from April 19, 2016. The said appointment was duly approved by the Members of Company at their 24th Annual General Meeting held on September 22, 2016.

Subsequent to the year under review, Mr. Shekhaar Shetty (Category – Non – Executive / Independent) was appointed as an Additional Director of the Company for a period of three years effective from May 17, 2017, subject to approval of Members at the 25th Annual General Meeting.

The Company has received notice in writing under section 160 of the Act proposing appointment of Mr. Shekhaar Shetty as an Independent Director. The Board recommends his appointment.

Cessation

Subsequent to the year under review, Dr. Umesh Kulkarni tendered his resignation and hence, ceased as an Independent Director w.e.f. May 12, 2017.

The Board placed on record its appreciation for the services rendered by Dr. Umesh Kulkarni, during his tenure with the Company.

Independent Directors

Consequent to aforementioned appointment of Mr. Shekhaar Shetty and resignation of Dr. Umesh Kulkarni, the following Non - Executive Directors are Independent Directors in terms of the provisions of section 149(6) of the Act, read with the provisions of the SEBI Listing Regulations.

- Mr. Manoj Ganatra;
- Mr. Shekhaar Shetty (appointed w.e.f. May 17, 2017)
- Dr. Umesh Kulkarni (Ceased as Director w.e.f. May 12, 2017)

The said Independent Directors are not liable to retire by rotation. They have submitted a declaration to the effect that they meet the criteria of Independence as provided in section 149(6) of the Act, and there has been no change in the circumstances which may affect their status as Independent Director, during the year.

Retirement by Rotation

Mrs. Neeta Shah retires by rotation and being eligible has offered herself for re-appointment.

Non-Executive Directors

During the year there was no change in Non-Executive Directors of the Company. The Non-Executive Directors were not paid any remuneration other than the sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

Key Managerial Personnel

Pursuant to the provisions of section 203 of the Act, the following were the Key Managerial Personnel (KMP) of the Company as on

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

March 31, 2017 :

- a) Mr. Purab Shah – Executive Director & CEO (w.e.f. April 19, 2016)
- b) Mr. V. Shashidharan – Chief Financial Officer;
- c) Ms. Seema Gangawat – Company Secretary & Compliance Officer

Subsequent to the year under review, Mr. V. Shashidharan tendered his resignation and hence, ceased as a Chief Financial Officer of the Company w.e.f. May 1, 2017.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors of the Company met seven times during the financial year 2016-17 viz. on April 19, 2016, May 20, 2016, August 11, 2016, November 10, 2016, January 27, 2017, February 14, 2017 and March 27, 2017.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The familiarisation programme seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes.

The policy on Company's familiarisation programme for Independent Directors is posted on the Company's website www.ashokalcochem.com/InvestorUpdate.html.

NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of the Act and the Part D of Schedule II of SEBI Listing Regulations, the Company has Nomination and Remuneration Policy and the same is available on the Company's website www.ashokalcochem.com/InvestorUpdate.html. The more details about the Nomination and Remuneration policy is provided in Corporate Governance Report.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION AND EVALUATION

Pursuant to the provisions of the Act and the SEBI Listing Regulations, policy on Directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors etc. has been formulated. The Nomination and Remuneration Policy has been put on the website of the Company, www.ashokalcochem.com/InvestorUpdate.html.

PERFORMANCE EVALUATION

In terms of the provisions of the Act, read with Rules made thereunder and the provisions of SEBI Listing Regulations, the evaluation of the performance of the Board of Directors, Committees of the Board and individual Directors have been carried out. The evaluation framework for assessing the performance of Directors, *inter alia*, comprises of the following key areas:

- i. Expertise;
- ii. Objectivity and Independence
- iii. Guidance and support in context of the Company's operations;
- iv. Understanding of the Company's business;
- v. Understanding and commitment to duties and responsibilities;
- vi. Willingness to devote the time needed for effective contribution to Company;
- vii. Participation in discussions in effective and constructive manner at the Meetings;
- viii. Responsiveness in approach;
- ix. Ability to encourage and motivate the Management for continued performance and success.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of section 134 (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, your Directors confirm that:

- a. in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;



- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and the profit of the Company for the year ended on that date;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts on a going concern basis;
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Cautionary Statement

Statements made under this section describing the Company's projections, estimates and expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Important factors that could make a difference to the Company operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in government regulations, tax laws and other statutes and incidental factors.

Although the expectations are based on reasonable assumptions, the actual results might differ.

In totality, the business continued to maintain its stability in both, domestic and the global market competition against the constraint in the selling prices of the manufactured product on one side and unrestrained prices of input on other side, during the financial year ended March 31, 2017 the books reflected the Net Profit of Rs. 20,894,933 which is mainly due to the downfall in trading business. The utilization of the production capacity of the Chemical Manufacturing Vertical has increased up to 10%.

Economy & Industry Scenario and Outlook

India has registered almost consistent steady pace of economic growth in Fiscal 2017 as it did in Fiscal 2016. A sign of improvement was mainly due to additional focus on parameters namely inflation, current account balancing and fiscal deficit. India's exports has suffered as setback on account of weak growth in advanced and emerging economies. Though the Global situation seems not promising, India is estimated to endeavor to remain the fastest growing major economy in the world. Nevertheless, trade and current account deficits have improved due to relatively lower prices for crude oil which is imported by India. The Chemical Industry seems consistent in line with the Government Policies. The future is not bleak in terms of volumes for Bulk, Drug, FMCG and Packaging Industry.

Key projects such as 'Make in India', 'Start up India', 'Digital India' and 'Skill India' seek to encourage investments and improve the ecosystem at various levels of business activity which is mainly due to several positive and strategic initiatives taken by the existing Government in order to eliminate the obstacles and ensure smooth business operations by relaxing various Policies namely FDI & Tax Rules. Aggressive roll-out of the financial inclusion program has made banking services accessible to millions of previously unbanked people.

Segment-wise Performance

The low demand and high competitive pricing for minerals in the overseas market has declined the topline of the Trading Division. Your chemical segment maintained a stable growth in terms of production which increased by 10% and topline by 16.13%. The profits before interest and tax declined owing to the low demand of Mineral based products.

Your Company's overall profit after tax for FY 2016-17 was Rs. 20,894,933 against Rs. 123,803,677 in FY 2015-16.

Opportunities, Threats, Risks and Concerns

The manufacturing industry and the demand thereof are influenced by general economic conditions, including, among other things,

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

rates of economic growth, credit availability, infrastructure spending, interest rates, environmental and tax policies, safety regulations, freight rates and fuel and commodity prices. Negative trends in any of these factors impacting the regions where the Company operates could materially and adversely affect the results of operations and scalability of the Companies business financially. Your Company recognizes that every business have its inherent risks and what is required is a proactive approach to identify and mitigate them in time, so that they do not impact the business negatively. We endeavor to regularly scan the internal and external environment to identify risks and decide on possible mitigation measures and costs for overcoming them and incorporate them in Company's strategic, business and operational plans. The Company has developed systems and processes to map the risks across segments, products and geographies and respond effectively to counter them and achieve the organizational goals. Sustained action is taken to further strengthen the system.

Financial Performance

Financial performance achieved by your Company, during the year under review, is as disclosed in this Report under the head 'Financial Results and Performance'.

Internal Control Systems and Adequacy

Your Company has effective and adequate internal control systems which ensure reliable and accurate financial reporting, safeguarding of assets, keeping constant check on cost structure and adhering to management policies.

The Company is committed to good corporate governance practices and has well defined systems and processes covering all corporate functions and units. The internal controls are commensurate with the size, scale and complexity of our operations and facilitate timely detection of any irregularities and early remedial steps against factors such as loss from unauthorized use and disposition. Company policies, guidelines and procedures provide for adequate checks and balances which are meant to ensure that all transactions are authorized, recorded and reported correctly. The internal controls are continuously assessed and improved/modified to meet changes in business conditions, statutory and accounting requirements.

Statutory Auditors of the Company has audited the financial statements included in this annual report and has issued report on our internal control over financial reporting (as defined in section 143 of the Act.)

Independent Internal Auditors appointed by the Company performs regular audits and checks the operating effectiveness of the Internal Control system to provide a credible assurance to the Audit Committee regarding the adequacy and effectiveness of the internal control system. The Internal Controls are upgraded based on Internal Audit recommendations. Every quarter significant audit findings, the corrective steps recommended and their implementation status are presented to the Audit Committee of the Board of Directors of the Company.

Material Developments in Human Resource / Industrial Relation front, including number of people employed

As on March 31, 2017, the Company had a total head count of 117. The Directors wish to place on record their appreciation for the contributions made by the employees to the Company during the year under review at all levels.

During the year under review, industrial relations in the factory/plant were cordial and pro-active and all employees and the Union supported productivity and process improvement measures undertaken at all the functions of the Company.

The Company has in place Health, Safety and Environment policy for Mahad operations. The same is reviewed by the Board from time to time and appropriate actions are taken as directed.

Credit Rating

The Company enjoys a good reputation for its sound financial management and the ability to meets its financial obligation. ICRA Limited, a reputed rating agency, has assigned BB+ (stable) rating for long-term and A4+ rating for short-term.

PARTICULARS OF EMPLOYEES

The disclosure required under section 197 of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time is annexed as "ANNEXURE - A" and forms part of this report.

Further, none of the employees of the Company were in receipt of remuneration in excess of the limits as set out under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time.



AUDITORS

STATUTORY AUDITORS AND AUDITORS REPORT

The term of M/s. R. A. Kuvadia & Co., Chartered Accountants (Firm registration No. 105487W), who was appointed as Statutory Auditors of your Company at the 22nd Annual General Meeting (AGM) held on September 26, 2014 for a period of three years, expires at the conclusion of 25th AGM and are liable to be retired by rotation under section 139 of the Act.

Accordingly, the Board of Directors of the Company at its Meeting held on August 11, 2017, on the recommendation of the Audit Committee, have appointed M/s. R A Maru & Associates, Chartered Accountants (Firm registration No. 141914W) as Statutory Auditors of the Company for a term of five years from the conclusion of 25th AGM till the conclusion of 30th AGM, subject to ratification of their appointment by the Members at every AGM.

The Company has received the certificate(s) of eligibility in accordance with section 139, section 141 and other applicable provisions of the Act and Rules thereunder, from M/s R A Maru & Associates, Chartered Accountants.

The Auditors Report does not contain any qualification, reservation or adverse remarks.

COST AUDITORS AND COST AUDIT REPORT

Pursuant to the provisions of section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, M/s. V. J. Talati & Co., Cost Accountants, having Firm Registration No. R100675, were appointed as the Cost Auditors of the Company to conduct the audit of Cost Accounting records maintained by the Company relating to "Chemicals" for the financial year ended March 31, 2017.

In view of the unwillingness for re-appointment from M/s V. J. Talati & Co, Cost Accountants, the Board of Directors, at its Meeting held on May 18, 2017 and on the recommendation of the Audit Committee, has appointed M/s. N. Ritesh & Associates, Cost Accountants (Firm Registration No. R100675) as a Cost Auditors of the Company to conduct the audit of Cost Accounting records maintained by the Company relating to "Chemicals" for the Financial Year 2017-18 at a remuneration of Rs. 50,000/- plus applicable taxes and out-of-pocket expenses payable at actual, subject to ratification of remuneration by the Members at the AGM.

The Company has filed the Cost Audit report for the financial year ended March 31, 2016 submitted by M/s. V. J. Talati & Co., Cost Accountants on October 4, 2016. The Cost Audit report for the financial year ended March 31, 2017 will be filed in due course.

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Jay Mehta & Associates, Practicing Company Secretaries as Secretarial Auditors of the Company for the financial year 2017-18.

The Secretarial Audit Report for the financial year 2017-18, contains the following qualification, reservation or adverse remarks:

(i) The composition of the Board of Directors of the Company is not in accordance with the provisions of Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board's Explanation / Comments on above remarks:

Considering the specialized nature of business, the Company is looking for suitable person to induct on the Board of the Company as an Independent Director and to comply with the provisions of Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) The Audit Committee meeting held on 11th August, 2016 was attended by two Directors (One Independent Director and other Non - Executive Director). Hence, the quorum for the said Meeting was not as per Reg. 18(2)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board's Explanation / Comments on above remarks:

The Audit Committee meeting held on 11th August 2016 was attended by two Directors i.e. one Independent Director and other Non - Executive Director. Hence, the quorum requirement of attendance of minimum two Directors was duly met. However, the further requirement of attendance of atleast two Independent Directors could not be met due to non-availability of one of the

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Independent Directors in view of some unforeseen circumstances.

However, during the year under review the Audit Committee Meetings (except as stated above) were duly convened, held and conducted as per the requirements of the provisions of the Act and SEBI Listing Regulations.

The Secretarial Audit Report is annexed as “Annexure B” to this Report.

INTERNAL AUDITORS AND INTERNAL AUDIT REPORT

In accordance with the provisions of section 138(1) of the Act, the Company has re-appointed M/s. N. P. Patwa & Co., Chartered Accountants as Internal Auditors of the Company for the Financial Year 2017 - 18. The Audit Committee reviews the findings made by the Internal Auditors in their Report on quarterly basis and makes necessary recommendations to the management.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

In accordance with the provisions of section 177(9) of the Act, read with Rule 7 of the Companies (Meeting of the Board and its Powers) Rules, 2014 and Regulation 22 of SEBI Listing Regulations, the Company has adopted vigil mechanism policy in place to enable the Directors and employees to have direct access to the Chairman or the Members of the Audit Committee. The details of the vigil mechanism is explained in the Corporate Governance Report and also posted on the website of the Company at www.ashokalcochem.com/InvestorUpdate.html

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186

Particulars of Loans, Guarantees given and Investments made during the year covered under the provisions of section 186 of the Act are given in the notes to the Financial Statements.

TRANSACTIONS WITH RELATED PARTY

During the year under review, the Company has not entered into any transaction with any related party. Accordingly, the disclosure of transaction in requisite Form AOC-2, is not applicable.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with the provisions of section 135 of the Act, the Board of Directors of the Company has formed a Corporate Social Responsibility (CSR) Committee. During the year under review the Committee met once. The details of composition of CSR Committee are provided under the Corporate Governance Report. The detailed report about CSR activities undertaken during the year is annexed as “Annexure - C”. Pursuant to the recommendation of the CSR Committee, the Board had approved a CSR Policy and the same is available on Company's website www.ashokalcochem.com/InvestorUpdate.html.

In terms of the requirements of section 135 of the Act and rules made thereunder the Company was required to spend around Rs. 3,297,058 during the FY 2016-17, however the Company could spent only Rs 970,755 towards CSR activities.

Reason for underspent CSR amount:

The Company had identified certain projects for CSR activities. However, due to some administrative constraints, the projected CSR activities could not be completed. The Company is planning to complete these CSR activities during the current year.

RISK MANAGEMENT POLICY

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. In line with corporate best practices, the Company assesses the risks in the internal and external environment which will monitor, evaluate and execute all mitigation actions in this regards and takes all measures necessary to effectively deal with incidences of risk. Adequate risk management framework capable of addressing the risks is in place.

EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return as provided under section 92(3) of the Act and prescribed in Form No. MGT- 9 of the Companies (Management and Administration) Rules, 2014, is annexed as “Annexure - D” to this Report.



AUDIT COMMITTEE COMPOSITION

The details pertaining to composition of Audit Committee are included in Corporate Governance Report, which form part of this Report. During the year all the recommendations of the Audit Committee were accepted by the Board.

CORPORATE GOVERNANCE

The Report of Corporate Governance forms part of the Annual Report.

A certificate from M/s. Jay Mehta & Associates, Practicing Company Secretaries, confirming compliances with the conditions of Corporate Governance as stipulated under the SEBI Listing Regulations, also forms part of the Annual Report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no 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 save and except as mentioned above.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from public in terms of sections 73 and/or 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, as amended from time to time.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There have been no significant and material orders passed by the Regulators or Courts or Tribunals affecting the going concern status and the Company's operations in future.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

Your Company has zero tolerance towards any action on the part of any employee which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every woman employee working in the Company.

The Company's Policy provides for protection against sexual harassment of women employees at workplace and for prevention and redressal of such complaints.

During the year under review, Company has not received any complaint regarding sexual harassment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of Rule 8 (3) of the Companies (Accounts) Rules, 2014, the required details are as below:

Conservation of energy:

(i) The steps taken or impact on conservation of energy

Your Company is committed to ensure a clean and green, pollution free environment as well a safe and healthy work place at all locations and department of the Plant. Your Company has made all efforts to optimize the use of energy and minimize its wastage. To ensure minimum consumption of energy for a given level of production, operating parameters of production have been standardized. The Key Initiatives towards conservation of energy were:

- Commissioning of Steam Turbine with advance technology and upgradation of cooling tower has enhanced the energy conservation to a greater extent.
- Internal periodic energy audits to improve energy performance and benchmarks.

(ii) The steps taken by the Company for utilising alternate sources of energy

Major energy conservation initiatives taken for steam saving which has helped us to reduce the Coal consumption that

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

has reduced emission of CO₂ in atmosphere, which helps in global warming. Harmonic Audit is done at the plant to identify the losses in the plant and rectify the same.

- (iii) **The capital investment on energy conservation equipment** – Rs. 15,182,973 (Cooling Tower and Steam Turbine).

Technology absorption:

The Company is constantly trying to provide its customers with products that incorporate latest available materials and technology are preferred, efforts are being made, wherever possible, to make use of best contemporary technology.

- (i) Efforts made towards Technology Absorption: We have developed the new technology for the engineering modification required in the plant for the consumption of the imported alcohol as a raw material.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: With new source of raw material and the plant modification, we are able to improve the product quality and reduce the cost of the raw material by better yield of the raw material.
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
(a) the details of technology imported; - NA
(b) the year of import; - NA
(c) whether the technology been fully absorbed; - NA
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and – NA
- (iv) The expenditure incurred on Research and Development - Rs. 2,058,646.

Foreign exchange earnings and outgo

Total Foreign Exchange earned and used.

