



**SOLID FAYDA. SOLID DUM.**

**Gujarat Sidhee Cement Limited**  
**44th Annual Report 2017-18**

	Page Nos.
<b>General Information</b> .....	2
<b>Directors' Report</b> .....	3
Annexure	
1. Management Discussion and Analysis Report (Annexure A) .....	10
2. Corporate Governance Report (Annexure B) .....	13
3. Other Annexures (Annexure C to H) .....	32
<b>Standalone</b>	
1. Independent Auditors' Report on Standalone Financial Statements .....	41
2. Balance Sheet .....	46
3. Statement of Profit & Loss .....	47
4. Cash Flow Statement .....	48
5. Statement of Changes in Equity .....	50
6. Notes forming part of Financial Statements .....	51
<b>Consolidated</b>	
1. Independent Auditors' Report on Consolidated Financial Statements .....	93
2. Balance Sheet .....	96
3. Statement of Profit & Loss .....	97
4. Cash Flow Statement .....	98
5. Statement of Changes in Equity .....	100
6. Notes forming part of Financial Statements .....	101
<b>Form AOC-1</b> .....	144

## GENERAL INFORMATION

### BOARD OF DIRECTORS

**As on 25.05.2018**

Mr. M. N. Mehta  
Mr. Jay M. Mehta  
Mr. Y. K. Vyas  
Mr. M. S. Gilotra  
Ms. Juhi Chawla Mehta  
Mr. S. V. S. Raghavan  
Mr. P. K. Behl  
Mr. M. L. Tandon  
Mr. Bimal Thakkar  
Mr. Hemnabh Khatau  
Mr. Venkatesh Mysore  
Mr. M. N. Rao  
Mr. K. N. Bhandari  
Mrs. Bhagyam Ramani

Chairman  
Executive Vice Chairman  
Nominee of GILC Limited  
Managing Director

### CFO & Company Secretary

Mr. V. R. Mohnot

### Bankers

HDFC Bank Ltd.  
State Bank of India

### Auditors

M/s. Banshi S. Mehta & Co  
Chartered Accountants  
Mumbai

### Registered Office & Works

Off. Veraval - Kodinar Highway  
Sidheegram 362 276  
Dist. Gir Somnath (Gujarat)  
Tel. 02876 - 268200, Fax: 02876 - 286540  
CIN: L26940GJ1973PLC002245

### Corporate Office

N. K. Mehta International House, 2nd Floor,  
178, Backbay Reclamation, Mumbai 400 020.  
Tel. 022- 66365444, Fax : 022-66365445

### Registrars & Transfer Agent:

M/s. Link Intime India Pvt Ltd  
(Unit: Gujarat Sidhee Cement Limited)  
C-101, 247 Park,  
L.B.S. Marg, Vikhroli (West), Mumbai - 400 083.  
Tel. 022- 49186000, Fax : 022-49186060

**Website:** [www.gujaratsidheecementlimited.com](http://www.gujaratsidheecementlimited.com)



## DIRECTORS' REPORT

### DEAR MEMBERS,

The Directors present the 44<sup>th</sup> Annual Report along with the Audited Accounts and Auditors Report for the Financial Year ended 31<sup>st</sup> March, 2018.

### FINANCIAL HIGHLIGHTS

The highlights of the financial results for the Financial Year ended 31<sup>st</sup> March 2018 are given below.

(₹ in Million)

