

Full year Financial Statement And Dividend Announcement for the Year Ended 31 March 2018

The Board of Directors of Meghmani Organics Limited ("MOL" or the "Company" or "the Issuer") wishes to make the following announcement of the Company's results for the year ended 31 March, 2018 as follows:-

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

1(a)(i) An income statement (for the Company and Group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group			Company		
	Year ended		%	Year ended		%
	31.03.2018	31.03.2017		31.03.2018	31.03.2017	
	Rs. '000	Rs. '000	Increase / (Decrease)	Rs. '000	Rs. '000	Increase / (Decrease)
Revenue	18,101,396	14,035,903	29.0	12,048,664	10,253,161	17.5
Cost of sales	(12,752,268)	(11,132,576)	14.5	(9,554,232)	(8,507,796)	12.3
Gross Profit	5,349,128	2,903,327	84.2	2,494,432	1,745,365	42.9
Other operating income	333,577	272,153	22.6	326,589	268,337	21.7
Distribution expenses	(1,360,594)	(831,227)	63.7	(895,045)	(725,695)	23.3
Administrative expenses	(697,977)	(286,482)	143.6	(441,152)	(229,752)	92.0
Other operating expenses	44,766	9,306	381.0	51,568	(38,807)	n.m.
Profit from operations	3,668,900	2,067,077	77.5	1,536,392	1,019,448	50.7
Finance cost	(411,907)	(509,458)	-19.1	(321,910)	(364,741)	-11.7
Income from investments	154	-	n.m.	-	-	-
Profit before tax	3,257,147	1,557,619	109.1	1,214,482	654,707	85.5
Income tax	(877,876)	(395,524)	122.0	(445,166)	(239,601)	85.8
Profit after income tax	2,379,271	1,162,095	104.7	769,316	415,106	85.3
Other Comprehensive Income (net of tax)	1,738	(3,379)	n.m.	1,002	(1,965)	n.m.
Total Comprehensive Income Attributable to						
Minority Interest	(666,274)	(284,451)	134.2			
Owners of the Company	1,714,735	874,265	96.1	770,318	413,141	86.5

1(a) (ii) The net profit attributable to the shareholders includes the following charges/ (credits):

	Group			Company		
	Year ended		%	Year ended		%
	31.03.2018	31.03.2017		31.03.2018	31.03.2017	
	Rs. '000	Rs. '000	Increase (Decrease)	Rs. '000	Rs. '000	Increase (Decrease)
Foreign currency exchange adjustment loss/(gain)	178,681	19,267	827.4	184,408	12,448	1381.4
Loss on disposal of plant and equipment	(4,482)	(534)	739.3	(3,815)	(534)	614.4
Research and Developments expenditure	(15,331)	(13,544)	13.2	(14,477)	(12,647)	14.5
Sundry Balance written off	(129,433)	(9,427)	1273.0	(129,025)	(50,721)	154.4

Note: n.m. means not meaningful.

1(b) (i) A balance sheet of the Company and Group together with a comparative statement as at the end of the immediately preceding financial year:

	Group		Company	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
ASSETS				
Current assets				
Cash & bank balances	109,102	125,083	10,751	92,274
Available for sale investments	714,181	285,270	-	-
Trade receivables	3,745,016	3,309,102	3,028,366	2,977,664
Other receivables and prepayments	1,734,500	1,488,233	1,223,606	1,320,268
Inventories	2,677,392	2,416,807	2,326,525	2,090,362
Income tax recoverable	410,240	591,937	508	118,942
Total current assets	9,390,431	8,216,432	6,589,756	6,599,510
Non – current assets				
Property, plant and equipments	8,983,024	7,972,420	4,728,818	4,001,477
Interest in subsidiaries	-	-	2,331,477	1,244,340
Available for sale investments	5,741	5,853	5,741	5,843
Total non – current assets	8,988,765	7,978,273	7,066,036	5,251,660
Total assets	18,379,196	16,194,705	13,655,792	11,851,170
LIABILITIES AND EQUITY				
Current liabilities				
Bank borrowings	1,664,382	3,417,307	936,577	2,625,407
Loan from Corporate	-	-	1,098,554	-
Trade payables	1,802,293	1,468,761	1,639,721	1,475,248
Other payables	933,565	615,733	419,190	378,390
Total current liabilities	4,400,240	5,501,801	4,094,042	4,479,045
Non – current liabilities				
Long Term Loan	2,181,226	1,206,622	2,172,226	765,917
Deferred tax liabilities	876,480	752,037	410,332	274,808
Total non – current liabilities	3,057,706	1,958,659	2,582,558	1,040,725
Capital & reserves				
Issued capital	254,314	254,314	254,314	254,314
Share premium	1,565,048	1,565,048	1,565,048	1,565,048
General reserve	975,558	895,558	976,718	896,718
Capital reserve	3,518	3,518	3,122	3,122
Capital redemption reserve	18,433	18,433	18,433	18,433
Dividend reserve	2,210	2,301	2,210	2,301
Currency translation reserve	(6,077)	71,502	-	-
Hedge reserve	-	(2,166)	-	-
Other Comprehensive Income	(1,160)	(2,457)	(494)	(1,496)
Accumulated profits	5,895,731	4,380,793	4,159,841	3,592,960
Minority interest	2,213,675	1,547,401	-	-
Total equity	10,921,250	8,734,245	6,979,192	6,331,400
Total liabilities and equity	18,379,196	16,194,705	13,655,792	11,851,170

1(b) (ii) Aggregate amount of Group and Company borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31.03.2018		As at 31.03.2017	
Secured		Secured	
Group	Company	Group	Company
Rs. '000	Rs. '000	Rs. '000	Rs. '000
1,664,382	936,577	3,417,307	2,625,407

As at 31.03.2018		As at 31.03.2017	
Un -Secured		Un -Secured	
Group	Company	Group	Company
Rs. '000	Rs. '000	Rs. '000	Rs. '000
-	-	-	-

Amount repayable after one year

As at 31.03.2018		As at 31.03.2017	
Secured		Secured	
Group	Company	Group	Company
2,181,226	2,172,226	1,206,622	765,917

The details of bank borrowings from various banks and securities are shown below:

Bank borrowings from a consortium of banks (Group and Company) (SBI, HDFC and ICICI)

As at March 31, 2018, bank borrowings amounting to Group Rs. 794,403,000 & Company Rs. 466,872,000 are secured by:

- first ranking pari passu charge in favour of a consortium of banks by way of hypothecation on the Company's trade receivables and inventories ; and
- first ranking pari passu charge in favour of a consortium of banks by way of hypothecation and/or legal mortgage over certain of Company's present and future properties, plant and equipment.

As at March 31, 2017, bank borrowings amounting to Group Rs.1,433,114,000 & Company Rs.,1,283,010,,000 are secured by:

- first ranking pari passu charge in favour of a consortium of banks by way of hypothecation on the Company's trade receivables and inventories ; and
- first ranking pari passu charge in favour of a consortium of banks by way of hypothecation and/or legal mortgage over certain of Company's present and future properties, plant and equipment.

Bank A (HDFC Bank Limited)

As at March 31, 2018, bank borrowings amounting to Rs.7,205,000 are secured.

As at March 31, 2017, bank borrowings amounting to Rs. 364,316,000 are secured.

Bank B (HDFC Bank Limited – Term Loan)

As at March 31, 2018, HDFC Term Loan Dahej – SEZ of Rs. 120,000,000 which is secured and repayable after one year. and Rs. 60,000,000 repayable within one year.

As at March 31, 2017, HDFC Term Loan Dahej – SEZ of Rs. 180,000,000 which is secured and repayable after one year. and Rs. 60,000,000 repayable within one year.