(Amount in Rs)

	2016-2017	2015-2016
i. Foreign Exchange used	29,018,244	327,526,304
ii. Foreign Exchange earned	290,798,816	1,848,651,004

ACKNOWLEDGMENT

The Board take this opportunity to express and place on record their appreciation for the continued support, cooperation, trust and assistance extended by shareholders, employees, customers, vendors, agents, bankers, financial institutions, suppliers, distributors and other stakeholders of the Company.

For and on behalf of the Board

Sd/-

Sd/-

Place: Mumbai
Date: August 11, 2017

Purab Shah
Executive Director & CEO
(DIN : 07490952)

Sunil Shah
Director
(DIN : 03567415)



“ANNEXURE - A”

Particulars of Employees:

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name of Director	Ratio to median Remuneration
Mr. Purab Shah, Executive Director & CEO	9.07

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Name of Directors & KMP	% increase in remuneration in the financial year
Mr. Purab Shah, Executive Director & CEO	7.82
Mr. V. Shashidharan, Chief Financial Officer (CFO)	12.50
Ms. Seema Gangawat, Company Secretary	16.00

c. The percentage increase in the median remuneration of employees in the financial year: 18.64%

d. The number of permanent employees on the rolls of Company: 117

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

During the course of year, the total increment pegged approximately at 9.04% after accounting for promotion and other event based compensation revisions.

Increase in the managerial remuneration for the year was 7.82%.

f. Affirmation that the remuneration is as per the remuneration policy of the Company:

Pursuant to Rule 5(1) (xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

The information required under section 197 of the Act read with rule 5 sub rule (2) & sub rule (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, are given below:

A) Top Ten Employees of the Company (in terms of remuneration drawn):

Sr. No.	Name of Employee	Designation	Remuneration received	Nature of Employment (contractual or otherwise)	Date of Commencement of Employment	Age of Employee	The last employment held by such employee	% Equity Shares held	Whether Relative of any Director /Manager of the Company
1	Mr. Purab D Shah	Executive Director	2817100	Payroll	09-07-2013	39	Business	Nil	NO
2	Mr. Shashidharan V.	CFO*	2032200	Payroll	14-03-2014	46	Isagro (Asia) Pvt Ltd	Nil	NO
3	Mr. Shivanand S. Kalgi	AGM-Plant	1966500	Payroll	03-02-2014	39	Eternis (erstwhile HPFL)	Nil	NO
4	Mr. Shamrao D. Khot	AGM Maintenance	1774163	Payroll	05-10-2015	52	Vinati Organics Ltd	Nil	NO
5	Mr. Parshuram M. Chavan	Sr. Manager QC/QA	1265005	Payroll	01-01-2015	51	BEC Chemicals	Nil	NO
6	Mr. Prasad V. Alpe	R & D Manager	1046173	Payroll	21-11-2013	46	Aarti Industries Ltd.	Nil	NO
7	Mr. Kishor.P. Joshi	Production Manager	1034821	Payroll	27-11-2006	39	Satyam Petrochem	Nil	NO
8	Ms. Seema Gangawat	Co. Secretary	1030110	Payroll	01-04-2013	37	Kingfisher Airlines Limited	Nil	NO
9	Mr. Vaize Ahmed Kampli	Manager – Finance & Accounts*	1000000	Payroll	21-11-2016	37	-	Nil	NO
10	Mr. Kartikprasad M. Prajapati	Deputy Manager – Marketing	900157	Payroll	17-09-2012	37	Pornpure Chem Pvt. Ltd.	Nil	NO

* ceased as CFO w.e.f. May 1, 2017.

* appointed as Manager – Finance & Accounts w.e.f. November 21, 2016

B) Employees drawing remuneration above specified limits – NA



“ANNEXURE - B”

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March 2017

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

To,
The Members,
ASHOK ALCO-CHEM LIMITED,
104, Venkatesh Chambers, 1st Floor,
Ghanshyam Talwatkar Marg, Fort,
Mumbai - 400001

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- (I) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

during the Audit period);

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) License for Manufacturing from the Ministry of Commerce & Industry, Secretariat for Industrial Assistance and other Sector specific Act/Rules/Regulations, as applicable to the Company, as per the representations made by the Management.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreement entered into by the Company with BSE Limited.

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

a) *The composition of the Board of Directors of the Company is not in accordance with the provisions of Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

b) *The Audit Committee meeting held on 11th August 2016 was attended by two Directors (One Independent Director and other Non - Executive Director). Hence, the quorum for the said meeting was not as per Reg. 18(2)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

I further report that

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

I further report that during the audit period there was no event/action which has major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards etc. referred to the above.

For **Jay Mehta & Associates**
Company Secretaries

Sd/-

Jay Mehta
Proprietor

FCS No.: 8672

C.P. No.: 8694

Date: August 11, 2017

Place: Mumbai



“ANNEXURE - C”

ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors of the Company at its Meeting held on August 13, 2014 had constituted Corporate Social Responsibility Committee (CSR Committee).

The said CSR Committee formulated the Corporate Social Responsibility Policy and recommended the same to the Board for its approval. The Board of Directors at its Meeting held on March 30, 2015 approved the said Policy which aims to support initiatives that measurably improve the lives of underprivileged by one or more of the focus areas as notified under section 135 of the Act, Schedule VII and Companies (Corporate Social Responsibility Policy) Rules, 2014.

The CSR Policy is available on the website of the Company and can be accessed through the following web link: <http://www.ashokalcochem.com/InvestorUpdate.html>

2. **The Composition of the CSR Committee** – The Company has a CSR Committee of Directors comprising of Mr. Manoj Ganatra, Chairman of the Committee, Mr. Sunil Shah and Mr. Purab Shah, Members.
3. **Average net profit of the Company for last three financial years for the purpose of Computation of CSR** – Rs.164,852,884/-
4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)** – Rs. 3,297,058/-
5. **Details of CSR spent during the financial year.**
 - a. **Total amount to be spent for the financial year;** Rs. 3,297,058/-
 - b. **Amount unspent, if any** – 2,326,303/-
 - c. **Manner in which the amount spent during the financial year is detailed below.**

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Sr. No.	CSR project or activity identified.	Sector in which the Project is covered	Projects or programs (1)Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or Programs Subheads: (1)Direct expenditure on projects or programs. (2)Over heads:	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency *
1.	Promoting Education	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Mahad, Maharashtra	263,755	263,755	263,755	Direct CSR
			Bhuj-Kutch, Gujarat	100,000	100,000	100,000	Through Implementing Agency
2.	Promoting Health care	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the central government for the promotion of sanitation and making available safe drinking water.	Mahad, Maharashtra	207,000	207,000	207,000	Through Implementing Agency
			Bhuj-Kutch, Gujarat	250,000	250,000	250,000	Through Implementing Agency
3.	Women Empowerment and Education	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Bhuj-Kutch, Gujarat	150,000	150,000	150,000	Through Implementing Agency
	Total			970,775	970,775	970,775	



6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.**

The Company had identified certain projects for CSR activities. However, due to some administrative constraints, the projected CSR activities could not be completed. The Company is planning to complete these CSR activities during the current year.

7. **A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board

sd/-
Manoj Ganatra
Chairman of Corporate Social
Responsibility Committee
(DIN : 00568914)

sd/-
Purab Shah
Executive Director & CEO
(DIN : 07490952)

Place: Mumbai
Date: August 11, 2017

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

“ANNEXURE - D”**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN****As on financial year ended on 31st March, 2017****[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management and Administration) Rules, 2014]****I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L24110MH1992PLC069615
2.	Registration Date	18/11/1992
3.	Name of the Company	Ashok Alco-Chem Limited
4.	Category/Sub-category of the Company	Company limited by Shares/ Indian Non-Government Company
5.	Address of the Registered office & contact details	104, Venkatesh Chambers, 1st Floor, Ghanshyam Talwatkar Marg, Fort, Mumbai-400001 Phone: Tel -022-61446900 Fax-022-66104355 E-mail: info@ashokalcochem.com
6.	Whether listed Company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai-400083 Phone: Tel -022- 49186000 Fax-022-49186060 E-mail: rnt.helpdesk@linkintime.co.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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Chemical Manufacturing	2411	94.42%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable section
1	Aura Alkalies and Chemicals Pvt. Ltd.	U24299MH2008PTC188070	Holding Company	54.75	2(46)
2	Ashwa Minerals Private Limited	U14290MH2011PTC219386	Subsidiary Company	100	2(87)



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

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1,000	-	1,000	0.02	1,000	-	1,000	0.02	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2,519,632		2,519,632	54.77	2,519,632	-	2,519,632	54.77	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1):	2,520,632	-	2,520,632	54.79	2,520,632	-	2,520,632	54.79	-
(2) Foreign									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other....	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	2,520,632	-	2,520,632	54.79	2,520,632	-	2,520,632	54.79	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	100	100	0.00	-	100	100	0.00	-
b) Banks / FI									
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	-	100	100	0.00	-	100	100	0.00	-
2. Non-Institutions									
a) Bodies Corp.	338,614	800	339,414	7.38	268,542	800	269,342	5.85	(1.53)
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	919,099	192,450	1,111,549	24.16	1,086,573	184,750	1,271,323	27.64	3.48
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	482,730	-	482,730	10.49	399,739	-	399,739	8.69	(1.80)
c) Others (specify)									
Hindu Undivided Family	51,963	-	51,963	1.13	63,328	-	63,328	1.38	0.25



Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Non Resident Indians	53,614	5,400	59,014	1.29	34,972	5,400	40,372	0.88	(0.41)
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	34,941	-	34,941	0.76	35,507	-	35,507	0.77	0.01
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):	1,880,961	198,650	2,079,611	45.21	1,888,661	190,950	2,079,611	45.21	-
Total Public Shareholding (B)=(B)(1) + (B)(2)	1,880,961	198,750	2,079,711	45.21	1,888,661	191,050	2,079,711	45.21	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4,401,593	198,750	4,600,343	100.00	4,409,293	191,050	4,600,343	100.00	-

B) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2016)			Shareholding at the end of the year (31.03.2017)			% 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	Aura Alkalies and Chemicals Pvt. Ltd	2,518,632	54.75	-	2,518,632	54.75	-	-
2	HK Dealers Pvt. Ltd.	1,000	0.02	-	1,000	0.02	-	-
3	Mr. Sunil Shah	1,000	0.02	-	1,000	0.02	-	-
	Total	2,520,632	54.79	-	2,520,632	54.79	-	-

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year.	
		No. of Shares	% of total shares of Company	No. of Shares	% of total shares of Company
1.	Aura Alkalies and Chemicals Pvt. Ltd. At the beginning of the year (01/04/2016) Changes during the year At the end of the year (31/03/2017)	NO CHANGE			
2.	HK Dealers Pvt. Ltd. At the beginning of the year (01/04/2016) Changes during the year At the end of the year (31/03/2017)				
3.	Mr. Sunil Shah At the beginning of the year (01/04/2016) Changes during the year At the end of the year (31/03/2017)				

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

Sr. No.	For Each of the Top 10 Shareholders	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.	Kodai Investment and Trading Co. Pvt. Ltd. At the beginning of the year (01/04/2016) Changes during the year At the end of the year (31/03/2017)	217,109 - -	4.72 - -	217,109 - 217,109	4.72 - 4.72
2.	Shobhna Anil Kadakia At the beginning of the year (01/04/2016) Transferred on 22/04/2016 29/04/2016 Acquired on 27/05/2016 At the end of the year (31/03/2017)	158,303 (500) (4406) 500 -	3.44 - - - -	- 158,303 157,803 153,397 153,897 153,897	 3.44 3.43 3.33 3.35 3.35



Sr. No.	For Each of the Top 10 Shareholders	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
3.	Subramanian P At the beginning of the year (01/04/2016) Acquired on 14/10/2016 At the end of the year (31/03/2017)	- 89,743 -	- 1.95 -	- 89,743 89,743	- 1.95 1.95
4.	Anil Manilal Kadakia At the beginning of the year (01/04/2016) Transferred on 08/04/2016 15/04/2016 22/04/2016 23/09/2016 24/03/2017 31/03/2017 Acquired on 19/08/2016 18/11/2016 25/11/2016 At the end of the year (31/03/2017)	106,952 (13,933) (17,000) (13,000) (5,000) (1,920) (3,239) 3,000 3,000 2,000 -	2.32 - - - - - - - - - -	106,952 93,019 76,019 63,019 61,019 64,099 60,860 66,019 64,019 66,019 60,860	2.32 2.02 1.65 1.37 1.33 1.39 1.32 1.44 1.39 1.44 1.32
5.	Chetan Navnitlal Shah At the beginning of the year (01/04/2016) Changes during the year At the end of the year (31/03/2017)	29,352 - -	0.64 - -	29,352 - 29,352	0.64 - 0.64
6.	B. Lavanya At the beginning of the year (01/04/2016) Acquired on 23/09/2016 30/09/2016 07/10/2016 At the end of the year (31/03/2017)	- 6,791 8,209 5,000 -	- - - - -	- 6,791 15,000 20,000 20,000	- 0.15 0.33 0.43 0.43
7.	Sejal Sanjay Dalal At the beginning of the year (01/04/2016) Acquired on 15/07/2016 31/03/2017 At the end of the year (31/03/2017)	10,000 3,000 3,000 -	0.22 - - -	10,000 13,000 16,000 16,000	0.22 0.28 0.35 0.35
8.	Bijal Suresh Dalal At the beginning of the year (01/04/2016) Acquired on 27/05/2016 At the end of the year (31/03/2017)	9,000 6,000 -	0.20 - -	9,000 15,000 15,000	0.20 0.33 0.33

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Sr. No.	For Each of the Top 10 Shareholders	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
9.	Sneha Sinha At the beginning of the year (01/04/2016) Transfer on 08/04/2016 15/04/2016 02/09/2016 At the end of the year (31/03/2017)	28,197 (6,652) (3,083) (5,000) -	0.61 - - - -	28,197 21,545 18,462 13,462 13,462	0.61 0.47 0.40 0.29 0.29
10.	Sanjay Kumar Sarawagi At the beginning of the year (01/04/2016) Changes during the year At the end of the year (31/03/2017)	12,714 - -	0.28 - -	12,714 - 12,714	0.28 - 0.28
11.	Sangeetha S At the beginning of the year (01/04/2016) Transferred on 14/10/2016 At the end of the year (31/03/2017)	67,854 (67,854) -	1.48 - -	67,854 0 0	1.48 0 0
12.	Vivog Commercial Ltd. At the beginning of the year (01/04/2016) Transferred on 08/07/2016 15/07/2016 29/07/2016 12/08/2016 02/09/2016 23/09/2016 30/09/2016 07/10/2016 14/10/2016 At the end of the year (31/03/2017)	37,709 (698) (2,900) (850) (7,291) (3,020) (5,950) (9,580) (570) (6,850) -	0.82 - - - - - - - - - -	37,709 37,011 34,111 33,261 25,970 22,950 17,000 7,420 6,850 0 0	0.82 0.80 0.74 0.72 0.56 0.50 0.37 0.16 0.15 0.00 0.00
13.	Pratyush Mittal At the beginning of the year (01/04/2016) Transfer on 08/04/2016 15/04/2016 29/04/2016 20/05/2016 27/05/2016 At the end of the year (31/03/2017)	26,904 (3,031) (3,461) (412) (5,346) (14,654) -	0.58 - - - - - -	26,904 23,873 20,412 20,000 14,654 0 0	0.58 0.52 0.44 0.43 0.32 0.00 0.00



Sr. No.	For Each of the Top 10 Shareholders	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
14.	Ayush Mittal				
	At the beginning of the year (01/04/2016)	22,258	0.48	22,258	0.48
	Transferred on 20/05/2016	(2,226)	-	20,032	0.44
	27/05/2016	(11,002)	-	9,030	0.20
	10/06/2016	(3,099)	-	5,931	0.13
	30/06/2016	(780)	-	5,151	0.11
	01/07/2016	(2,039)	-	3,112	0.07
	08/07/2016	(3,112)	-	0	0.00
	At the end of the year (31/03/2017)	-	-	0	0.00
15.	Shahnaz				
	At the beginning of the year (01/04/2016)	22,221	0.48	22,221	0.48
	Acquired on 22/04/2016	3,779	-	26,000	0.57
	Transfer on 27/05/2016	(26,000)	-	0	0.00
	At the end of the year (31/03/2017)	-	-	0	0.00

Note: Date of Transfer and Acquisition has been considered as the date on which details was provided by the Registrar and Transfer Agent to your Company

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Purab Shah	NIL	NIL	NIL	NIL
2	Mr. Manoj Ganatra	NIL	NIL	NIL	NIL
3	Mr. Sunil Shah				
	At the beginning of the year (01/04/2016)	1,000	0.02	1,000	0.02
	Changes during the year	-	-	-	-
	At the end of the year (31/03/2017)	-	-	1,000	0.02
4	Mrs. Neeta Shah	NIL	NIL	NIL	NIL
5	Dr. Umesh Kulkarni	NIL	NIL	NIL	NIL
6	Mr. V Shashidharan	NIL	NIL	NIL	NIL
7	Ms. Seema Gangawat	NIL	NIL	NIL	NIL

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

V) INDEBTEDNESS

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

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
Indebtedness at the beginning of the financial year				
I) Principal Amount	37,939,788	-	-	37,939,788
ii) Interest due but not paid	356,470	-	-	356,470
iii) Interest accrued but not paid	-	-	-	-
Total (i+ii+iii)	38,296,258	-	-	38,296,258
Change in Indebtedness during the financial year				-
*Addition	77,325,928	-	-	77,325,928
*Reduction				-
Net Change	77,325,928	-	-	77,325,928
Indebtedness at the end of the financial year				
i) Principal Amount	77,682,398	-	-	77,682,398
ii) Interest due but not paid	746,800	-	-	746,800
iii) Interest accrued but not paid	-	-	-	-
Total (i+ii+iii)	78,429,198	-	-	78,429,198

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in Rs.)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	N.A	
	(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)		
	Ceiling as per the Act		



B. Remuneration to other Directors

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Manoj Ganatra	Mr. Umesh Kulkarni	Mr. Sunil Shah	Mrs. Neeta Shah	
1	Independent Directors			NA	NA	-
	Fee for attending board committee meetings	265,000	215,000	-	-	480,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	265,000	215,000	-	-	480,000
2	Other Non - Executive Directors	NA	NA			
	Fee for attending board committee meetings	-	-	265,000	140,000	405,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	265,000	140,000	405,000
	Total (B)=(1+2)	265,000	215,000	265,000	140,000	885,000
	Total Managerial Remuneration	NA	NA	NA	NA	NA
	Overall Ceiling as per the Act	NA	NA	NA	NA	NA

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Amount in Rs.)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO*	CS**	CFO***	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,177,900	933,874	1,895,332	5,007,106
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5,000	5,000	5,000	15,000
	(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	634,200	91,236	131,868	857,304
	Total	2,817,100	1,030,110	2,032,200	5,879,410

* Remuneration (Net Paid) to Executive Director & CEO : Rs. 2,662,599.