Particulars	Standalone		Consolidated	
	Current F.Y. (2017-18)	Previous F.Y. (2016-17)	Current F.Y. (2017-18)	Previous F.Y. (2016-17)
Revenue from Operation (Net of Excise) & Other Income	5,478.61	4,459.83	5,533.73	4,406.04
Profit/(Loss) before Interest, Depreciation, Exceptional Items and Tax	445.36	(212.38)	499.86	(221.43)
Finance Cost	31.22	30.25	34.02	39.53
Profit/(Loss) before Depreciation, Exceptional Items and Tax	414.14	(242.63)	465.84	(260.96)
Depreciation & Impairment	95.06	93.89	95.06	93.89
Profit/(Loss) before Tax	319.09	(336.52)	370.79	(354.85)
Current Tax Expense	16.24	-	18.55	0.03
Deferred Tax Adjustment	(29.77)	(15.11)	(29.77)	(16.04)
Profit/(Loss) before share in profits of Associate	332.62	(321.41)	382.01	(338.84)
Share in Profit of Associate	-	-	67.28	28.46
Profit/(Loss) for the Year	332.62	(321.41)	449.29	(310.38)
Total Other Comprehensive Income (net of tax)	0.90	(3.16)	(136.43)	(2.22)
Total Comprehensive Income	333.52	(324.57)	312.86	(312.60)
Retained Earnings – Opening Balance	1,902.25	2,226.82	2,070.35	2,384.11
Add/(Less):				
Profit/(Loss) for the Year	332.62	(321.41)	449.29	(310.38)
Remeasurement of Defined Benefit Plans (Net of tax)	0.90	(3.16)	0.83	(3.38)
Retained Earnings – Closing Balance	2,235.77	1,902.25	2,520.47	2,070.35

### THE YEAR UNDER REVIEW

The All India Cement Consumption increased by 6.3% in 2017-18, bouncing back from negative growth in the previous fiscal year 2016-17. The growth happened on the back of increased spend on roads and railways, push towards affordable housing by Central Government and materialisation of pent up demand. The cumulative index of cement production increased by 5.7% in comparison to decline of 1.3% in previous year. The supply overhang continued in the Indian Cement industry during 2017-18 with capacity utilization of around 65%.

The demand for cement during the first half of the financial year 2017-18 was sluggish on account of after effects of demonetization and implementation of Goods and Service Tax (GST) from 1<sup>st</sup> July 2017. The adverse effect was more pronounced in housing and infrastructure segments. The cement sector's growth in the second half of 2017-18 was mainly attributable towards the initiatives being undertaken by the government to boost the infrastructure sector by additional spending on the infrastructure facilities. Consequently the cement prices remained depressed in first half of the year but bounced back in second half.

Consumption of cement in our home market Gujarat increased by about 3%. The cement prices in Gujarat also increased and are at the levels prevailing in 2014-15.

The energy costs increased significantly worldwide resulting in substantial increase in the costs of coal, pet coke and diesel for transportation.

### PERFORMANCE REVIEW

Your company continued to operate at over 100% capacity utilisation and produced 1.29 million tonnes of clinker and 1.22 million tonnes of cement during the Financial Year. The overall despatches of cement & clinker during the year ended March 2018 were 1.46 million tonnes approximately 2% higher than that in the previous year. There was a significant turnaround in profitability of your Company on account of

reduction in the raw material and power costs, optimization in logistics costs coupled with improved price realisations. During the Financial Year ended 31<sup>st</sup> March 2018, your Company earned a net profit of ₹ 332.62 million as against a net loss of ₹ 321.41 million in the previous financial year.

### **Marketing**

Your Company's major sales volumes is from the Gujarat region. However, due to the large surplus in the region, your Company continues to maintain a presence in coastal regions of Maharashtra and Kerala. The profitability of these markets remains low on account of high cost of transport and infrastructure.

### **NEW PROJECTS**

During the year under review, the company has also commissioned its 5 MW Waste Heat Recovery Power Project (WHR) which will generate power from the process exhaust gases. Since this power plant does not consume any fossil fuel, the cost of power from WHR would be negligible which has helped the Company to reduce its cost of power. This will also result in substantial reduction in the carbon footprint of the company.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report is provided in a separate section and forms a part of this Report as **Annexure A**.

### **CHANGES IN SHARE CAPITAL**

The paid up Equity Share Capital of the company (including the forfeited shares) as on 31<sup>st</sup> of March 2018 is ₹ 862.07 million and there is no change in the capital.

### **FINANCIAL STATEMENTS**

The Audited Standalone and Consolidated Financial Statements of the Company which forms part of this Annual Report has been prepared pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, in accordance with the provisions of the Companies Act, 2013 and Companies (Indian Accounting Standards) Rules, 2015 on Consolidated Financial Statements.

The Consolidated Net Profits of the Company amounted to ₹ 449.29 million for the Financial year ended 31<sup>st</sup> of March 2018.