Bank C (SBI – Term Loan)

As at March 31, 2018, SBI Term Loan of Rs. 379,726,000 which is secured and repayable after one year. and Rs. 205,000,000 repayable within one year.

As at March 31, 2017, SBI Term Loan of Rs. 585,917,000 which is secured and repayable after one year and Rs. 205,000,000 repayable within one year.

Bank D (State Bank of India)

As at March 31, 2018, bank borrowings amounting to Rs. Nil are secured.

As at March 31, 2017, bank borrowings amounting to Rs. 600,000,000 are secured.

Bank E (Standard Chartered Bank Limited)

As at March 31, 2018, bank borrowings amounting to Rs. Nil are secured.

As at March 31, 2017, bank borrowings amounting to Rs. 97,275,000 are secured.

Bank F (Buyers Credit)

As at March 31, 2018, bank borrowings amounting to Rs. Nil are secured.

As at March 31, 2017, bank borrowings amounting to Rs. 15,806,000 are secured.

Bank G (ICICI – Term Loan)

As at March 31, 2018, ICICI Term Loan of Rs. 875,000,000 which is secured and repayable after one year and Rs. 125,000,000 repayable within one year.

As at March 31, 2017, ICICI Term Loan of Rs. Nil which is secured and repayable after one year and Rs. Nil repayable within one year.

Bank H (AXIS Bank –Term Loan)

As at March 31, 2018, Axis Bank Term Loan of Rs. 797,500,000 which is secured and repayable after one year and Rs. 72,500,000 repayable within one year.

As at March 31, 2017, Axis Bank Term Loan of Rs. Nil which is secured and repayable after one year and Rs. Nil repayable within one year.

Bank I (ICICI Bank Limited – Meghmani Finechem Limited (MFL))

As at March 31, 2018, bank borrowings amounting to Rs. Nil (repayable after one year) and Rs. 399,274,000 (repayable within one year) are secured by Mortgage/hypothecation of assets.

As at March 31, 2017, bank borrowings amounting to Rs. 348,062,000 (repayable after one year) and Rs. 456,510,000 (repayable within one year) are secured by Mortgage/hypothecation of assets.

Bank J (International Financial Corporation (IFC) – MFL)

As at March 31, 2018, bank borrowings amounting to Rs. Nil (repayable after one year) and Rs. Nil (repayable within one year) are secured by Mortgage/hypothecation of assets.

As at March 31, 2017, bank borrowings amounting to Rs. 92,643,000 (repayable after one year) and Rs. 185,286,000 (repayable within one year) are secured by Mortgage/hypothecation of assets.

Bank K (HDFC Bank Limited – MFL)

As at March 31, 2018, bank borrowings amounting to Rs. 9,000,000 (repayable after one year) and Rs. 1,000,000 (repayable within one year) are secured by Mortgage/hypothecation of assets.

As at March 31, 2017, bank borrowings amounting to Rs. Nil (repayable after one year) and Rs. Nil (repayable within one year) are secured by Mortgage/hypothecation of assets.