** Remuneration (Net Paid) to CS : Rs. 980,473

*** Remuneration (Net Paid) to CFO : Rs. 1,959,932

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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



CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Corporate Governance

Your Company follows the Corporate Governance guidelines and best practices in tune with the guidelines recommended by Securities and Exchange Board of India (SEBI). Your Company considers its responsibility to disclose timely and accurate information regarding its financials, operations, performance as well as governance of the Company.

Your Company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large and strives to serve their interests, resulting in creation of value and wealth for its stakeholders without compromising in any way on compliance with the extant laws and regulations. Integrity, transparency, fairness, accountability and compliance are embedded in the Company's business practices. Our endeavor is to follow good governance both in letter as well as in spirit.

2. Board of Directors

Size and Composition of the Board

The Board has optimum combination of Executive, Non-Executive and Woman Director as required under the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations").

As on March 31, 2017, the Board of Directors of the Company comprised of Five Directors viz. one (1) Promoter Director, one (1) Woman Director, one (1) Executive Director and two (2) Non-Executive Independent Directors.

The maximum tenure of Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of Independence as mentioned under the provisions of SEBI Listing Regulations read with the relevant provisions of the Act.

Subsequent to the year, Dr. Umesh Kulkarni tendered his resignation and ceased to be the Non-Executive Independent Director w.e.f. May 12, 2017. Thereafter, the Board of Directors of the Company, on recommendation of Nomination and Remuneration Committee, appointed Mr. Shekhaar Shetty as an Additional Director (Category – Non-Executive, Independent) w.e.f. May 17, 2017 for a period of three years. The brief profile of Mr. Shekhaar Shetty is provided in the Notice convening 25th AGM.

The Profiles of the Directors can be found on www.ashokalcochem.com.

Directors' Attendance and Directorships held

The details of the number of Board Meetings and Annual General Meeting attended by each Director during the year under review and Directorship and/or Membership / Chairmanship of the Committees of Board held by each of them as on March 31, 2017, are given below:

Sr. No.	Name of Directors	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM held on September 22, 2016	No of other Directorship held ⁴	No. of Committee (Other than your Company) in which Chairman / Member ⁵
1	Mr. Purab Shah ¹	Executive Director & CEO	7 of 7	Yes	-	-
2	Mr. Manoj Ganatra	Non - Executive, Independent	7 of 7	Yes	1	-
3	Dr. Umesh Kulkarni ²	Non - Executive, Independent	6 of 7	No	-	-
4	Mr. Sunil Shah	Non - Executive Director	7 of 7	Yes	1	-
5.	Mrs. Neeta Shah	Non - Executive Director	7 of 7	No	-	-
6.	Mr. Shekhaar Shetty ³	Non - Executive, Independent	NA	NA	-	-

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Notes:

- 1 Mr. Purab Shah has been appointed as Executive Director & CEO w.e.f. April 19, 2016 for a period of two years.
- 2 Subsequent to the year under review, Dr. Umesh Kulkarni ceased as Director (Category - Non-Executive, Independent) w.e.f. May 12, 2017.
- 3 Subsequent to the year under review, Mr. Shekhaar Shetty has been appointed as an Additional Director (Category - Non - Executive, Independent) of the Company w.e.f. May 17, 2017 for a period of three years.
- 4 Exclude Directorships in Private Limited Companies, Foreign Companies, Companies incorporated under section 8 of the Companies Act, 2013 and Alternate Directorships.
- 5 Represents only Membership/Chairmanship of the Audit Committee and the Stakeholders' Relationship Committee of Indian Public Companies.

None of the Directors are related to each other except Mr. Sunil Shah and Mrs. Neeta Shah.

Mrs. Neeta Shah is a spouse of Mr. Sunil Shah.

Number of Board Meetings

During the year under review, Seven Board Meetings were held on April 19, 2016, May 20, 2016, August 11, 2016, November 10, 2016, January 27, 2017, February 14, 2017 and March 27, 2017. The time gap between two consecutive meetings did not exceed one hundred and twenty days at any point in time. The necessary quorum was present for all the meetings.

Number of shares held by Non-Executive Directors

The details of shares of the Company held by the Non-Executive Directors as on March 31, 2017 are as follows:

Name of the Director	Category	No. of shares held
Mr. Sunil Shah	Non - Executive Promoter Director	1,000
Mrs. Neeta Shah	Non - Executive Woman Director	Nil
Mr. Manoj Ganatra	Non - Executive Independent Director	Nil
Dr. Umesh Kulkarni	Non - Executive Independent Director	Nil

Independent Directors

Independent Directors play a vital role in the governance process of the Board. With their expertise in various fields, they enrich the decision making process at the Board.

The appointment of Independent Directors is made in a structured manner. The Nomination and Remuneration Committee identifies potential candidates based on certain criteria and considers the diversity of the Board.

The Independent Directors have confirmed that they meet the criteria of Independence laid down under the Act and the SEBI Listings Regulations.

During the year 2016-17, the Independent Directors met on March 27, 2017, *inter-alia*;

- ?
 - To evaluate the performance of non-independent Directors and the Board as a whole.
 - To assess the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board Members to effectively and reasonably perform their duties.
 - Other related matters.

Familiarization Programmes for Independent Directors

The Familiarization Programme is an ongoing process. The Company has familiarized its Independent Directors with the



Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The Independent Directors are provided with necessary information, documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

The familiarization programme for Independent Directors is disclosed on the Company's website <http://www.ashokalcochem.com/InvestorUpdate.html>.

3. Committees of the Board

A. Audit Committee

Terms of Reference

The Audit Committee of the Board of Directors of the Company has been duly constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations read with section 177 of the Act.

The terms of reference of the Audit Committee, *inter alia*, broadly includes the following:

- 1) the recommendation for appointment, remuneration and terms of appointment of auditors viz Statutory Auditors, Internal Auditors and Cost Auditors of the Company;
- 2) discussion and review the quarterly, half yearly and annual financial results of the Company before submission to the Board;
- 3) review and monitor the Auditor's Independence and performance and effectiveness of audit process;
- 4) examination of the financial statement and the auditors' report thereon;
- 5) approval or any subsequent modification of transactions of the Company with related parties;
- 6) scrutiny of inter-corporate loans and investments;
- 7) valuation of undertakings or assets of the Company, wherever it is necessary;
- 8) evaluation of internal financial controls and risk management systems;
- 9) monitoring the end use of funds raised through public offers and related matters;
- 10) review of Cost Audit Report;
- 11) to hold periodic discussions with Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, Internal Control System, scope of the audit and observations of the Auditors / Internal Auditors;
- 12) in addition, the powers and role of the Audit Committee are as laid down under SEBI Listing Regulations and Companies Act 2013 and rules made thereunder;
- 13) any other matter referred to by the Board of Directors.

Composition and Attendance at Meeting

The Audit Committee of the Board of Directors of the Company comprises of three Directors out of which two are Independent Directors.

During the year under review, the Committee met four (4) times on May 20, 2016, August 11, 2016, November 10, 2016 and February 14, 2017. The attendance of the Members at the meeting is stated below:

Name of Director	Categories	No of Meeting	
		Held	Attended
Mr. Manoj Ganatra (Chairman)	Independent, Non-Executive Director	4	4
Dr. Umesh Kulkarni ¹	Independent, Non-Executive Director	4	3
Mr. Sunil Shah	Non-Executive Director	4	4
Mr. Shekhaar Shetty ²	Independent, Non-Executive Director	NA	NA

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

¹Ceased to be Director and consequently a Member of this Committee w.e.f. May 12, 2017.

²Appointed as a Member of the Committee w.e.f. May 17, 2017.

The Company Secretary is the Secretary of the Committee.

Mr. Manoj Ganatra, Chairman of the Audit Committee, was present at the 24th Annual General Meeting of the Company held on September 22, 2016.

On invitation of the Audit Committee, the Executive Director & CEO, Chief Financial Officer of the Company and representative of Internal Auditors & Statutory Auditors had attended the Audit Committee meetings held during the year under review.

B. Nomination and Remuneration Committee

Terms of Reference

The Nomination and Remuneration Committee of the Board of Directors of the Company has been duly constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations read with section 178 of the Act.

The terms of reference of the Committee, *inter alia*, includes the following:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
2. Formulate the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees at senior management.
3. Formulate the policy.
4. Undertake any other matter as the Board may decide from time to time.

Composition and other details

The Nomination and Remuneration Committee of the Board of Directors of the Company comprises of three Non-Executive Directors out of which two are Independent Directors.

During the year under review, the Committee met three (3) times on April 19, 2016, February 14, 2017 and March 27, 2017. The attendance of the Members at the meeting is stated below:

Name of Director	Categories	No of Meeting	
		Held	Attended
Mr. Manoj Ganatra (Chairman)	Independent, Non-Executive Director	3	3
Dr. Umesh Kulkarni ¹	Independent, Non-Executive Director	3	3
Mr. Sunil Shah	Non-Executive Director	3	3
Mr. Shekhaar Shetty ²	Independent, Non-Executive Director	NA	NA

¹ Ceased to be Director and consequently a Member of this Committee w.e.f. May 12, 2017.

² Appointed as a Member of the Committee w.e.f. May 18, 2017.

Mr. Manoj Ganatra, Chairman of the Committee, was present at the 24th Annual General Meeting of the Company held on September 22, 2016 to answer the queries of shareholders.

Performance Evaluation criteria for Independent Directors

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. The performance evaluation was carried out based on the factors viz. attendance and participation by a Director,



expertise of and knowledge shared by Director, maintenance of confidentiality & code of conduct of the Company, duties and responsibilities, maintenance of Independence etc.

C. Stakeholders' Relationship Committee

Terms of Reference

The Stakeholders' Relationship Committee of the Board of Directors of the Company has been duly constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.

The terms of reference of the Committee, *inter alia*, includes the following:

- Consider and resolve the grievances of the shareholders of the Company, including but not limited to complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividend, etc.
- Set forth the policies relating to and to oversee the implementation of the code of conduct for prevention of Insider Trading.

The Company has appointed Link Intime India Private Limited as its Registrar and Share Transfer Agent (RTA).

Composition and other details

The Stakeholders' Relationship Committee of the Board of Directors of the Company comprises of three Directors out of which two are Independent Directors.

During the year under review, the Committee met seven (7) times on May 20, 2016, June 28, 2016, August 11, 2016, September 22, 2016, November 10, 2016, February 14, 2017 and February 28, 2017. The attendance of the Members at the meeting is stated below:

Name of Director	Categories	No of Meeting	
		Held	Attended
Mr. Manoj Ganatra (Chairman)	Independent Director, Non-Executive Director	7	7
Dr. Umesh Kulkarni ¹	Independent Director, Non-Executive Director	7	6
Mr. Sunil Shah	Non-Executive Director	7	7
Mr. Shekhaar Shetty ²	Independent, Non-Executive Director	NA	NA

¹ Ceased to be Director and consequently a Member of this Committee w.e.f. May 12, 2017.

² Appointed as a Member of the Committee w.e.f. May 18, 2017.

The Company has adopted the Code of Conduct for Prevention of Insider Trading, under the SEBI (Prevention of Insider Trading) Regulations, 2015. The Code lays down the guidelines for procedures to be followed and disclosures to be required for dealing in the shares of the Company. Ms. Seema Gangawat, Company Secretary of the Company, has been appointed as the Compliance Officer of the Company.

Name, designation & Address of Compliance Officer:

Ms. Seema Gangawat,
Company Secretary & Compliance Officer
104, Venkatesh Chambers, 1st Floor, Ghanshyam Talwatkar Marg, Fort, Mumbai – 400 001.

Details of investor's complaints received and resolved during the financial year 2016-17

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	1	1	Nil

There were no pending transfers/grievances as on March 31, 2017.

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

D. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company has been duly constituted in line with the provisions of section 135 of the Act.

Terms of Reference

The terms of reference of the Committee, *inter alia*, includes the following:

- 1) Recommend the amount of expenditure to be incurred on the CSR activities;
- 2) Monitor, implementation and adherence to the Corporate Social Responsibility Policy (CSR Policy) of the Company from time to time;
- 3) Prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programmes/ activities proposed to be undertaken by the Company; and
- 4) Such other activities as the Board of Directors may determine from time to time.

Composition and other details

The Chairman of the Committee is Mr. Manoj Ganatra. The other Members are Mr. Sunil Shah and Mr. Purab Shah. The Company Secretary is the Secretary of the Committee.

During the year ended March 31, 2017, the Committee met one (1) time on February 14, 2017. All the Members were present at the meeting.

4. Remuneration of Directors

I) Non-Executive Directors

a) Pecuniary Relationship with the Non-Executive Directors

All the Non-Executive Directors of the Company are paid remuneration by way of sitting fees. Apart from sitting fee, the Non-Executive Directors have no pecuniary relationship or transactions with the Company in their personal capacity.

Sitting fees paid to Non-Executive Directors are within limits as provided in the Companies Act, 2013.

The details of sitting fees paid to Non- Executive Directors for the year ended March 31, 2017 are as under:

Name of Director(s)	Sittings fees paid for attending Board/Committee Meetings (Rs.)
Mr. Manoj Ganatra	2,65,000
Mr. Sunil Shah	2,65,000
Dr. Umesh Kulkarni	2,15,000
Mrs. Neeta Shah	1,40,000
Total	8,85,000

Considering the contribution made, time devoted and efforts provided by the Directors of the Company, the Board at its meeting held on May 18, 2017, on the recommendation of Nomination and Remuneration Committee, had considered and compensated Non-Executive Directors of the Company with an appropriate sitting fee for attending the meeting of Board and/or Committee thereof. The revised sitting fees, to be paid to Non-Executive Directors:



Sr. No.	Board / Committee name	Present Sitting fee	Revised sitting fee
1.	Board Meeting	20,000	30,000
2.	Audit Committee Meeting	10,000	20,000
3.	Stakeholder Relationship Committee Meeting	10,000	10,000 (no change)
4.	Nomination and Remuneration Committee Meeting	5,000	10,000

The above revised sitting fees are within the prescribed limits of the Act.

b) Criteria of making payments to Non-Executive Director

While fixing the remuneration for Directors, the Company shall consider industry benchmarks and the competence of the persons and ensure that the level and composition of the remuneration is reasonable and sufficient to attract, retain and motivate them.

II) Executive Director

The remuneration paid to Mr. Purab Shah, Executive Director & Chief Executive Officer, was approved by the Board and shareholders are within the overall limit fixed under the law and in compliance with Schedule V of the Act.

Presently, the Company do not have stock option scheme for its employees/Directors.

The details of remuneration paid to Executive Director for the year ended March 31, 2017 are as under:

Name of the Directors	Salaries & Perquisites including allowance	Tenure as per agreement upto
Mr. Purab Shah (designated as Executive Director & CEO)	2,817,100	Appointed w.e.f April 19, 2016 for a period of two years.

5. General Body Meetings

Particulars of Annual General Meetings held and Special Resolutions passed during the last three years:

Financial Year	Date	Time	Venue	Special Resolution passed
2013-14	26.09.2014	11.00 am	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Orion House, 6 th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai -400001	Approval for increase in borrowing limits under section 180(1)(c) of the Companies Act, 2013.
2014-15	25.09.2015			Approval for alteration in Articles of Association under section 14 of the Companies Act, 2013
2015-16	22.09.2016			No Special Resolution passed in this Annual General Meeting.

All the resolutions as set out in the notices were passed unanimously/by requisite majority by the Members of the Company.

Postal Ballot

During the year under review, your Company has not conducted any postal ballot for passing any resolution.

Resolutions, if any, to be passed through Postal Ballot during the financial year 2017-18 will be taken up as and when necessary.

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

6. Means of Communication

The Quarterly, Half Yearly and Annual Financial Results are communicated to the BSE Limited where the shares of your Company are listed and published in Free Press Journal (English) and Navshakti (Marathi) newspapers.

The results are also displayed on the Company's Website at www.ashokalcochem.com

The Company has not made any presentation to any institutional investor or to any analyst during the year under review.

BSE's Listing Centre is a web-based application designed by BSE for Corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Statement of investor complaints, among others are also filed electronically on the Listing Centre.

A separate section under 'Investor update' on the Company's website gives information on various announcements made by the Company, the Annual Report, the quarterly/ half yearly and the annual results of the Company.

The Company also informs by way of intimation to BSE Limited, all price sensitive matters or such other matters, which in its opinion are material and of relevance to the Members.

7. Other Disclosures

a) Related Party Transaction

In terms of the Regulation 23(1) of the SEBI Listing Regulation, the Board has approved a policy for related party transactions which has been uploaded on the Company's website <http://www.ashokalcochem.com/InvestorUpdate.html>.

During the year under review, the Company has not entered into any transaction with its related parties. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to Financial Statements for the year ended March 31, 2017.

b) Non-compliance/Strictures/Penalties/Imposed

Your Company has complied with all the statutory requirements comprised in the Listing Agreement/ Regulations / Guidelines / Rules of the Stock Exchanges / SEBI except for the following:

- i) *The composition of the Board of Directors of the Company is not in accordance with the provisions of Regulation 17(1) (b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.*

The non-compliance of Regulation 17 (1)(b) of SEBI Listing Regulations is due to technical reason. The Board's reply to the above non-compliance has been duly mentioned in the Directors Report.