### **SUBSIDIARY AND ASSOCIATE COMPANIES**

The Company has one subsidiary company.

Section 136 of the Companies Act, 2013 has exempted listed companies from attaching the financial statements of their Subsidiaries to the Annual Report of the Company.

In accordance with Section 129(3) of the Companies Act, 2013 read with the rules made thereunder; the statement containing the salient features of the Financial Statement of the Company's subsidiary is disclosed separately in this Annual Report under Form AOC 1.

Your Company will make available the Annual Accounts of the subsidiary company to any Member on their request and shall also be kept open for inspection by any Member at the Registered office of the Company. The statement is also available at the website of the Company at <http://gscl.mehtagroup.com/investors/financials>.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of Section 134 (3) (c) of the Companies Act, 2013.

- (a) that in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures; if any;
- (b) that the accounting policies as mentioned in Note No.1 to the Financial statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- (f) that systems to ensure compliance with the provisions of all applicable laws are in place and were adequate and operating effectively.



## **CORPORATE GOVERNANCE**

Good Governance practices stem from the value system and philosophy of the organisation and your Company is committed to meet the aspirations of all stakeholders. The report on Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and a certificate of Compliance from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated in Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2018 forms part of this Report. A declaration by CEO and CFO that Board and Senior Executives have confirmed compliance with the Code of Conduct of the Company also forms a part of the Report as **Annexure B**.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions are in accordance with the approvals being granted by the Audit Committee, Board and the Members at the Annual General Meeting (as applicable). The other details as required under SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and Section 134 (3) of the Companies Act, 2013 are provided in the Corporate Governance Report.

The particulars of every contract or arrangement entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto is Annexed herewith at **Annexure C** in Form No. AOC -2.

## **CORPORATE SOCIAL RESPONSIBILITY**

Your Company believes in inclusive growth to facilitate creation of a value based and empowered society through continuous and purposeful engagement with society around.

The Board of Directors have based on the recommendation of the Corporate Social Responsibility Committee, formulated a Corporate Social Responsibility Policy for welfare of the society.

The CSR policy outlining various areas of development viz. Health Care, Education, Sanitation, Ensuring environmental sustainability and Rural development projects was adopted by the Board and the same is available at the following link: <http://gscl.mehtagroup.com/policy/csr-policy>.

During the year under review, your Company was not obliged to spend on the CSR activities under Section 135 of the Companies Act, 2013 on account of the carry forward losses. However, as a good Corporate Governance practice, your Company has undertaken certain CSR activities during the year. Your Company has been taking various initiatives in the villages in the immediate vicinity of plant locations. Your Company continues to provide medical aid, drinking water and quality education to the nearby habitants. The performance of the students in the school managed by the Company has been remarkable during the year.

Various CSR activities undertaken during Financial Year 2017-18 has been provided in The Management Discussion and Analysis report.

The annual report on CSR activities and expenditure required under Section 134 & 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014 and Rule 9 of the Companies (Account) Rules 2014 are given in **Annexure D** of the Report.

## **LOANS, GUARANTEES AND INVESTMENTS**

During the year under review, there were no Loans given, Guarantees provided nor Investments made as is covered under the provisions of Section 186 of the Companies Act, 2013 and under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **RISK MANAGEMENT**

A formal Risk Management System has been implemented on an Enterprise Risk Management (ERM) as a part of strengthening and institutionalizing the decision making process and monitoring the exposures that are faced by the Company.

Your Company has a robust risk assessment and management system wherein the risk is identified, minimized, deliberated and mitigated in lively manner. The risks are periodically reviewed and the major risks are reported to the Audit Committee and Board on quarterly basis.

## **INTERNAL FINANCIAL CONTROLS**

In accordance with Section 134(5)(e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented a robust system and framework of Internal Financial Controls. Accordingly, the Company has devised appropriate systems and framework including proper delegation of authority, policies and procedures, effective IT systems aligned to business requirements, risk based internal audits, risk management framework and whistle blower mechanism.

The Company has already developed and implemented a framework for ensuring internal controls over financial reporting. This framework includes entity level policies, process and operating level standard operating procedures.