There were no instances of non-compliance by your Company nor have any penalties, strictures have been imposed by stock exchanges or SEBI or any statutory authorities, on any matter related to capital markets, during the last three years, except as stated below:

- i) *Pursuant to the provisions of Clause 31 of the Listing Agreement, six copies of the Statutory and Directors' Annual Reports along with Form A, Balance Sheets and Profit and Loss Accounts for the financial year ended March 31, 2014 was submitted with a delay of one day to the Stock Exchange. The Company has paid penalty as imposed by the stock exchange.*

c) Vigil Mechanism and Whistle Blower Policy

Pursuant to the provisions of section 177 of the Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations, the Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The mechanism provides for adequate safeguard against victimization of Director(s)/employee(s) who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases. We affirm that no employee / personnel of the Company were denied access to the Chairman of the audit committee. The said policy is available on the Company's website <http://www.ashokalcochem.com/InvestorUpdate.html>.



d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all the applicable mandatory requirements except as stated above.

The Board has taken cognizance of the other non-mandatory requirements and shall consider adopting the same as and when necessary.

e) The Company has adopted policy on determination of Material Events and Policy for preservation of Documents.

The said policy can be accessed at <http://www.ashokalcochem.com/InvestorUpdate.html>.

f) Subsidiary Company

The Company has a policy on Material Subsidiary and the same is available on the website <http://www.ashokalcochem.com/InvestorUpdate.html>.

The Audit Committee reviews the consolidated financial statements of the Company and the investment made by its unlisted subsidiary Company. The minutes of the Board Meetings are periodically placed before the Board Meeting of the Company.

The Company does not have any material subsidiary.

g) Code of Conduct

The Members of the board and senior management personnel have affirmed the compliance with Code of conduct applicable to them during the year ended March 31, 2017. The Certificate is annexed and forms part of this Annual Report.

h) CEO/CFO Certification

As required under Regulation 17(8) of SEBI Listing Regulations, the CEO/CFO certificate for the financial year ended March 31, 2017, signed by Mr. Purab Shah, Executive Director and CEO and Mr. Vaize Kampli, Manager-Accounts & Finance of the Company, is annexed and forms part of this report.

i) Compliance with Corporate Governance requirements

Except otherwise stated, the Company confirms with the Compliance of Corporate Governance requirements specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations.

11. General Shareholder Information

i.	Annual General Meeting	
	Date and Time	Friday, September 22, 2017 at 11.00 a.m.
	Venue	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Oricon House, 6 th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400 001
ii.	Financial Year	April 1, 2016 to March 31, 2017
iii.	Book Closure Date	September 18, 2017 to September 22, 2017 (both days inclusive)

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

iv.	Dividend Payment Date	Credit/Dispatch of dividend warrants on or after September 23, 2017.
v.	Listing on Stock Exchange	BSE Limited P. J. Towers, Dalal Street, Mumbai - 400 001. The Listing Fee for the year 2017-18 has been paid to BSE.
vi.	Stock Code	524594
vii.	ISIN No.	INE994D01010
viii	Scores	The Company is registered with SEBI Scores
ix.	Financial Calendar (tentative) for the period April 1, 2017 to March 31, 2018 is as given below:	
	Financial Reporting for the quarter ending June 30, 2017	On or before September 14, 2017
	Financial Reporting for the quarter ending September 30, 2017	On or before December 14, 2017
	Financial Reporting for the quarter ending December 31, 2017	On or before February 14, 2018
	Audited Financial Results for the quarter and year ending on March 31, 2018	On or before May 30, 2018

x.	Market Price Data				
	Months	Rate (Rs.)		Indices (Rs.)	
		High	Low	High	Low
	April 2016	227.00	160.50	26100.54	24523.20
	May 2016	202.80	116.60	26837.20	25057.93
	Jun 2016	147.00	115.00	27105.41	25911.33
	Jul 2016	154.80	128.50	28240.20	27034.14
	Aug 2016	137.45	86.65	28532.25	27627.97
	Sept 2016	139.50	93.75	29077.28	27716.78
	Oct 2016	145.00	115.20	28477.65	27488.30
	Nov 2016	129.00	89.80	28029.80	25717.93
	Dec 2016	105.65	91.00	26803.76	25753.74
	Jan 2017	117.50	93.75	27980.39	26447.06
	Feb 2017	115.00	96.05	29065.31	27590.10
Mar 2017	100.00	89.25	29824.62	28716.21	



	<table border="1"> <caption>Approximate Data from Chart</caption> <thead> <tr> <th>Month</th> <th>BSE High</th> <th>AACL High</th> </tr> </thead> <tbody> <tr><td>Apr-16</td><td>25000.00</td><td>200.00</td></tr> <tr><td>May-16</td><td>26000.00</td><td>180.00</td></tr> <tr><td>Jun-16</td><td>27000.00</td><td>150.00</td></tr> <tr><td>Jul-16</td><td>28000.00</td><td>140.00</td></tr> <tr><td>Aug-16</td><td>28000.00</td><td>130.00</td></tr> <tr><td>Sep-16</td><td>29000.00</td><td>120.00</td></tr> <tr><td>Oct-16</td><td>28000.00</td><td>110.00</td></tr> <tr><td>Nov-16</td><td>28000.00</td><td>100.00</td></tr> <tr><td>Dec-16</td><td>27000.00</td><td>90.00</td></tr> <tr><td>Jan-17</td><td>28000.00</td><td>100.00</td></tr> <tr><td>Feb-17</td><td>29000.00</td><td>90.00</td></tr> <tr><td>Mar-17</td><td>30000.00</td><td>80.00</td></tr> </tbody> </table>		Month	BSE High	AACL High	Apr-16	25000.00	200.00	May-16	26000.00	180.00	Jun-16	27000.00	150.00	Jul-16	28000.00	140.00	Aug-16	28000.00	130.00	Sep-16	29000.00	120.00	Oct-16	28000.00	110.00	Nov-16	28000.00	100.00	Dec-16	27000.00	90.00	Jan-17	28000.00	100.00	Feb-17	29000.00	90.00	Mar-17	30000.00	80.00
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Mar-17	30000.00	80.00																																							
xi.	<p>Registrar and Share Transfer Agent:</p>	<p>Link Intime India Pvt. Ltd. C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083. Tel No. 022-49186000 Fax No: 022-49186060 Email: rnt.helpdesk@linkintime.co.in</p>																																							
xii	<p>Share Transfer System:</p>	<p>Your Company's shares are traded on the stock exchange in Demat Mode as well as in Physical Mode.</p> <p>In Demat Mode, the transfers are effected through NSDL & CDSL. Majority of the Share Transfer takes place in this form.</p> <p>In Physical Mode, the Transfer of Shares is processed by Link Intime India Pvt. Ltd. and approved by the Board of Directors of the Company and the certificates are returned to the shareholders within 15 days from the date of receipt, subject to documents being valid and complete in all respects.</p>																																							

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

xiii.	Distribution of Shareholding:				
	The distribution of share holding as on March 31, 2017				
	No. of Shares	No. of Shareholders	% of total Shareholders	No. of Shares held	% of Total issued capital
	1-500	4756	89.62	623,154	13.55
	501-1000	298	5.62	232,942	5.06
	1001-2000	142	2.68	206,883	4.50
	2001-3000	40	0.75	97,275	2.11
	3001-4000	22	0.41	76,438	1.66
	4001-5000	20	0.38	93,018	2.02
	5001-10000	18	0.33	135,153	2.94
10001 & above	11	0.21	3,135,480	68.16	
Total	5307	100.00	46,00,343	100.00	
Category Wise Distribution of Shareholdings as on March 31, 2017					
Sr. No.	Category	No. of Share holders	% of Share Holdings	No. of Shares held	
1	Promoter and Promoter Group	3	54.79	2,520,632	
2	Mutual Funds	1	0.00	100	
3	Bodies Corporate	74	5.85	269,342	
4	Individual Shareholders	4,997	36.32	1,671,062	
5	Clearing Member	55	0.77	35,507	
6	Hindu Undivided Family	113	1.38	63,328	
7	Non Resident Indians	52	0.63	28,929	
8	Non Resident Indians (Non Repat)	12	0.25	11,443	
	Total	5307	100.00	4,600,343	



xiv.	Dematerialization of Shares and liquidity:	95.85% of the paid up capital was held in dematerialized form as on March 31, 2017. The entire shareholdings of promoters are in dematerialized form as on March 31, 2017. The Members are requested to get their shares demated to facilitate better custody and easy dealings.
xv.	Outstanding GDRs/ADRs Warrants / convertible securities:	N.A.
xvi.	Commodity Price Risk or foreign exchange risk and hedging activities	The Company use foreign exchange future and option contracts to hedge the exposure to movements in foreign exchange rates. The use of these foreign exchange future and option contracts reduces the risk or cost to the Company and the Company does not use those for trading or speculative purpose.
xvii.	Plant Location	Plot No.A-22/2/1, Mahad Industrial Area, Village-Kamble, Mahad-402301, Dist. Raigad, Maharashtra.
xviii	Address for correspondence	Shareholders correspondence should be addressed to your Company's Registrar and Share Transfer Agents: C-101, 247 Park, L. B. S. Marg, Vikhroli (West) Mumbai - 400 083. Tel No. 022-49186000 Fax No: 022-49186060 Email : rnt.helpdesk@linkintime.co.in

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. The Code has been posted on the Company's website www.ashokalcochem.com.

I declare that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the financial year 2016-17.

For Ashok Alco-Chem Limited

Place: Mumbai
Date: August 11, 2017

sd/-
Purab Shah
Executive Director & CEO
(DIN : 07490952)

CEO/CFO CERTIFICATION

To
The Board of Directors
Ashok Alco-Chem Limited

This is to certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2017 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2017 which is fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiency 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 rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee that:
1. there are no significant changes in Internal Control during the year ended March 31, 2017;
 2. there are no significant changes in accounting policies during the year ended March 31, 2017 and that the same have been disclosed in the notes to the financial statements; and
 3. there are no 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.

For Ashok Alco-Chem Limited

Place: Mumbai
Date: May 18, 2017

Sd/-
Purab Shah
Executive Director & CEO
(DIN : 07490952)

Sd/-
Vaize Kampli
Manager- Finance & Accounts



COMPLIANCE CERTIFICATE

To
The Members
Ashok Alco-Chem Limited

I have examined the compliance of conditions of Corporate Governance by Ashok Alco-Chem Limited (the Company) for the year ended on March 31, 2017, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In my opinion and to the best of my information and according to the explanations given to me and the representation by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, except as stated below:

1. *The composition of the Board of Directors of the Company is not in accordance with the provisions of Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
2. *The Audit Committee meeting held on 11th August 2016 was attended by only one Independent Director. Hence, the quorum for the said Meeting was not as per Reg. 18(2)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

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

For Jay Mehta & Associates
Company Secretaries

Place: Mumbai
Date: August 11, 2017

sd/-
Jay Mehta
Proprietor
FCS No.: 8672
C.P. No.: 8694



Independent Auditor's Report

To
The Members of
ASHOKALCO-CHEM LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017 and its PROFIT for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the Directors as on 31st March 2017 taken on record by the Board of Directors, none of the Director is disqualified as on 31st March 2017 from being appointed as a Director in terms of section 164 (2) of the Act; and
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

For R. A. Kuvadia & Co.
Chartered Accountants
F.R.N. 105487W

sd/-
R. A. Kuvadia
(Proprietor)
M.No. 040087

Place : Mumbai
Date : 18.05.2017

**“ANNEXURE A” to the Auditor's Report
(Referred to in Paragraph 1 under 'Report on other Legal and Regulatory
Requirements' section of our report of even date)**

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The fixed assets have been physically verified by the management at the year end and no material discrepancies were noticed on such physical verification.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of freehold immovable properties are held in the name of the Company and those taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, wherein the Company is the lessee.
2. (a) The stock of Finished Goods, Raw materials, Stores and consumables were physically verified by the Management at each half year end;
(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.
3. The Company has not granted unsecured loan to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the order is not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year. In respect of unclaimed deposits, the Company has complied with the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in relation to the products manufactured and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of sales tax including Value Added Tax, Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Custom, Duty of Excise, Cess and other material statutory dues, as applicable, with the appropriate authorities, except for marginal delays.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Service Tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues were in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.
(c) The particulars of dues of Income Tax, Sales Tax including value added tax, at March 31st, 2017 which has not been deposited on account of dispute, are as follows:



Name of the Statute	Nature of Dues	Amount Rs. in lacs	Financial Year/s to which the amount relates	Forum where dispute is pending
Sales Tax	Assessment dues	199.21	1993-1994 To 2004-2005	Commissioner of Sales Tax
Income Tax Act	Demand Notice	2.69	1997-1998	Pending for giving effect to order of CIT (A)
Income Tax Act	Demand Notice	0.82	2016-2017	Rectification u/s 154 of The I.T. Act, 1961 filed with AO 1(1)(1) Mumbai

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
9. The Company has not raised any monies by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
10. In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year under review.
11. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
12. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
13. In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
14. According to the information and explanation given to us, the Company has entered into transaction with related parties in compliance with the provisions of sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
15. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
16. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
17. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Mumbai
Date: 18.05.2017

For R.A. KUVADIA & Co.
Chartered Accountants
F.R.N.: 105487W

Sd/-
(R.A. Kuvadia)
Proprietor
M. No. 040087

“Annexure –B” to the Auditors' Report

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 **ASHOK ALCO-CHEM LIMITED** (“the Company”) as of 31st March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization's of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the



risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For R. A. Kuvadia & Co.
Chartered Accountants
F.R.N. 105487W**

**Place: Mumbai
Date: 18.05.2017**

**sd/-
R. A. Kuvadia
(Proprietor)
M.No. 040087**

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

BALANCE SHEET AS AT 31st March, 2017

(Amounts in Rs)

Particulars	Note No.	31 st March, 2017		31 st March, 2016
EQUITY AND LIABILITIES				
Shareholders' Funds				
Share Capital	2	46,003,430	46,003,430	
Reserves and Surplus	3	420,619,888	405,261,818	
Money Received Against Share Warrants		-	466,623,318	451,265,248
Non-Current Liabilities				
Long Term Borrowings	4		11,934,846	25,833,334
Deferred Tax Liabilities (Net)			15,089,000	13,609,963
Long Term Provisions	5		2,251,946	1,887,127
Current Liabilities				
Short Term Borrowings	6	84,230,808	39,413,185	
Trade Payables	7	227,846,335	385,973,675	
Other Current Liabilities	8	261,376,186	376,921,763	
Short-term Provisions	9	612,631	574,065,960	802,516,036
Total			1,069,965,070	1,295,111,708
ASSETS				
Non Current Assets				
<u>Fixed Assets</u>				
Tangible Assets	10	150,071,039	138,076,801	
Intangible Assets		43,724	70,575	
Capital Work-in-Progress		5,219,600	-	
		155,334,363	138,147,376	
Non Current Investments	11	7,310,000	7,324,000	
Long Term Loans and Advances	12	13,619,870	14,033,529	
Other Non Current Assets		-	176,264,233	159,504,905
Current Assets				
Current Investments		-	-	
Inventories	13	210,198,862	123,893,614	
Trade Receivables	14	317,088,907	608,039,378	
Cash and Cash Equivalents	15	20,297,161	177,153,251	
Short Term Loans and Advances	16	346,115,907	893,700,837	1,135,606,803
Total			1,069,965,070	1,295,111,708

The accompanying notes 1 to 23 are an integral part of these financial statements.

AS PER OUR REPORT OF EVEN DATE

For R. A. KUVADIA & CO.
CHARTERED ACCOUNTANTS
FRN : 105487W

For and on behalf of the Board of Directors

Sd/-
R. A. KUVADIA
Proprietor

Sd/-
Purab Shah
Executive Director & CEO
(DIN 07490952)

Sd/-
Sunil K Shah
Director
(DIN 03567415)

Membership No. 040087

Place : Mumbai
Date : 18.05.2017

Sd/-
Seema Gangawat
Company Secretary

Sd/-
Vaize Ahmed Kampli
Manager-Finance & Accounts



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amounts in Rs)

Particulars	Note No.	31 st March, 2017	31 st March, 2016
REVENUE			
Revenue from Operations	17	1,478,434,871	3,362,446,294
Other Income	18	32,482,016	32,774,556
Total Revenue		1,510,916,887	3,395,220,850
EXPENSES :			
Cost of Materials Consumed	19	1,145,266,656	1,013,868,844
Purchases of Stock-in-Trade		48,884,401	512,355,562
Changes in Inventories	20	(2,346,487)	(32,208,923)
Employee Benefit Expenses	21	50,265,026	48,960,943
Finance Costs	22	17,747,970	7,591,193
Depreciation and Amortization		10,236,131	8,870,972
Other Expenses	23	209,289,220	1,638,511,279
Total Expenses		1,479,342,917	3,197,949,870
Profit Before Tax		31,573,970	197,270,980
Tax Expenses			
Current Tax		(9,200,000)	(66,000,000)
MAT Entitlement Credit (Net) of Earlier Year		-	(5,475,738)
Earlier Year's Tax		-	(154,691)
Deferred Tax		(1,479,037)	(1,836,874)
		(10,679,037)	(73,467,303)
Net Profit for the year		20,894,933	123,803,677
Earnings per Equity Share of Face Value Rs. 10/-			
Basic		4.54	26.91
Diluted		4.54	26.91

The accompanying notes 1 to 23 are an integral part of these financial statements.