## **DIRECTORS & KEY MANAGERIAL PERSONNEL**

### **Re-appointment of Directors**

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Hemnabh Khatau (DIN: 02390064) will retire by

rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Brief resume of the Director seeking re-appointment along with other details as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, is enclosed herewith as **Annexure E**.

The Board recommends the re-appointment.

#### **Appointment / Change in Key Managerial Personnel:**

During the year under review, there is no appointment / change in Key Managerial personnel.

#### **Board Evaluation**

In accordance with the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors evaluated the performance of the Board as a whole, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Independent Directors, at their separate meetings, also evaluated the performance of the Board as a whole based on various criteria.

The questionnaire for Board evaluation was prepared taking into consideration various aspects of the Board functioning such as understanding of Board members of their roles & responsibilities, time devoted by the Board to Company's long term strategic issues, quality & timeliness of Board information flow between Board members and management, Board's effectiveness in disseminating of the information to the shareholders and in representing shareholder's interest, Board information on industry trends & regulatory development and discharge of fiduciary duties of the Board.

Committee performance was evaluated on the basis of their effectiveness in carrying out the respective mandates.

The Board evaluated the effectiveness of its function and that of the committees and individual director by seeking their valuable inputs on various aspects of Board/Committee governance. Based upon various evaluation criteria, the Board and Independent Directors were of the view that the Board and Committee performance is in consonance of the standards / criteria being identified by Nomination & Remuneration Committee and the Independent Directors.

#### **Declaration by Independent Directors**

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

#### **Appointment of Independent Directors**

In accordance with the provisions of Section 149 sub-section 10 read along with sub-section 11 of the Companies Act, 2013; an independent director can be appointed for two consecutive term of 5 years each wherein a Special Resolution is required to be passed at the Members meeting for the second consecutive term.

The Board at its meeting held on 25<sup>th</sup> May 2018, on the recommendation of Nomination & Remuneration Committee had approved and recommended to the Members re-appointment of following Independent Directors for second consecutive term of five years at the ensuing Annual General Meeting. The details of the existing tenure and proposed tenure are provided hereunder:

Sr. No.	Name of the Director	Tenure ends on	Re-appointment proposed	
			From	To
1.	Mr. S.V.S. Raghavan	31.3.2019	1.4.2019	31.3.2024
2.	Mr. P. K. Behl	31.3.2019	1.4.2019	31.3.2024
3.	Mr. M. L. Tandon	31.3.2019	1.4.2019	31.3.2024
4.	Mr. Bimal Thakkar	31.3.2019	1.4.2019	31.3.2024
5.	Mr. M. N. Rao	30.5.2019	31.5.2019	30.5.2024
6.	Mr. K. N. Bhandari	30.5.2019	31.5.2019	30.5.2024
7.	Mrs. Bhagyam Ramani	3.8.2019	4.8.2019	3.8.2024

Brief resume of Directors seeking re-appointment along with other details as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is enclosed herewith as **Annexure E**.

#### **AUDITORS**

##### **Statutory Auditors**

M/s. Bansi S. Mehta & Co., Chartered Accountants, the Statutory Auditors of the Company, who were appointed to audit the accounts of the Company for the Financial Year 2017-18, hold office upto the conclusion of the ensuing Annual General Meeting.



In accordance with the provisions of Section 139(1) of the Companies Act, 2013 as amended by Companies (Amendment) Act, 2017, it is proposed to reappoint M/s. Banshi S. Mehta & Co, Chartered Accountants (Firm Registration no. 100991W) as Statutory Auditors of the Company to audit the accounts of the Company upto the Financial Year 2021-22 who shall hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of 48<sup>th</sup> Annual General Meeting at such remuneration as may be decided by the Board from time to time in consultation with the Auditors. As required under the provisions of the Companies Act, 2013, the Company has received written confirmation from M/s. Banshi S. Mehta & Co, Chartered Accountants that their appointment, if made, will be in conformity with the limits specified in the Section 143(1)(g) of the Companies Act, 2013.