AS PER OUR REPORT OF EVEN DATE

For R. A. KUVADIA & CO.
CHARTERED ACCOUNTANTS
FRN : 105487W

For and on behalf of the Board of Directors

Sd/-
R. A. KUVADIA
Proprietor

Membership No. 040087

Sd/-
Purab Shah
Executive Director & CEO
(DIN 07490952)

Sd/-
Sunil K Shah
Director
(DIN 03567415)

Place : Mumbai
Date : 18.05.2017

Sd/-
Seema Gangawat
Company Secretary

Sd/-
Vaize Ahmed Kampli
Manager-Finance & Accounts

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Amount in Rs)

CASH FLOW FROM OPERATING ACTIVITIES	MARCH-2017		MARCH-2016	
Net Profit Before Tax		31,573,970		197,270,980
Adjustments for:				
Depreciation	10,236,131		8,870,972	
Foreign Exchange (Gain) / Loss	(10,057,689)		(6,289,355)	
Sundry Balance w/off/ (w/back)	(7,648,264)		(12,898,066)	
Interest & Finance Charges	17,747,970		7,591,193	
Interest Received	(4,879,777)		(3,887,160)	
Profit on Sale of Asset	(98,540)		-	
Dividend Income	(1,362,936)	3,936,895	(1,735,146)	(8,563,574)
Operating Profit before Working Capital Charges		35,510,865		188,707,406
Adjustments for:				
Decrease/(Increase) in Receivables	290,950,471		(84,847,163)	
Decrease/(Increase) in Advances & others	(95,915,495)		(58,669,276)	
Decrease/(Increase) in Inventories	(86,305,248)		(20,982,643)	
Increase/(Decrease) in Payables	(158,127,340)		(67,387,433)	
Increase/(Decrease) in Other Liabilities	(130,612,874)		112,355,627	
Foreign Exchange Gain / Loss	10,057,689		6,289,355	
Sundry Balance Written Off	7,648,264	(162,304,533)	12,898,066	(100,343,467)
Cash generated from operations		(126,793,668)		88,363,939
Income Tax Paid		(37,989,055)		(73,279,219)
Net Cash flow from Operating activities		(164,782,723)		15,084,720
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(28,799,405)		(33,435,613)	
Sale/Adjustments of Fixed Assets	1,474,826		3,768,795	
Interest Received	4,879,777		3,887,160	
Dividend Income	1,362,936		1,735,146	
Net Cash used in Investing activities		(21,081,866)		(23,828,500)
CASH FLOW FROM FINANCING ACTIVITIES				
Net Proceeds from Long term Borrowings				
Secured	46,756,469		58,269,931	
Unsecured	-		-	
Issue of Fresh Share Capital	-		-	
Interest paid	(17,747,970)		(7,591,193)	
Net Cash used in financing activities		29,008,499		50,678,738
Net increase in cash & Cash Equivalents		(156,856,090)		41,934,958
Cash and Cash equivalents as at 01.04.16		177,153,251		135,218,293
Cash and Cash equivalents as at 31.03.17		20,297,161		177,153,251
Cash & Cash Equivalents		As on 31.03.2017		As on 31.03.2016
Cash in Hand		570,804		1,038,094
Cash at Bank		19,726,357		176,115,157
Cash & Cash equivalents as stated		20,297,161		177,153,251

AS PER OUR REPORT OF EVEN DATE

For R. A. KUVADIA & CO.
CHARTERED ACCOUNTANTS
FRN : 105487W

Sd/-
R. A. KUVADIA
Proprietor
Membership No. 040087
Place : Mumbai
Date : 18.05.2017

For and on behalf of the Board of Directors

Sd/-
Purab Shah
Executive Director & CEO
(DIN 07490952)

Sd/-
Sunil K Shah
Director
(DIN 03567415)

Sd/-
Seema Gangawat
Company Secretary

Sd/-
Vaize Ahmed Kampli
Manager-Finance & Accounts



ASHOK ALCO CHEM LIMITED

NOTE: 1
NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017

SIGNIFICANT ACCOUNTING POLICIES

I. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

These financial statements have been prepared and presented under the historical cost conversion, on the accrual basis of accounting in accordance with the generally accepted accounting principles in India ('Indian GAAP') and comply with Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of product and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current –non-current classification of assets and liabilities.

II. USE OF ESTIMATES:

The Preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, asset and liabilities and the disclosures of contingent liabilities at the end of reporting period.

III. FIXED ASSETS AND DEPRECIATION/AMORTIZATION

- (i) Gross Fixed Assets are stated at historical cost of acquisition / construction net of Cenvat credit/Input Credit under VAT on capital goods.
Depreciation on tangible assets is provided on Straight Line Method as specified in Schedule II to The Companies Act, 2013. Intangible Assets are amortised as per AS-26 issued by The Institute of Chartered Accountants of India. Lease hold land is amortised over the period of lease.
- (ii) Fixed assets are eliminated from financial statements either on disposal or when retired from active use. The retired assets are disposed off or discarded immediately. Profit or loss on disposal of assets is recognized in the statement of profit and loss.
- (iii) Depreciation is provided on pro-rata basis from the day in which assets have been put to use and up to the day on which assets have been used by the Company.

IV. IMPAIRMENT OF ASSETS:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

V. FOREIGN CURRENCY TRANSACTIONS:

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- b) Monetary items denominated in foreign currencies 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 rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- c) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit and loss account.

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

VI. RESEARCH & DEVELOPMENT EXPENSES

Revenue expenditure on Research & Development is charged against the profit for the year in which it is incurred.

VII. REVENUE RECOGNITION:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods is recognized when the significant risk and reward of ownership of the goods have passed to the buyer which normally coincides with the despatch of goods from the factory of the Company. Sales are disclosed net of trade discount, Sales returns.

Revenue in respect of insurance, interest, cash subsidy and other claims is recognized only when it is reasonably certain that the ultimate collection will be made.

Export incentives under the Duty Entitlement Pass Book Scheme, Duty Draw Back Scheme, etc. are accounted in the year of export.

VIII. OPERATING LEASES:

Lease arrangements where risk and rewards incidental to ownership of an asset, substantially vests with the Lessor, are classified as operating leases.

Rental expenses on assets obtained under operating lease arrangement are recognized on a straight line basis over a term of the lease.

IX. INVESTMENTS:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long – term investments. Provisions, if any are made for permanent diminution in value of investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long – term investments are carried at cost.

X. INVENTORIES:

- i) Raw materials and packing materials are valued at landed cost determined on FIFO Basis net off VAT/CENVAT, wherever applicable.
- ii) The finished and trading goods have been valued at cost or net realizable value whichever is less.
- iii) Semi finished goods have been valued at estimated cost, as certified by the management.
- iv) Stores & Spares have been valued at cost or market price whichever is lower.

XI. FINANCIAL DERIVATIVES AND COMMODITY HEDGING TRANSACTIONS:

In respect of derivative contract, premium paid gains/losses on settlement and losses on restatement are recognized in the Statement of Profit and Loss.

XII. RETIREMENT AND OTHER EMPLOYEE BENEFITS:

Post –Employment Benefit Plans:

- i . Defined Contribution Plan: Contribution for provident fund are accrued in accordance with applicable statutes and deposited with the Regional Provident Fund Commissioner.
- ii. Defined Benefit Plan: The liabilities in respect of gratuity and leave encashment are determined using Projected Unit Credit Method with actuarial valuation carried out at the Balance Sheet date. Actuarial gains and losses are recognized in full in the Profit & Loss Account for the period in which they occur.

Contribution in respect to gratuity is made to the Group Gratuity Scheme with Life Insurance Corporation of India. Employee benefits recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of respective fund.



Short Term Employee Benefits:

The undiscounted amount of short – term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the service.

XIII. BORROWING COSTS:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized, as applicable. Other borrowing costs are recognized as an expense in the period in which they are incurred.

XIV. TAXES ON INCOME:

Tax expense comprises of Current and Deferred Tax. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of The Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

XV. EARNINGS PER SHARE:

Basic Earnings per Share is computed by dividing the net profit attributable to Equity Shareholders for the year, by weighted average number of Equity Shares outstanding during the year. Diluted earning per share is computed using the weighted average number of Equity and dilutive Equity equivalent share outstanding at year-end.

XVI. PROVISIONS AND CONTINGENCIES:

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

XVII. ACCOUNTING POLICIES:

Accounting Policies not specifically referred to, are consistent and in consonance with generally accepted accounting principles.

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Note No. 2

2.1 Share Capital

(Amount in Rs.)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016
Authorised		
50,00,000 (50,00,000) Equity Shares of Rs. 10 (Rs. 10)	50,000,000	50,000,000
20,00,000 (20,00,000) 11% Preference Shares of Rs. 10 (Rs. 10)	20,000,000	20,000,000
	70,000,000	70,000,000
Issued, Subscribed and Paid up		
46,00,343 (46,00,343) Equity Shares of Rs. 10 (Rs. 10)	46,003,430	46,003,430
	46,003,430	46,003,430

The Company has issued only one class of shares referred to as Equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.

2.2) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh Issue	Bonus	ESOP	Conversion	Buy Back	Other Changes	Closing Balance
Equity Shares with voting rights								
Year ended 31st March, 2017								
No. of Shares	4,600,343	-	-	-	-	-	-	4,600,343
Amount	46,003,430	-	-	-	-	-	-	46,003,430
Year ended 31st March, 2016								
No. of Shares	4,600,343	-	-	-	-	-	-	4,600,343
Amount	46,003,430	-	-	-	-	-	-	46,003,430

Terms/Rights attached to equity shares

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.3) Details of shares held by the Holding Company, the ultimate holding Company, their subsidiaries and associates:

Particulars	Equity shares with voting rights	Equity shares with differential voting rights	Compulsorily Convertible Preference Shares	Optionally Convertible Preference Shares	Reedemable Preference Shares
No. of Shares					
As at 31st March, 2017					
Aura Alkalies & Chemicals Pvt. Ltd., the Holding Co.	2,518,632	-	-	-	-
As at 31st March, 2016					
Aura Alkalies & Chemicals Pvt. Ltd., the Holding Co.	2,518,632	-	-	-	-

2.4) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31 st March, 2017		As at 31 st March, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Aura Alkalies & Chemicals Pvt. Ltd.	2,518,632	54.75	2,518,632	54.75



Note No. 3
Reserves and Surplus

(Amount in Rs.)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016
a. Capital Reserve		
Balance at the beginning of the year	94,881,000	94,881,000
Current year transfer	-	-
Balance at the end of the year	94,881,000	94,881,000
b. Securities Premium		
Balance at the beginning of the year	78,379,025	78,379,025
Balance at the end of the year	78,379,025	78,379,025
c. General Reserve		
Balance at the beginning of the year	100,000,000	50,000,000
Transferred from surplus in statement of Profit & Loss	5,000,000	50,000,000
Balance at the end of the year	105,000,000	100,000,000
d. Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	132,001,793	63,734,978
Net Profit for the Current Year	20,894,933	123,803,677
Less: Appropriations		
Proposed Dividend	(4,600,343)	(4,600,343)
Dividend Tax	(936,519)	(936,519)
Transfer to General Reserve	(5,000,000)	(50,000,000)
Balance at the end of the year	142,359,863	132,001,793
Total	420,619,888	405,261,818

Note No. 4
Long-Term Borrowings

(Amount in Rs.)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016
IDBI Term Loan (First and exclusive charge on assets created out of term loan and collaterally secured by equitable mortgage of factory land & building, plant & machinery (both present & future) & residential property located at MIDC Mahad & personal guarantee of Director to be repaid in 28 (36) Equal instalments)	11,934,846	25,833,334
Total	11,934,846	25,833,334

Note No. 5
Long-Term Provisions

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Provision for Leave Encashment	2,251,946	1,887,127
Total	2,251,946	1,887,127

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Note No. 6**Short-Term Borrowings**

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Secured		
Working Capital from IDBI Bank (First and exclusive charge on Current Assets present and future and collaterally secured by equitable mortgage of factory land & building, plant & machinery (both present & future) & residential property located at MIDC Mahad & personal guarantee of Director)	84,230,808	39,413,185
Total	84,230,808	39,413,185

Note No. 7**Trade Payables**

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Micro,Medium & Small Enterprises	-	-
Others	227,846,335	385,973,675
Total	227,846,335	385,973,675

Note No. 8**Other Current Liabilities**

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Current Maturities of Long Term Debt	20,004,000	4,166,666
Advances from customers	346,713	2,053,404
Statutory Liabilities	26,643,112	21,857,145
Other Liabilities	113,492,496	179,894,959
Unclaimed Dividend*	280,528	137,458
Sundry Creditors for Expenses	99,499,215	167,172,004
Sundry Creditors for Capital Assets	1,110,122	1,640,127
Total	261,376,186	376,921,763

* There are no amount due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) as on 31st March, 2017. Unclaimed Dividend,if any, shall be transferred to IEPF as and when they become due.

Note No. 9**Short Term Provisions**

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Provision for Leave Encashment	612,631	207,413
Total	612,631	207,413

Note No. 10
Fixed Assets

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at 1 st April, 2016	Additions/ Adjustments	Deductions/Sold/ Adjustments	As at 31 st March, 2017	As at 1 st April, 2016	Depreciation / Ammortisation For the Year	Deductions/Sold/ Adjustments	As at 31 st March, 2017	As at 31 st March, 2017	As at 31 st March, 2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible Assets										
Land under Lease	7,304,000	-	-	7,304,000	6,378,574	12,677	-	6,391,251	912,749	925,426
Buildings	31,338,822	100,284	-	31,439,106	13,237,979	571,633	-	13,809,612	17,629,494	18,100,843
Plant & Equipment	350,332,396	23,142,757	1,424,526	372,050,627	232,848,624	9,152,532	184,783	241,816,373	130,234,254	117,483,772
Furniture & Fixtures	1,277,287	29,070	140,965	1,165,392	1,011,044	37,488	61,012	987,520	177,872	266,243
Vehicles	386,362	-	121,362	265,000	130,337	42,508	73,895	98,950	166,050	256,025
Office Equipment	1,971,112	68,000	20,076	2,019,036	1,448,271	153,585	17,430	1,584,426	434,610	522,841
Air Conditioners	898,350	168,494	29,200	1,037,644	670,200	68,503	24,377	714,326	323,318	228,150
Computers	3,134,305	71,200	33,100	3,172,405	2,840,804	170,354	31,445	2,979,713	192,692	293,501
Sub Total	396,642,634	23,579,805	1,769,229	418,453,210	258,565,833	10,209,280	392,942	268,382,171	150,071,039	138,076,801
Intangible Assets										
Computer Software	141,232	-	-	141,232	70,657	26,851	-	97,508	43,724	70,575
Sub Total	141,232	-	-	141,232	70,657	26,851	-	97,508	43,724	70,575
Capital Work-in-Progress										
	-	5,219,600	-	5,219,600	-	-	-	-	5,219,600	-
Total	396,783,866	28,799,405	1,769,229	423,814,042	258,636,490	10,236,131	392,942	268,479,679	155,334,363	138,147,376
Previous Year	371,807,979	33,435,613	8,459,726	396,783,866	254,456,449	8,870,972	4,690,931	258,636,490	138,147,376	117,351,530



ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Note No. 11**Non Current Investments**

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Investments in Equity Instruments Unquoted (at cost)		
Chhatrapati Sahakari Sakhar Karkhana Limited 7 (7) shares @ Rs. 2,000/-, fully paid up	-	14,000
Investment in Subsidiary Company		
Ashwa Minerals Pvt Ltd, a wholly owned subsidiary 10,000(10,000)shares @Rs.731/-fully paid up	7,310,000	7,310,000
Total	7,310,000	7,324,000

Note No. 12**Long Term Loans and Advances**

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Secured considered good, unless otherwise stated		
Security Deposits	13,619,870	14,033,529
Total	13,619,870	14,033,529

Note No. 13**Inventories**

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
(As taken valued and certified by the Management; Valuation as stated in Note No. 1)		
Raw Materials	102,215,061	30,296,911
Finished Goods	33,813,776	26,375,940
Traded Goods	46,987,952	56,687,668
Stores/ Spares & Packing material	3,210,503	2,811,961
Fuel	667,086	819,085
Semi Finished Goods	4,608,367	-
Goods In Transit	18,696,117	6,902,049
Total	210,198,862	123,893,614



Note No. 14
Trade Receivables

(Amount in Rs.)

Particulars	As at 31 st March 2017		As at 31 st March 2016	
Outstanding for a period exceeding 6 months from the date they are due for payment:				
Unsecured considered good, unless otherwise stated	93,044,392		128,497,586	
Considered Doubtful	-		-	
	93,044,392		128,497,586	
Less: Provision for doubtful debts	1,987,998	91,056,394	-	128,497,586
Other trade receivables:				
Unsecured considered good, unless otherwise stated	226,032,513		479,541,792	
Considered Doubtful	-		-	
	226,032,513		479,541,792	
Less: Provision for doubtful debts	-	226,032,513	-	479,541,792
Total		317,088,907		608,039,378

Note No. 15
Cash and Cash Equivalents

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
a. Balances with Banks:		
Current Accounts	8,622,454	174,090,662
Term Deposits with banks to the extent held as margin money and security against bank guarantee and other commitments	10,823,375	1,887,037
b. Other Bank Balances		
Unclaimed Dividend	280,528	137,458
c. Cash on Hand	570,804	1,038,094
Total	20,297,161	177,153,251

Note No. 16
Short Term Loans and Advances

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Unsecured (considered good, unless otherwise stated)		
Trade Advances to Vendors	120,302,135	52,489,671
Loans and Advances to Staff	121,600	79,507
Prepaid Expenses	3,412,781	943,664
Balances With Revenue Authorities/Claim Receivables	171,348,802	153,386,406
Other Loans and Advances (Including IOU's)	4,953,008	2,543,945
Loans to Corporates	26,996,418	24,161,417
Advance Income Tax (Net of Provisions)	18,981,163	(7,084,050)
Total	346,115,907	226,520,560

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Note No. 17

Revenue from Operations

(Amount in Rs.)