### **Secretarial Auditors**

M/s Ragini Chokshi & Co, Practicing Company Secretaries were appointed by the Board of Directors as the Secretarial Auditor of the Company to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the Financial Year 2017-18. The report of the Secretarial Auditor is annexed as **Annexure F** to this report.

The Board of Directors of the Company on the recommendation of the Audit Committee appointed M/s. Ragini Chokshi & Co, Practicing Company Secretaries as Secretarial Auditor of the Company for the Financial Year 2018-19.

### **Tax Auditors**

The Board of Directors on the recommendation of the Audit Committee appointed M/s. Banshi S. Mehta & Co, Chartered Accountants to carry out the Tax Audit for the Assessment Year 2018-19.

### **Internal Auditors**

The Board of Directors on the recommendation of the Audit Committee appointed M/s. Tushar J. Shah, Chartered Accountant, to carry out the Internal Audit of the Company for the Financial Year 2018-19.

### **Cost Auditors**

In accordance with the provisions of Section 148 of the Companies Act, 2013 and on the recommendation of Audit Committee, M/s. M. Goyal & Co. Cost Accountants, have been appointed by the Board as Cost Auditor of the Company for the Financial Year 2018-19. Certificate of eligibility under Section 148 of the Companies Act, 2013 has also being received from him. As required under the Act, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution for seeking Members ratification for the remuneration payable to M/s. M. Goyal & Co., Cost Auditor, is included at item no.4 of the Notice convening the Annual General Meeting.

## **OTHER DISCLOSURES UNDER COMPANIES ACT, 2013 AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015**

### **Audit Committee**

The Company has an Audit Committee and details of its constitution, terms of reference are set out in the Corporate Governance Report.

### **Nomination & Remuneration Committee & Policy**

The Company has a Nomination & Remuneration Committee and has also adopted Nomination & Remuneration Charter and Remuneration / Compensation Policy. The constitution of the committee along with the terms of reference to the committee are set out in the Corporate Governance Report. The Nomination and Remuneration Charter and Compensation Policy is available at <http://gscl.mehtagroup.com/policy/nomination-and-remuneration-charter> and <http://gscl.mehtagroup.com/policy/compensation-policy>

### **Vigil Mechanism**

The Company has established a Vigil Mechanism / Whistle Blower Policy and the directors and employees of the Company can approach the Audit Committee when they suspect or observe unethical practices, malpractices, non-compliances of policies, etc.

### **Number of Board Meetings**

During the year under review four meetings of the Board of Directors were held. The meetings were held on 24<sup>th</sup> day of May 2017, 14<sup>th</sup> day of September 2017, 10<sup>th</sup> day of November 2017 and 9<sup>th</sup> day of February 2018.

### **Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo.**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under section 134 (3) of the Companies Act, 2013 are provided in **Annexure G** forming a part of this Report.

### **Annual Return**

Pursuant to Section 92(3) and Section 134(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, as amended, the Annual Return in Form MGT-7 is available at the website of the Company at <http://gscl.mehtagroup.com/investors/annualreturn>.



## Particulars of Employees

There were 409 permanent employees in the Company as on 31<sup>st</sup> March 2018. The disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report at **Annexure H**.

Further, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits as set out in the Rule 5(2) and other details as required under Rule 5(3) of the aforesaid Rules forms part of this report. However, in terms of first proviso to Section 136(1) of the Act, the Annual Report and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid information. The said information is available for inspection by the Members at the Registered Office of the Company during business hours on working days upto the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary, whereupon a copy would be sent. Further, the details are also available on the Company's website: <http://gscl.mehtagroup.com/investors>.

## Employee Stock Option Scheme

Nomination & Remuneration Committee and the Board of Directors at its meetings held on 24<sup>th</sup> May 2017 and the Members at the Annual General Meeting held on 25<sup>th</sup> July 2017 approved the introduction and implementation of Gujarat Sidhee Employee Stock Option Scheme 2017 (hereinafter referred to as the "ESOS 2017") to create and grant from time to time, in one or more tranches, not exceeding 86,15,385 (Eighty Six Lakh Fifteen Thousand Three Hundred Eighty Five) Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the Company, including any Director, whether whole time or otherwise, (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), as may be decided under ESOS 2017, exercisable into not more than 86,15,385 (Eighty Six Lakh Fifteen Thousand Three Hundred Eighty Five) equity shares of face value of ₹ 10 (Rupees Ten) each fully paid-up, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of ESOS 2017.