Particulars	As at 31 st March 2017		As at 31 st March 2016	
Sale of Products				
Manufactured goods				
Local Sales	1,160,051,872		1,291,872,876	
Export Sales	403,241,747		82,678,402	
Traded goods				
Local Sales	63,653,779		132,676,122	
Export Sales	1,327,333		2,007,007,098	
	1,628,274,731		3,514,234,498	
Less : Excise Duty	114,033,126		118,244,015	
Less : VAT	35,806,734		33,544,189	
		1,478,434,871		3,362,446,294
Total		1,478,434,871		3,362,446,294
Details of Manufactured Goods				
Ethyl Acetate	1,247,844,063		1,062,192,332	
Acetaldehyde	315,036,392		311,978,155	
Others	413,164		380,791	
Total	1,563,293,619		1,374,551,278	
Details of Traded Goods:				
Bauxite	8,512,192		1,874,420,587	
Bentonite	1,576,483		70,377,229	
Bleaching Earth	-		54,307,968	
China Clay	15,475,142		59,596,770	
Potash Feldspar	-		4,447,380	
Iron Ore	-		21,241,330	
Pentaerythritol	34,377,100		48,469,680	
Butyl Acetate	1,327,333		-	
Others	3,712,862		6,822,276	
Total	64,981,112		2,139,683,220	



Note No. 18

Other Income

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Interest Income	4,879,777	3,887,160
Dividend Received	1,362,936	1,735,146
Excise Duty Refund-Export	-	276,668
Sundry Balances written back	8,311,864	13,149,174
Scrap Sales	357,486	216,012
Foreign Currency Fluctuation Gain	10,057,689	6,289,355
Miscellaneous Income	7,512,264	7,221,041
Total	32,482,016	32,774,556

Note No. 19

Cost of Materials Consumed

(Amount in Rs.)

Particulars	As at 31 st March 2017		As at 31 st March 2016	
Opening Stock	30,296,911		34,822,098	
Add : Purchases	1,217,184,806		1,009,343,657	
	1,247,481,717		1,044,165,755	
Less : Closing Stock	102,215,061	1,145,266,656	30,296,911	1,013,868,844
Total		1,145,266,656		1,013,868,844
Details of Raw Materials:				
Acetic Acid	384,212,421		371,951,830	
Alcohol for Ethyl Acetate	537,323,140		426,781,198	
Alcohol for Acetaldehyde	219,944,501		213,629,165	
Others	3,786,594		1,506,651	
Total	1,145,266,656		1,013,868,844	

Note No. 20

Changes in Inventories

(Amount in Rs.)

Particulars	As at 31 st March 2017		As at 31 st March 2016	
Opening Stock				
Finished Goods	26,375,940		14,455,078	
Traded Goods	56,687,668		36,399,607	
Work-in-Progress	-	83,063,608	-	50,854,685
Closing Stock				
Finished Goods	33,813,776		26,375,940	
Traded Goods	46,987,952		56,687,668	
Work-in-Progress	4,608,367	85,410,095	-	83,063,608
Total		(2,346,487)		(32,208,923)

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Note No. 21**Employee Benefit Expenses****(Amount in Rs.)**

Particulars	As at 31st March 2017		As at 31st March 2016	
Salaries, Wages, Allowances and Bonus		46,563,933		45,983,113
Contribution to Employee Benefit Funds		1,968,819		1,649,179
Staff Welfare Expenses		1,732,274		1,328,651
Total		50,265,026		48,960,943

Note No. 22**Finance Costs****(Amount in Rs.)**

Particulars	As at 31st March 2017		As at 31st March 2016	
Interest				
Working Capital Finance	6,316,943		2,142,417	
Others	6,579,698	12,896,641	3,612,370	5,754,787
Other Financial Costs		4,851,329		1,836,406
Total		17,747,970		7,591,193



Note No. 23

Other Expenses

(Amount in Rs.)

Particulars	As at 31 st March 2017		As at 31 st March 2016	
Manufacturing Expenses				
Stores and Spares Consumed	8,187,135		9,399,332	
Packing Materials and Charges	18,047,086		13,148,021	
Power & Fuel	80,771,774		86,727,102	
Repairs to:				
Building	2,545,606		3,711,550	
Machinery	499,184		2,203,370	
Others	1,539,836		1,211,884	
Other Expenses	768,454	112,359,075	622,050	117,023,309
Selling and Distribution Expenses				
Shipment Expenses	680,429		74,268,874	
Export Freight and Insurance	22,307,083		488,248,096	
Export Carting , Stevedoring & Port Charges	525,637		505,468,916	
Other Selling Expenses	43,981,333	67,494,482	384,084,469	1,452,070,355
Administrative and Other Expenses				
Travelling Expenses	3,189,360		3,395,725	
Rent ,Rates and Taxes	1,712,730		2,303,486	
Insurance Premium	2,436,816		3,258,086	
Advertisement and Business Promotion	194,170		225,429	
Bad Debts	663,600		251,108	
Provision for Doubtful Debts	1,987,998		-	
Legal & Professional Fees	3,813,583		3,667,091	
Directors Sitting Fees	885,000		515,000	
Payments to Auditor	400,000		400,000	
Donation	18,000		5,500	
Corporate Social Responsibility	970,755		2,732,750	
Prior Period Expenses	477,530		826,843	
General expenses	12,686,121	29,435,663	51,836,597	69,417,615
Total		209,289,220		1,638,511,279

Note

(Amount in Rs.)

Payments to Auditors	2016-17	2015-16
Audit Fees	250,000	250,000
Taxation Matters	50,000	50,000
Tax Audit	100,000	100,000
Other Services	-	-
Total	400,000	400,000

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

NOTES TO ACCOUNTS:**1. Contingent Liabilities and Commitments:**

Contingent Liabilities not provided for in respect of:

(Amount in Rs.)

Sr. No.	Particulars	2016-2017	2015-2016
1.	Income Tax matters	27,158,720	27,158,720
2.	Sales Tax	954,921	1,396,998
3.	Disputed excess service tax refund	229,087	229,087
4.	Bank Guarantee	1,000,000	1,000,000
	Total	29,341,728	29,783,805

2. In the opinion of the Board of Directors of the Company, the current assets, loans and advances are approximately of the value stated in the Balance Sheet, if realized in the ordinary course of business.

3. The Company has provided for gratuity to employees based on the actuarial valuation report. However the said liabilities aggregating to Rs.704,657 (P.Y.Rs. 502,329) are not funded.

4. Segment Reporting:**Business Segment**

The Company is having two Business Segments viz. Chemical Division (Manufacturing) and Global Trading Division.

(Amount in Rs.)

Particulars	Chemical Division		Global Trading Division		Total for the year ended	
	(Manufacturing)		2016-17	2015-16	2016-17	2015-16
	2016-17	2015-16				
Segment Revenue	1,426,539,592	1,239,140,124	84,377,295	2,156,080,726	1,510,916,887	3,395,220,850
Segment Results (P&L)	28,158,619	19,599,462	3,415,351	177,671,518	31,573,970	197,270,980
Unallocable Income	-	-	-	-	-	-
Unallocable Expenses	-	-	-	-	-	-
Provision for Taxation	10,679,037	7,312,612	-	66,154,691	10,679,037	73,467,303
Net Profit / (Loss)	17,479,582	12,286,850	3,415,351	111,516,827	20,894,933	123,803,677
Segment Assets	713,651,566	539,774,088	356,313,503	755,337,619	1,069,965,069	1,295,111,707
Unallocable Assets	-	-	-	-	-	-
Total Assets	713,651,566	539,774,088	356,313,503	755,337,619	1,069,965,069	1,295,111,707
Segment Liabilities	403,902,717	239,968,173	199,439,034	603,878,286	603,341,751	843,846,459
Unallocable Liabilities	-	-	-	-	-	-
Total Liabilities	403,902,717	239,968,173	199,439,034	603,878,286	603,341,751	843,846,459


Geographical Segment

(Amount in Rs.)

Particulars	India		Rest of the World		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Segment Revenue	1,106,347,807	1,305,535,350	404,569,080	2,089,685,500	1,510,916,887	3,395,220,850
Carrying cost of segment Assets	1,069,965,069	1,295,111,707	-	-	1,069,965,069	1,295,111,707
Net Addition to Fixed Assets and Intangible Assets	28,799,405	33,435,613	-	-	28,799,405	33,435,613

5. Related Party Transactions :
A. Holding Company:

Aura Alkalies and Chemicals Private Limited

B. Subsidiary Company:

Ashwa Minerals Private Limited

C. Associates (Firms)

- | Altage Stone Crushing Industries
- | Aditya Minerals
- | Avni Minerals
- | Bharat Abrasives and Chemicals Industries
- | Kantilal Mohanlal Mehta
- | Manohar Daryayani
- | Nilesh Mines
- | Prabhudas Vithaldas
- | Prachi Mines
- | Saurashtra Traders
- | Shyam Minerals
- | Shiva Mines & Minerals
- | Sandeep Abrasives Industries
- | Vinod Pandya
- | Yogita Allied & Calcined Products

D. Key Managerial Personnel (KMP):

- Mr. Purab Shah - Executive Director & CEO (w.e.f. 19th April 2016)
- Mr. V.Shashidharan - Chief Financial Officer *
- Ms. Seema Gangawat - Company Secretary & Compliance Officer

E. Relatives of Key Managerial Personnel : Nil

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

F. Related Party Transactions

(Amount in Rs.)

Particulars	Associates	Director(s)/KMP	Relatives
Remuneration			
Mr. Purab Shah	-	2,662,599	-
Mr. V. Shashidharan*	-	1,959,932	-
Ms. Seema Gangawat	-	980,473	-

*Resigned w.e.f. 1st May 2017**6. Deferred Tax :**

Tax effect of items constituting deferred tax liability.

(Amount in Rs.)

Particulars	Deferred Tax Surplus /(Deficit) as on 31.03.2017
Surplus-arising from claim u/s 43B net of reversal	9,213,794
Reversal of Liability-Depreciation difference as per Books compared to Income-Tax	(24,302,794)
Surplus-unabsorbed Depreciation and Loss Adjusted	NIL
Deferred Tax Surplus(Deficit)	(15,089,000)

7. Earnings Per Share :**2016-17****2015-16**

Profit after Tax.(Rs.)	20,894,933	123,803,677
Of Weighted average shares(Rs.)	4.54	26.91
No.of equity shares outstanding during the year	4,600,343	4,600,343
Basic and Diluted Earnings per Share (Rs.)	4.54	26.91

8. Payment to Auditors :

(Amount in Rs.)

Sr. No.	Particulars	2016-17*	2015-16*
a.	Audit Fees	250,000	250,000
b.	Taxation Matters	50,000	50,000
c.	Tax Audit	100,000	100,000
d.	Other Services	-	-
	Total	400,000	400,000

*Exclusive of Service Tax



9. The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid at the year end together with interest paid/payable under this Act, has not been given.
10. The Management of the Company has, during the year, carried out technological evaluation for identification of impairment of assets, if any, in accordance with the Accounting Standard (AS)-28 issued by the Institute of Chartered Accountants of India. Based on the judgment of the Management and as certified by the Directors, no provision for impairment is found to be necessary in respect of any of the assets.
11. Remuneration includes Rs.2,662,599 (P.Y. Rs.3,613,471) paid to Executive Director & CEO / Whole Time Director.

12.. Demonitisation :

(Amount in Rs.)

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	180,000	312,842	492,842
(+) Permitted receipts	-	715,580	715,580
(-) Permitted Payments	-	779,870	779,870
(-) Amount deposited in Banks	180,000	-	180,000
Closing cash in hand as on 30.12.2016	-	-	248,552

13. Production, Stocks and Sales : (As Certified by the Management)

CHEMICAL DIVISION (Segment 1)

Sr.No.	Products	Particulars	Opening Stock	Production /Purchase	Sales	Closing Stock
I	Glacial Acetic Acid					
		Qty (MT)	0	9.64	9.64	0
			(0)	(6)	(6)	(0)
		Value (Rs.)	0	307,164	307,164	0
			(0)	(327,731)	(327,731)	(0)
II	Ethyl Acetate					
		Qty (MT)	401	20,381.20	20,298.39	483.81
			(140)	(18,337)	(18,076)	(401)
		Value (Rs.)	21,307,364	1,258,092,572	1,247,844,063	31,555,873
			(8,191,358)	(1,075,308,006)	(1,062,192,000)	(21,307,364)
III	Acetaldehyde					
		Qty (MT)	35	5,149.02	5,180.28	3.74
			(53)	(4,729)	(4,747)	(35)
		Value (Rs.)	2,305,347	314,046,592	315,036,392	1,315,547
			(3,562,643)	(310,721,196)	(311,978,492)	(2,305,347)
IV	Others					
		Value (Rs.)	2,763,229	2,892,941	106,000	5,550,723
			(2,701,077)	(116,000)	(53,848)	(2,763,229)
Total (Rs.) I			26,375,940	1,575,339,269	1,563,293,619	38,422,143
			(14,455,078)	(1,386,472,933)	(1,374,552,071)	(26,375,940)

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

GLOBAL TRADING DIVISION (Segment 2)

Sr. No.	Products	Particulars	Opening Stock	Production / Purchase	Sales	Closing Stock
I	Minerals	Qty. (MT)	62,309	25,237	35,889	51,657
			(46,319)	(2,208,916)	(2,192,926)	(62,309)
		Value (Rs.)	56,687,668	48,884,401	64,981,112	46,987,952
			(36,399,607)	(512,355,562)	(2,139,683,220)	(56,687,668)
Total (Rs.) II			56,687,668	48,884,401	64,981,112	46,987,952
			(36,399,607)	(512,355,562)	(2,139,683,220)	(56,687,668)
Grand Total (Rs.) I+II			83,063,608	1,624,223,670	1,628,274,731	85,410,095
			(50,854,685)	(1,898,828,495)	(3,514,235,291)	(83,063,608)

- Notes : (i) Figures in brackets are in respect of the previous year.
(ii) Sales includes Excise Duty and Sales Tax
(iii) Loss / Gain of goods and captive consumption during the year are adjusted in sales quantity.

Analysis of Raw Materials consumed for manufacturing activities:

Particulars		2016-2017		2015-2016	
		Qty. (MT)	Value Rs.	Qty. (MT)	Value Rs.
I	Alcohol	23,530.76	757,267,641	20,296.00	640,410,363
II	Glacial Acetic Acid	14,400.32	384,212,421	12,788.00	371,951,830

Note: Values are inclusive of incidental expenses like transport, freight etc.

14. Value of Raw Materials, Stores & Packing Materials consumed :

Particulars	2016-17		2015-16	
	% of Total Consumption	Value Rs.	% of Total Consumption	Value Rs.
Imported	24.73	289,680,108	3.53	36,567,483
Indigenous	75.27	881,820,769	96.47	999,848,714
Total:	100.00	1,171,500,877	100.00	1,036,416,197

15. CIF Value of Imports:

(Amount in Rs.)

Particulars	2016-17	2015-16
Value of Imports – Chemical Division	289,680,108	36,567,483
Value of Imports – Trading Division	29,459,114	32,642,941

**16. Expenditure in Foreign Currency:**

(Amount in Rs.)

Particulars	2016-17	2015-16
Travelling	-	158,785
Freight & Demurrage	12,447,699	314,040,439
Commission paid	1,299,521	1,358,723
Others	15,271,024	11,968,357

17. FOB value of Exports:

(Amount in Rs.)

Particulars	2016-17	2015-16
Sale of Goods	290,798,816	1,848,651,004

18. Balances for Trade Payables, Trade Receivables, Loans and Advances are subject to confirmations from the respective parties and reconciliations, if any, in many cases. In absence of such confirmations, the balances as per books have been relied upon by the auditors.
19. Previous year's figures have been regrouped/recast wherever necessary to correspond with the current year's classification disclosure.

As per our report of even date
For **R. A. Kuvadia & CO.**
Chartered Accountants
F. R. N. 105487W

sd/-
R.A. Kuvadia
Proprietor
Membership No. 040087

Place: Mumbai
Date: 18.05.2017

For and on behalf of the Board of Directors

sd/-
Purab Shah
Executive Director & CEO
(DIN 07490952)

sd/-
Sunil K Shah
Director
(DIN 03567415)

sd/-
Seema Gangawat
Company Secretary

sd/-
Vaize Ahmed Kampli
Manager-Finance & Accounts

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Consolidated Independent Auditor's Report

To
The Members,
Ashok Alco Chem Limited
Mumbai

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Ashok Alco Chem Limited** ("hereinafter referred to as the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance sheet as at 31st March, 2017, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("hereinafter referred as the Act") with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give

the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2017.

Other Matter

We did not audit the financial statements/financial information of subsidiaries, whose financial statements/financial information reflect total assets of Rs. 8,17,77,718/- as at 31st March, 2017, total revenues of Rs. 13,47,98,388/- and net cash outflows amounting to Rs. 5,96,807/- for the year ended on that date, as considered in the consolidated financial statements. The financial statements/financial information are audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on reports of such other auditors.

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The consolidated Balance Sheet, dealt with by this Report is in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary Company incorporated in India, none of the Directors of the Group Companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a Director in terms of section 164 (2) of the Act.
- (f) With respect to adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure -A" and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group does not have any pending litigations which would impact its consolidated financial position.
 - ii. The Group did not have any long term contracts including derivative contracts for which there are any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management

For R.A.Kuvadia & Co.
Chartered Accountants
FRN: 105487W

sd/-
R.A.Kuvadia
(Proprietor)
M.No. 040087

Place: Mumbai
Date: 18.05.2017



“Annexure – A” TO THE INDEPENDENT AUDITORS' REPORT on Consolidated Financial Statements of ASHOK ALCO-CHEM LIMITED

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of **ASHOK ALCO-CHEM LIMITED** (“the Holding Company”) and its subsidiary (the holding Company and its subsidiary together referred to as “the Group”) for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization's of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

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, to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors as referred to in the Other Matters paragraph the Holding Company and its Subsidiary have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by these entities considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over the financial reporting in so far as it relates to subsidiary Company, which is the Company incorporated in India, is based on the corresponding reports of the auditors of such Company incorporated in India. Our opinion is not qualified in respect of this matter.

For R. A. Kuvadia & Co.
Chartered Accountants
F.R.N. 105487W

Place: Mumbai
Date: 18.05.2017

sd/-
R. A. Kuvadia
(Proprietor)
M.No. 040087

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2017

(Amounts in Rs.)

Particulars	Note No.	31 st March 2017	31 st March 2016
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	46,003,430	46,003,430
Reserves and Surplus	3	450,572,611	420,287,574
Money Received Against Share Warrants		-	-
		496,576,041	466,291,004
Non-Current Liabilities			
Long Term Borrowings	4	12,185,820	26,334,714
Deferred Tax Liabilities (Net)		14,951,098	13,432,690
Long Term Provisions	5	2,251,946	1,887,127
Current Liabilities			
Short Term Borrowings	6	84,230,808	39,413,185
Trade Payables	7	262,639,499	431,416,272
Other Current Liabilities	8	267,563,001	401,115,519
Short-term Provisions	9	3,896,675	6,769,937
		618,329,983	878,714,913
Total...		1,144,294,888	1,386,660,448
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	10	150,702,647	138,987,290
Intangible Assets		43,724	70,575
Capital Work-in-Progress		5,219,600	-
		155,965,971	139,057,865
Non Current Investments	11	-	14,000
Long Term Loans and Advances	12	13,619,870	14,033,529
Other Non Current Assets	13	-	6,500
		169,585,841	153,111,894
Current Assets			
Current Investments		-	-
Inventories	14	210,986,780	131,958,789
Trade Receivables	15	352,158,095	650,624,628
Cash and Cash Equivalents	16	30,582,942	188,035,839
Short Term Loans and Advances	17	380,981,230	262,929,298
		974,709,047	1,233,548,554
Total...		1,144,294,888	1,386,660,448

The accompanying notes 1 to 24 are an integral part of these financial statements.

AS PER OUR REPORT OF EVEN DATE

For R. A. KUVADIA & CO.
CHARTERED ACCOUNTANTS
FRN : 105487W

Sd/-
R. A. KUVADIA
Proprietor

Membership No. 040087

Place : Mumbai
Date : 18.05.2017

For and on behalf of the Board of Directors

Sd/-
Purab Shah
Executive Director & CEO
(DIN 07490952)

Sd/-
Sunil K Shah
Director
(DIN 03567415)

Sd/-
Seema Gangawat
Company Secretary

Sd/-
Vaize Ahmed Kampli
Manager-Finance & Accounts



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

(Amounts in Rs)

Particulars	Note No.	31 st March, 2017
REVENUE		
Revenue from Operations	18	1,612,194,784
Other Income	19	33,520,491
Total Revenue		<u>1,645,715,275</u>
EXPENSES :		
Cost of Materials Consumed	20	1,159,743,606
Purchases of Stock-in-Trade		90,012,365
Changes in Inventories	21	(1,659,571)
Employee Benefit Expenses	22	54,644,821
Finance Costs	23	18,239,638
Depreciation and Amortization		10,523,241
Other Expenses	24	258,868,489
Total Expenses		<u>1,590,372,589</u>
Profit Before Tax		55,342,686
Tax Expenses		
Current Tax	(18,000,000)	
Earlier Year's Tax	(2,380)	
Deferred Tax	(1,518,408)	(19,520,788)
Net Profit for the year		<u>35,821,898</u>
Earnings per Equity Share of Face Value Rs. 10/-		7.79
Basic		7.79
Diluted		

The accompanying notes 1 to 24 are an integral part of these financial statements.

AS PER OUR REPORT OF EVEN DATE
For R. A. KUVADIA & CO.
CHARTERED ACCOUNTANTS
FRN : 105487W

For and on behalf of the Board of Directors

Sd/-
R. A. KUVADIA
Proprietor
Membership No. 040087

Sd/-
Purab Shah
Executive Director & CEO
(DIN 07490952)

Sd/-
Sunil K Shah
Director
(DIN 03567415)

Place : Mumbai
Date : 18.05.2017

Sd/-
Seema Gangawat
Company Secretary

Sd/-
Vaize Ahmed Kampli
Manager-Finance & Accounts

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017
(Amount in Rs.)

CASH FLOW FROM OPERATING ACTIVITIES	MARCH-2017	
Net Profit Before Tax		55,342,686
Adjustments for:		
Depreciation	10,523,241	
Foreign Exchange (Gain) / Loss	(10,057,689)	
Sundry Balance w/off/ (w/back)	(7,648,264)	
Interest & Finance Charges	18,239,638	
Interest Received	(4,879,777)	
Profit on Sale of Asset	(98,540)	
Gain on sale of Investment	(1,029,778)	
Preliminary Expenses	6,500	
Dividend Income	(1,362,936)	
		3,692,395
Operating Profit before Working Capital Charges		59,035,081
Adjustments for:		
Decrease/(Increase) in Receivables	298,466,533	
Decrease/(Increase) in Advances & others	(91,148,871)	
Decrease/(Increase) in Inventories	(79,027,990)	
Increase/(Decrease) in Payables	(168,776,774)	
Increase/(Decrease) in Other Liabilities	(151,898,295)	
Foreign Exchange Gain / Loss	10,057,689	
Sundry Balance w/off	7,648,264	
		(174,679,444)
Cash generated from operations		(115,644,363)
Income Tax paid		(50,014,645)
Net Cash flow from Operating activities		(165,659,008)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(28,807,635)	
Sale/Adjustments of Fixed Assets	1,474,826	
Gain on Sale of Investment	1,029,778	
Interest Received	4,879,777	
Dividend Income	1,362,936	
Net Cash used in Investing activities		(20,060,318)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long term Borrowings		
Secured	46,506,067	
Unsecured	-	
Issue of Fresh Share Capital	-	
Interest paid	(18,239,638)	
Net Cash used in financing activities		28,266,429
Net increase in cash & Cash Equivalents		(157,452,897)
Cash and Cash equivalents as at 01.04.16		188,035,839
Cash and Cash equivalents as at 31.03.17		30,582,942
Cash & Cash Equivalents		As on
Cash in Hand		31.03.2017
Cash at Bank		630,642
		29,952,300
Cash & Cash equivalents as stated		30,582,942

AS PER OUR REPORT OF EVEN DATE

For R. A. KUVADIA & CO.
CHARTERED ACCOUNTANTS
FRN : 105487WSd/-
R. A. KUVADIA
Proprietor
Membership No. 040087Place : Mumbai
Date : 18.05.2017

For and on behalf of the Board of Directors

Sd/-
Purab Shah
Executive Director & CEO
(DIN 07490952)Sd/-
Seema Gangawat
Company SecretarySd/-
Sunil K Shah
Director
(DIN 03567415)Sd/-
Vaize Ahmed Kampli
Manager-Finance & Accounts



ASHOK ALCO CHEM LIMITED

NOTE: 1
NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017

COMPANY OVERVIEW

Ashok Alco Chem Limited (“the Company”) is a public limited Company and is listed on the BSE Ltd (Bombay Stock Exchange). The Company and its wholly owned subsidiary (jointly referred to as the 'Group' hereinafter) are engaged inter alia, in the business of manufacturing of chemicals and trading in minerals.

The subsidiary considered in these consolidated financial statements is:

Name of the Company	Country of incorporation	% of voting power held as at 31st March, 2017
Ashwa Minerals Private Limited	India	100

SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The consolidated financial statements of the Group have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

In the opinion of the management, all the adjustments which are necessary for a fair presentation have been included. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (12 months) and other criteria set out under the Act.

2. PRINCIPLES OF CONSOLIDATION:

- a) The consolidated financial statements of the Company and its wholly owned subsidiary Company is combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances in accordance with Accounting Standard (AS) 21 – “Consolidated Financial Statements”
- b) As far as possible, the consolidated financial statements are prepared using the uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- c) The difference between the cost of investment in the subsidiary, over the net assets at the time of acquisition of shares in the subsidiary is recognized in the financial statements as Capital Reserve.

3. OTHER SIGNIFICANT ACCOUNTING POLICIES:

a) USE OF ESTIMATES:

The Preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, asset and liabilities and the disclosures of contingent liabilities at the end of reporting period.

b) FIXED ASSETS AND DEPRECIATION/AMORTIZATION

- i. Gross Fixed Assets are stated at historical cost of acquisition / construction net of Cenvat credit/Input Credit under VAT on capital goods. Depreciation on tangible assets is provided on Straight Line Method as specified in Schedule II to The

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Companies Act, 2013. Intangible Assets are amortised as per AS-26 issued by The Institute of Chartered Accountants of India.

Lease hold land is amortised over the period of lease.

- ii. Fixed assets are eliminated from financial statements either on disposal or when retired from active use. The retired assets are disposed off or discarded immediately. Profit or loss on disposal of assets is recognized in the Statement of profit and loss.
- iii. Depreciation is provided on pro-rata basis from the day in which assets have been put to use and up to the day on which assets have been used by the Company.

c) **IMPAIRMENT OF ASSETS**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

d) **FOREIGN CURRENCY TRANSACTIONS:**

- i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- ii. Monetary items denominated in foreign currencies 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 rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- iii. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit and loss account.

e) **RESEARCH & DEVELOPMENT EXPENSES**

Revenue expenditure on Research & Development is charged against the profit for the year in which it is incurred.

f) **REVENUE RECOGNITION:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods is recognized when the significant risk and reward of ownership of the goods have passed to the buyer which normally coincides with the despatch of goods from the factory of the Company. Sales are disclosed net off trade discount, Sales returns.

Revenue in respect of insurance, interest, cash subsidy and other claims is recognized only when it is reasonably certain that the ultimate collection will be made.

Export incentives under the Duty Entitlement Pass Book Scheme, Duty Draw Back Scheme, etc. are accounted in the year of export.

g) **OPERATING LEASES:**

Lease arrangements where risk and rewards incidental to ownership of an asset, substantially vests with the Lessor, are classified as operating leases.

Rental expenses on assets obtained under operating lease arrangement are recognized on a straight line basis over a term of the lease.



h) INVESTMENTS:

Investments that are readily realizable and intended to be held for not more than a year will be classified as current investments. All other investments will be classified as long – term investments. Current investments will be carried at lower of cost and fair value determined on an individual investment basis. Long – term Investments will be carried at cost.

i) INVENTORIES:

- i) Raw materials and packing materials are valued at landed cost determined on FIFO Basis net off VAT/CENVAT, wherever applicable.
- ii) The finished and trading goods have been valued at cost or net realizable value whichever is less.
- iii) Semi finished goods have been valued at estimated cost, as certified by the management.
- iv) Stores & Spares have been valued at cost or market price whichever is lower.

j) FINANCIAL DERIVATIVES AND COMMODITY HEDGING TRANSACTIONS:

In respect of derivative contract, premium paid gains/losses on settlement and losses on restatement are recognized in the Statement of Profit and Loss.

k) RETIREMENT AND OTHER EMPLOYEE BENEFITS:

Post –Employment Benefit Plans:

- i. Defined Contribution Plan: Contribution for provident fund are accrued in accordance with applicable statutes and deposited with the Regional Provident Fund Commissioner.
- ii. Defined Benefit Plan: The liabilities in respect of gratuity and leave encashment are determined using Projected Unit Credit Method with actuarial valuation carried out at the Balance Sheet date. Actuarial gains and losses are recognized in full in the Profit & Loss Account for the period in which they occur.

Contribution in respect of gratuity is made to the Group Gratuity Scheme with Life Insurance Corporation of India. Employee benefits recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of respective fund.

Short Term Employee Benefits:

The undiscounted amount of short – term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the service.

l) BORROWING COSTS:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized, as applicable. Other borrowing costs are recognized as an expense in the period in which they are incurred.

m) TAXES ON INCOME:

Tax expense comprises of Current and Deferred Tax. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of The Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

sufficient future taxable income will be available against which deferred tax asset can be realized.

Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

n) EARNING PER SHARE :

Basic Earnings per Share is computed by dividing the net profit attributable to Equity Shareholders for the year, by weighted average number of Equity Shares outstanding during the year. Diluted earning per share is computed using the weighted average number of Equity and dilutive Equity equivalent share outstanding at year-end.

o) PROVISIONS AND CONTINGENCIES:

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

p) ACCOUNTING POLICIES:

Accounting Policies not specifically referred to, are consistent and in consonance with generally accepted accounting principles.



NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note No. 2

2.1 Share Capital

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Authorised 50,00,000 (50,00,000) Equity Shares of Rs. 10 (Rs. 10) 20,00,000 (20,00,000) 11% Preference Shares of Rs. 10 (Rs. 10)	50,000,000 20,000,000	50,000,000 20,000,000
	70,000,000	70,000,000
Issued, Subscribed and Paid up 46,00,343 (46,00,343) Equity Shares of Rs. 10 (Rs. 10)	46,003,430	46,003,430
	46,003,430	46,003,430

The Company has issued only one class of shares referred to as Equity shares having a par value of Rs. 10/-.
Each holder of equity shares is entitled to one vote per share.

2.2) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh Issue	Bonus	ESOP	Con version	Buy Back	Other Changes	Closing Balance
Equity Shares with voting rights								
Year ended 31st March, 2017								
No. of Shares	4,600,343	-	-	-	-	-	-	4,600,343
Amount	46,003,430	-	-	-	-	-	-	46,003,430
Year ended 31st March, 2016								
No. of Shares	4,600,343	-	-	-	-	-	-	4,600,343
Amount	46,003,430	-	-	-	-	-	-	46,003,430

Terms/Rights attached to equity shares

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.3) Details of shares held by the Holding Company, the ultimate holding Company, their subsidiaries and associates:

Particulars	Equity shares with voting rights	Equity shares with differential voting rights	Compulsorily Convertible Preference Shares	Optionally Convertible Preference Shares	Reedemable Preference Shares
No. of Shares					
As at 31st March, 2017 Aura Alkalies & Chemicals Pvt. Ltd., the Holding Company	2,518,632	-	-	-	-
As at 31st March, 2016 Aura Alkalies & Chemicals Pvt. Ltd., the Holding Company	2,518,632	-	-	-	-

2.4) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31 st March, 2017		As at 31 st March, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Aura Alkalies & Chemicals Pvt. Ltd.	2,518,632	54.75	2,518,632	54.75

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Note No. 3**Reserves and Surplus**

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
a. Capital Reserve		
Balance at the beginning of the year	109,906,756	94,881,000
Capital Reserve on Acquisition	-	15,025,756
Balance at the end of the year	109,906,756	109,906,756
b. Securities Premium		
Balance at the beginning of the year	78,379,025	78,379,025
Balance at the end of the year	78,379,025	78,379,025
c. General Reserve		
Balance at the beginning of the year	100,000,000	50,000,000
Transferred from surplus in statement of Profit & Loss	5,000,000	50,000,000
Balance at the end of the year	105,000,000	100,000,000
d. Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	132,001,793	63,734,978
Net Profit for the Current Year	35,821,899	123,803,677
Less: Appropriations		
Proposed Dividend	(4,600,343)	(4,600,343)
Dividend Tax	(936,519)	(936,519)
Transfer to General Reserve	(5,000,000)	(50,000,000)
Balance at the end of the year	157,286,830	132,001,793
Total	450,572,611	420,287,574

Note No. 4**Long-Term Borrowings**

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
IDBI Term Loan (First and exclusive charge on assets created out of term loan and collaterally secured by equitable mortgage of factory land & building, plant & machinery (both present & future) & residential property located at MIDC Mahad & personal guarantee of Director, to be repaid in 28 (36) Equal Instalments)	11,934,846	25,833,334
From Bank-Secured against hypothecation of Vehicle	250,974	501,380
Total	12,185,820	26,334,714



Note No. 5

Long-Term Provisions

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Provision for Leave Encashment	2,251,946	1,887,127
Total	2,251,946	1,887,127

Note No. 6

Short-Term Borrowings

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Secured Working Capital from IDBI Bank (First and exclusive charge on Current Assets present and future and collaterally secured by equitable mortgage of factory land & building, plant & machinery (both present & future) & residential property located at MIDC Mahad & personal guarantee of Director)	84,230,808	39,413,185
Total	84,230,808	39,413,185

Note No. 7

Trade Payables

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Micro,Medium & Small Enterprises	-	-
Others	262,639,499	431,416,272
Total	262,639,499	431,416,272

Note No. 8

Other Current Liabilities

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Current Maturities of Long Term Debt	20,004,000	4,166,666
Advances from customers	346,713	24,389,842
Statutory Liabilities	29,395,010	23,464,463
Other Liabilities	116,927,413	180,144,959
Unclaimed Dividend*	280,528	137,458
Sundry Creditors for Expenses	99,499,215	167,172,004
Sundry Creditors for Capital Assets	1,110,122	1,640,127
Total	267,563,001	401,115,519

* There are no amount due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) as on 31st March, 2017. Unclaimed Dividend,if any, shall be transferred to IEPF as and when they become due.