Based upon the above authority, the Nomination and Remuneration Committee at its meeting held on 8<sup>th</sup> February 2018, approved grant of 36,47,779 (Thirty Six Lakh Forty Seven Thousand Seven Hundred Seventy Nine) options at an exercise price of ₹ 10/- per option to eligible employees of the Company as per the terms and conditions mentioned in ESOS 2017 to the permanent employees of the Company (including Managing Director) approved by the Members at the Annual General Meeting held on 25<sup>th</sup> July 2017.

The disclosures as required as per Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 and as per SEBI Requirements are given below:

Options granted during the year	36,47,779
Options vested during the year	Nil
Options Exercised	Nil
Total number of shares arising as a result of exercise of option	Nil
Options Lapsed	Nil
Exercise Price	₹ 10/- per option
Option cancelled	Nil
Variation of terms of Option	Subject to such approvals as may be required, the Nomination and Remuneration Committee may at any time amend, alter, or vary the terms of the ESOS 2017 and/ or terms of the Options already granted under the ESOS 2017 subject to the condition that such amendment, alteration, or variation, as the case may be is not detrimental to the interest of Employees.
Money realized by exercise of options	Options yet to be exercised.
Total no. of options in force	None of the options granted have vested. The number of options in force (Options granted) is 36,47,779

Employee wise details granted to

## Key Managerial Personnel

Name	Designation	Number of Options granted
M. S. Gilotra	Managing Director	4,30,769
V. R. Mohnot	CFO & Company Secretary	7,14,093

**Employees to whom more than 5% options granted during the year:**

Name	Designation	Number of Options granted
M. S. Gilotra	Managing Director	4,30,769
V. R. Mohnot	CFO & Company Secretary	7,14,093
A. M. Fadia	Director-Legal	2,46,701
Dinesh Randad	President – Works	2,85,015
Randhir Singh	Director - Marketing	4,75,479

Employees to whom options more than 1% of issued capital granted during the year – Nil

**Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Acts, 2013**

The Company has in place, a formal policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace. Detailed note is set out in the Corporate Governance report.

During the financial year under review, the Company has not received any complaints of sexual harassment from any of the women at work place of the Company.

**Other Disclosures:**

No disclosure or reporting is made in respect of the following items as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 as there were no transactions during the year under review:

- Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- The company does not have any scheme or provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- The Managing Directors of the Company do not receive any remuneration or commission from any of its subsidiaries.
- No material fraud has been reported by the Auditors to the Audit Committee or the Board.
- There was no revision in the financial statements.
- There was no change in the nature of business.

**GENERAL****Listing Of Equity Shares**

The Company's equity shares are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has paid listing fees as prescribed for Financial Year 2018 - 19.

**Staff Relations**

Industrial relations at our factory and offices remained cordial.

**Secretarial Standards**

In accordance with SS-1, the Company has complied with all applicable secretarial standards.

**Awards**

During the year under review, the Company has bagged Rashtra Vibhushan Award for major contribution in Pollution Control practices, Greenbelt development measures, Environmental training & awareness programmes, conservation of natural resources, Environmental Audits and System Implementation. The Company has been selected for Prestigious "18<sup>th</sup> Annual Greentech Environment Platinum Award 2018" by Greentech Foundation, New Delhi for outstanding work done in the field of Protecting Environment & Plantation.

**Acknowledgement**

The Directors thank the Central Government, Government of Gujarat, Financial Institutions, Bankers, Shareholders, Stockists, Dealers and all other stakeholders associated with its operations for the co-operation and encouragement extended to the Company. The Board also takes this opportunity to express its sincere appreciation of the contribution and dedicated work of all the employees of the Company.

**On behalf of the Board of Directors**

Place : Mumbai  
Dated : 25.5.2018

**M. S. Gilotra**  
Managing Director

**Jay Mehta**  
Executive Vice Chairman