ASHOK ALCO-CHEM LIMITEDAnnual Report 2016-2017

Note No. 9**Short Term Provisions****(Amount in Rs.)**

Particulars	As at 31st March 2017	As at 31st March 2016
Provision for Leave Encashment	612,631	207,413
Provision for Bonus/Exgratia	245,696	300,966
Provision for Tax (Net)	3,038,348	6,261,558
Total	3,896,675	6,769,937

**Note No. 10
Fixed Assets**

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at 1 st April 2016	Additions/ Adjustments	Deductions/sold/ Adjustments	As at 31 st March 2017	As at 1 st April 2016	Depreciation / Amortisation For the Year	Adjustments	Deductions/ Adjustments	As at 31 st March 2017	As at 31 st March 2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible Assets										
Land under Lease	7,304,000	-	-	7,304,000	6,378,574	12,677	-	-	6,391,251	912,749
Buildings	31,338,822	100,284	-	31,439,106	13,237,979	571,633	-	-	13,809,612	17,629,494
Plant & Equipment	350,656,796	23,142,757	1,748,926	372,050,627	233,085,232	9,152,532	(236,608)	184,783	241,816,373	130,234,254
Furniture & Fixtures	1,316,915	29,070	140,965	1,205,020	1,035,429	41,655	-	61,012	1,016,072	188,948
Vehicles	1,460,551	-	121,362	1,339,189	435,117	260,406	-	73,895	621,628	717,560
Office Equipment	1,997,112	400,630	20,076	2,377,666	1,470,271	197,098	236,608	17,430	1,886,547	491,119
Air Conditioners	898,350	168,494	29,200	1,037,644	670,200	68,503	-	24,377	714,326	323,318
Computers	3,207,327	71,200	33,100	3,245,427	2,879,781	191,886	-	31,445	3,040,222	205,205
Sub Total	398,179,873	23,912,435	2,093,629	419,998,679	259,192,583	10,496,390	-	392,942	269,296,032	150,702,647
Intangible Assets										
Computer Software	141,232	-	-	141,232	70,657	26,851	-	-	97,508	43,724
Sub Total	141,232	-	-	141,232	70,657	26,851	-	-	97,508	43,724
Capital Work-in-Progress										
	-	5,219,600	-	5,219,600	-	-	-	-	-	5,219,600
Total	398,321,105	29,132,035	2,093,629	425,359,511	259,263,240	10,523,241	-	392,942	269,393,539	155,965,971
Previous Year	373,317,268	33,463,563	8,459,726	398,321,105	254,668,227	9,285,944	-	4,690,931	259,263,240	139,057,865



ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Note No. 11**Non Current Investments**

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Investments in Equity Instruments Unquoted (at cost)		
Chhatrapati Sahakari Sakhar Karkhana Limited 7 (7) shares @ Rs. 2,000/-, fully paid up	-	14,000
Total	-	14,000

Note No. 12**Long Term Loans and Advances**

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Secured considered good, unless otherwise stated		
Security Deposits	13,619,870	14,033,529
Total	13,619,870	14,033,529

Note No. 13**Other Non - Current Assets**

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Preliminary Expenses	-	6,500
Total	-	6,500

Note No. 14**Inventories**

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
(As taken valued and certified by the Management; Valuation as stated in Note No. 1)		
Raw Materials	102,215,061	37,033,290
Finished Goods	34,038,776	27,287,856
Traded Goods	46,987,952	56,687,668
Stores/ Spares & Packing material	3,773,421	3,228,841
Fuel	667,086	819,085
Semi Finished Goods	4,608,367	-
Goods In Transit	18,696,117	6,902,049
Total	210,986,780	131,958,789



Note No. 15
Trade Receivables

(Amount in Rs.)

Particulars		As at 31 st March 2017		As at 31 st March 2016
Outstanding for a period exceeding 6 months from the date they are due for payment:				
Unsecured considered good, unless otherwise stated	101,030,008		136,342,416	
Considered Doubtful	-		-	
	101,030,008		136,342,416	
Less: Provision for doubtful debts	1,987,998	99,042,010	-	136,342,416
Other trade receivables:				
Unsecured considered good, unless otherwise stated	253,116,085		514,282,212	
Considered Doubtful	-		-	
	253,116,085		514,282,212	
Less: Provision for doubtful debts	-	253,116,085	-	514,282,212
Total		352,158,095		650,624,628

Note No. 16
Cash and Cash Equivalents

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
a. Balances with Banks:		
Current Accounts	18,848,396	184,855,985
Term Deposits with banks to the extent held as margin money and security against bank guarantee and other commitments	10,823,375	1,926,630
b. Other Bank Balances		
Unclaimed Dividend	280,528	137,458
c. Cash on Hand	630,643	1,115,766
Total	30,582,942	188,035,839

Note No. 17
Short Term Loans and Advances

(Amount in Rs.)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Unsecured (considered good, unless otherwise stated)		
Trade Advances to Vendors	151,139,870	87,631,254
Loans and Advances to Staff	121,600	79,507
Prepaid Expenses	3,412,781	943,664
Balances With Revenue Authorities/Claim Receivables	171,348,802	153,386,406
Other Loans and Advances (Including IOU's)	8,890,595	3,721,100
Deposits	90,000	90,000
Loans to Corporates	26,996,418	24,161,417
Advance Income Tax (Net of Provisions)	18,981,164	(7,084,050)
Total	380,981,230	262,929,298

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Note No. 18**Revenue from Operations**

(Amount in Rs.)

Particulars	As at 31 st March 2017	
Sale of Products		
Manufactured goods		
Local Sales	1,224,448,353	
Export Sales	472,605,179	
Traded goods		
Local Sales	63,653,779	
Export Sales	1,327,333	
	1,762,034,644	
Less : Excise Duty	114,033,126	
Less : VAT	35,806,734	
		1,612,194,784
Total		1,612,194,784

Note No. 19**Other Income**

(Amount in Rs.)

Particulars	As at 31 st March 2017
Interest Income	4,879,777
Dividend Received	1,362,936
Excise Duty Refund-Export	-
Sundry Balances written back	8,311,864
Scrap Sales	357,486
Foreign Currency Fluctuation Gain	10,057,689
Gain on Sale of Investment	1,029,778
Miscellaneous Income	7,520,961
Total	33,520,491

Note No. 20**Cost of Materials Consumed**

(Amount in Rs.)

Particulars	As at 31 st March 2017	
Opening Stock	37,033,289	
Add : Purchases	1,224,925,378	
	1,261,958,667	
Less : Closing Stock	102,215,061	1,159,743,606
Total		1,159,743,606



Note No. 21
Changes in Inventories

(Amount in Rs.)

Particulars	As at 31 st March 2017	
Opening Stock		
Finished Goods	27,287,856	
Traded Goods	56,687,668	
Work-in-Progress	-	83,975,524
Closing Stock		
Finished Goods	34,038,776	
Traded Goods	46,987,952	
Work-in-Progress	4,608,367	85,635,095
Total		(1,659,571)

Note No. 22
Employee Benefit Expenses

(Amount in Rs.)

Particulars	As at 31 st March 2017
Salaries, Wages, Allowances and Bonus	50,942,517
Contribution to Employee Benefit Funds	1,968,819
Staff Welfare Expenses	1,733,485
Total	54,644,821

Note No. 23
Finance Costs

(Amount in Rs.)

Particulars	As at 31 st March 2017	
Interest		
Working Capital Finance	6,316,943	
Others	6,621,059	12,938,002
Other Financial Costs		5,301,636
Total		18,239,638

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

Note No. 24**Other Expenses****(Amount in Rs.)**

Particulars	As at 31 st March 2017	
Manufacturing Expenses		
Stores and Spares Consumed	8,187,135	
Packing Materials and Charges	19,534,767	
Power & Fuel	80,771,774	
Repairs to:		
Building	2,545,606	
Machinery	499,184	
Others	1,539,836	
Other Expenses	12,277,885	125,356,187
Selling and Distribution Expenses		
Shipment Expenses	12,316,069	
Export Freight and Insurance	32,853,411	
Export Carting , Stevedoring & Port Charges	525,637	
Other Selling Expenses	54,919,522	100,614,639
Administrative and Other Expenses		
Travelling Expenses	3,779,632	
Rent ,Rates and Taxes	1,749,230	
Insurance Premium	2,436,816	
Advertisement and Business Promotion	194,170	
Bad Debts	663,600	
Provision for Doubtful Debts	1,987,998	
Legal & Professional Fees	5,362,697	
Directors Sitting Fees	885,000	
Payments to Auditor	497,750	
Donation	18,000	
Corporate Social Responsibility	970,755	
Foreign Currency Fluctuation Loss	652,876	
Prior Period Expenses	477,530	
General expenses	13,221,609	32,897,663
Total		258,868,489

Note**(Amount in Rs.)**

Payments to Auditors*	2016-17
Audit Fees	310,000
Taxation Matters	50,000
Tax Audit	125,000
Other Services	-
Total	485,000

*Exclusive of Service Tax



NOTES TO ACCOUNTS:

1. Contingent Liabilities and Commitments:

Contingent Liabilities not provided for in respect of:

(Amount in Rs.)

Sr. No.	Particulars	2016-2017	2015-2016
1.	Income Tax matters	27,158,720	27,158,720
2.	Sales Tax	954,921	1,396,998
3.	Disputed excess service tax refund	229,087	229,087
4.	Bank Guarantee	1,000,000	1,000,000
	Total	29,341,728	29,783,805

2. In the opinion of the Board of Directors of the Company, the current assets, loans and advances are approximately of the value stated in the Balance Sheet, if realized in the ordinary course of business.

3. Related Party Transactions :

A. Holding Company:

Aura Alkalies and Chemicals Private Limited

B. Subsidiary Company:

Ashwa Minerals Private Limited

C. Associates (Firms)

- Altage Stone Crushing Industries
- Aditya Minerals
- Avni Minerals
- Bharat Abrasives and Chemicals Industries
- Kantilal Mohanlal Mehta
- Manohar Daryayani
- Nilesh Mines
- Prabhudas Vithaldas
- Prachi Mines
- Saurashtra Traders
- Shyam Minerals
- Shiva Mines & Minerals
- Sandeep Abrasives Industries
- Vinod Pandya
- Yogita Allied & Calcined Products

D. Key Managerial Personnel (KMP):

Mr. Purab Shah

– Executive Director & CEO (w.e.f. 19th April 2016)

Mr. V. Shashidharan

– Chief Financial Officer *

Ms. Seema Gangawat

- Company Secretary & Compliance Officer

E. Relatives of Key Managerial Personnel: Nil

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

F. Related Party Transactions

(Amount in Rs.)

Particulars	Associates	Director(s)/KMP	Relatives
Remuneration			
Mr. Purab Shah	-	2,662,599	-
Mr. V. Shashidharan*	-	1,959,932	-
Ms. Seema Gangawat	-	980,473	-

*Resigned w.e.f. 1st May 2017

4. Earnings Per Share :

2016-17

Profit after Tax (Rs.)	35,821,898
No. of equity shares outstanding during the year	4,600,343
Basic and Diluted Earnings per Share (Rs.)	7.79

5. Demonitisation

(Amount in Rs.)

Particulars	SBNs	Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	222,500	313,028	535,528
(+) Permitted receipts	-	795,580	795,580
(-) Permitted Payments	-	786,911	786,911
(-) Amount deposited in Banks	222,500	-	222,500
Closing cash in hand as on 30.12.2016	-	-	321,697

6. Additional Information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements:

Particulars		Net Assets i.e.Total Assets minus Total Liabilities		Share in Consolidated Profit or Loss	
		% of Consolidated Net Assets	Rs.	% of Consolidated Profit	Rs.
Parent :					
Ashok Alco - Chem Limited	C.Y.	93.97	466,623,318	58.33	20,894,933
	P.Y.	96.78	451,265,248	-	-
Subsidiary :					
Ashwa Minerals Pvt.Ltd.	C.Y.	7.03	37,262,722	41.67	14,926,966
	P.Y.	3.22	22,335,756	-	-

**7. Deferred Tax :**

Tax effect of items constituting deferred tax liability.

(Amount in Rs.)

Particulars	Deferred Tax Surplus /(Deficit) as on 31.03.2017
Surplus-arising from claim u/s 43B net of reversal	9,245,777
Reversal of Liability-Depreciation difference as per Books compared to Income-Tax	(24,196,875)
Surplus-unabsorbed Depreciation and Loss Adjusted	NIL
Deferred Tax Surplus(Deficit)	(14,951,098)

8. CIF Value of Imports:

(Amount in Rs.)

Particulars	2016-17
Value of Imports – Chemical Division	289,680,108
Value of Imports –Trading Division	29,459,114

9. Expenditure in Foreign Currency:

(Amount in Rs.)

Particulars	2016-17
Travelling	573,250
Freight & Demurrage	21,915,944
Commission paid	1,299,521
Others	15,563,923

10. FOB value of Exports:

(Amount in Rs.)

Particulars	2016-17
Sale of Goods	353,843,344

11. Figures pertaining to the subsidiary Company have been reclassified wherever necessary to bring them in line with the Parent Company's financial statements.

12. This being the first year of Consolidation for the Company with respect to the Profit & Loss items, previous year's figures have not been disclosed.

As per our report of even date
For R.A. Kuvadia & Co.
Chartered Accountants
F. R. N. 105487W

sd/-
R.A. Kuvadia
Proprietor
Membership No. 040087

Place: Mumbai
Date: 18.05.2017

For and on behalf of the Board of Directors

sd/-
Purab Shah
Executive Director & CEO
(DIN 07490952)

sd/-
Sunil K Shah
Director
(DIN 03567415)

sd/-
Seema Gangawat
Company Secretary

sd/-
Vaize Ahmed Kampli
Manager-Finance & Accounts

ASHOK ALCO-CHEM LIMITED

Annual Report 2016-2017

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 Venture for the year ended 31st March, 2017**

Part "A": Subsidiaries

Sr. No.	Particulars	Details
1	Name of the subsidiary	Ashwa Minerals Private Limited
2	Reporting period	01.04.2016 - 31.03.2017
3	Reporting currency	RUPEES
4	Share capital	100,000
5	Reserves & surplus	37,162,722
6	Total assets	81,777,718
7	Total Liabilities	44,514,996
8	Investments	—
9	Turnover (Including other Income)	134,798,388
10	Profit before taxation	23,768,717
11	Provision for taxation	8,841,751
12	Profit after taxation	14,926,966
13	Proposed Dividend	NIL
14	% of shareholding	100%

Part "B" – Associates and Joint Ventures

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Associates Company	Details
1	Latest audited Balance Sheet Date	N.A.
2	Shares of Associate Company held by the Company on the year end	
	No. of Shares	
	Amount of Investment in Associate Company	
	Extend of Holding %	
3	Description of how there is significant influence	
4	Reason why the associate Company is not consolidated	
5	Networth attributable to shareholding as per latest audited Balance Sheet	
6	Profit/Loss for the year	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

AS PER OUR REPORT OF EVEN DATE

**For R. A. KUVADIA & CO.
 CHARTERED ACCOUNTANTS
 FRN : 105487W**

**Sd/-
 R. A. KUVADIA
 Proprietor
 Membership No. 040087**

**Place : Mumbai
 Date : 18.05.2017**

For and on behalf of the Board of Directors

**Sd/-
 Purab Shah
 Executive Director & CEO
 (DIN 07490952)**

**Sd/-
 Seema Gangawat
 Company Secretary**

**Sd/-
 Sunil K Shah
 Director
 (DIN 03567415)**

**Sd/-
 Vaize Ahmed Kampli
 Manager-Finance & Accounts**



ASHOK ALCO-CHEM LIMITED

Registered Office: 104, Venkatesh Chambers, 1st Floor, Ghanshyam Talwatkar Marg, Fort, Mumbai – 400 001.

CIN: L24110MH1992PLC069615 Tel: 022-61446900/01 Fax: 022-66104355

Email: info@ashokalcochem.com; Website: http://www.ashokalcochem.com

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 Members :	
Registered Address:	
Email Id:	
Folio No/ Client ID:	
DP ID:	

I/We, being a Member(s) of _____ Shares of **Ashok Alco-Chem Limited**, hereby appoint

- (1) Name: _____ Address: _____
Email Id _____ Signature: _____ or failing him/her
- (2) Name: _____ Address: _____
Email Id _____ Signature: _____ or failing him/her
- (3) Name: _____ Address: _____
Email Id _____ Signature: _____ or failing him/her

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Fifth Annual General Meeting of the Company to be held on Friday, September 22, 2017 at 11.00 a.m. at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Oricon House, 6th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
Ordinary Business	
1.	Adoption of Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 together with the Reports of the Board of Directors' and the Auditors' thereon.
2.	Declaration of Dividend
3.	Appointment of Director in place of Mrs. Neeta Shah (DIN: 07134947), who retires by rotation and being eligible, offers herself for re-appointment.
4.	Appointment of Statutory Auditors and fixing of their remuneration.
Special Business	
5.	Appointment of Mr. Shekhaar Shetty (DIN : 07824778) as an Independent Director of the Company.
6.	Appointment and payment of remuneration to Cost Auditors.
7.	Approval for charging fees for service of documents through specified mode.

Signed this _____ day of _____ 2017

Signature of Shareholder: _____

Signature of Proxy Holder(s): _____

Affix
Re.1/-
Revenue
Stamp

Notes: The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the aforesaid Meeting.

Corporate Social Responsibility (CSR):

During the year under review, your Company has undertaken the CSR activities at Mahad and Bhuj-Kutch, contributing towards..

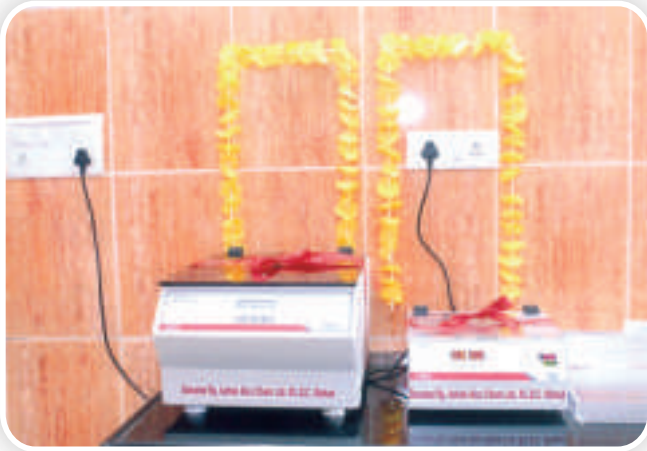
- (i) Promoting Education (provided Computer, Printer, classroom renovation & Water Cooler for Students)
- (ii) Medical Facilities (Provided Medical equipments and organized medical camps for localities)
- (iii) Women Empowerment (provided self-employment guidance and other related trainings).



Computer Learning



Water Cooler for Students



Matrix Card Reader



Medical Camps for Tribals



Women Empowerment



Self Employment Guidance



Ashok Alco-Chem Limited

CIN : L24110MH1992PLC069615

104, Venkatesh Chambers, 1st Floor, Ghanshyam Talwatkar Marg, Fort, Mumbai - 400 001.

Tel. No. : 022-6144 6900/01, Fax No. : 022-6610 4355

Website : <http://www.ashokalcochem.com>

Email : info@ashokalcochem.com