1(c) A Cash Flow statement of the Group and Company, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Particulars	Group		Company	
	Year ended		Year ended	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash flows from operating activities:				
Profit from operations	3,668,900	2,067,077	1,536,392	1,019,448
Adjustments for :				
Depreciation on property, plant and equipment	947,726	907,237	426,195	384,698
Unrealised foreign exchange gain (loss)	117,170	(52,633)	119,935	(55,514)
Actuarial Valuation of Gratuity	2,335	(5,167)	1,540	(3,006)
Interest received	(43,769)	(30,951)	(40,868)	(28,501)
Diminution in Investment	82	-	12,412	-
Loss on disposal of property, plant and equipment	4,482	534	3,815	534
Operating cash flows before movement in working capital	4,696,926	2,886,097	2,059,421	1,317,659
Trade receivables	(509,894)	(39,765)	(50,703)	(29,026)
Other receivables and prepayments	(363,101)	(478,877)	(23,273)	(473,768)
Inventories	(260,585)	708,967	(236,163)	548,355
Trade payables	333,531	(271,477)	164,472	(49,230)
Bills payables	(198,220)	(125,829)	(198,220)	(125,829)
Other payables	317,829	73,678	40,801	(1,748)
Cash generated from operations	4,016,486	2,752,794	1,756,335	1,186,413
Income taxes paid	(572,367)	(335,947)	(191,445)	(136,038)
Interest and finance charges paid	(411,907)	(509,458)	(321,910)	(364,741)
Net cash from operating activities	3,032,212	1,907,389	1,242,980	685,634
Cash flows from investing activities:				
Purchase of property, plant & equipments	(1,994,661)	(611,386)	(1,188,964)	(336,236)
Proceeds on disposal of property, plant & equipments	31,849	4,794	31,612	4,794
(Purchase) / Sale of Investment	-	-	(1,099,467)	-
Interest received	43,769	28,424	40,868	25,974
Income from Investments	266	-	102	(1,735)
Net cash used in investing activities	(1,918,777)	(578,168)	(2,215,849)	(307,203)
Cash flows from financing activities:				
Dividend paid	(102,199)	(2,170)	(102,199)	(2,170)
Tax on dividend paid	(20,709)	-	(20,709)	-
Decrease in Hedge Reserve	2,166	506	-	-
Proceeds from bank borrowings, net of repayments	(459,907)	(461,587)	35,892	205,123
Proceeds from other borrowings, net of repayments	(120,192)	(586,398)	(120,192)	(586,398)
Other Borrowings	-	-	1,098,554	-
Net cash from financing activities	(700,841)	(1,049,649)	891,346	(383,445)
Net effect of exchange rate change in consolidation	336	(2,628)	-	-
Net (decrease) increase in cash and cash equivalents	412,930	276,944	(81,523)	(5,014)
Cash and cash equivalents at the beginning of the year	410,353	133,409	92,274	97,288
Cash and cash equivalents at the end of the year	823,283	410,353	10,751	92,274

1 (d)(i) A statement (for the issuer and Group) showing either (f) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

		Rs. '000										
Group	Issued capital	Share premium	General reserve	Capital Reserve	Capital redemption reserve	Hedge Reserve	Dividend reserve	Currency translation reserve	Accumulated Profits	Other Comprehensive Income	Minority Interest	Total
Balance as at March 31,2016	254,314	1,565,048	895,558	3,518	18,433	(2,672)	4,471	74,130	3,503,755	316	1,262,950	7,579,821
Net profit for the year	-	-	-	-	-	-	-	-	874,265	(2,773)	-	874,265
Transfer to (from) reserve	-	-	-	-	-	506	(2,170)	(2,628)	-	-	284,451	280,159
Addition during year	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31,2017	254,314	1,565,048	895,558	3,518	18,433	(2,166)	2,301	71,502	4,380,793	(2,457)	1,547,401	8,734,245
Net profit for the year	-	-	-	-	-	-	122,435	-	1,714,735	-	-	1,714,735
Dividend	-	-	-	-	-	-	-	-	(122,435)	-	-	-
Transfer to (from) reserve	-	-	80,000	-	-	-	-	-	(81,297)	1,297	-	-
Amount written off in standalone now accounted for	-	-	-	-	-	-	-	-	-	-	-	-
Consolidation	-	-	-	-	-	-	-	-	3,935	-	-	3,935
Dividend Paid	-	-	-	-	-	2,166	(122,526)	(77,579)	-	-	666,274	(122,526)
Addition during year	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31,2018	254,314	1,565,048	975,558	3,518	18,433	-	2,210	(6,077)	5,895,731	(1,160)	2,213,675	10,921,250

Company

	Issued capital	Share premium	General reserve	Capital Reserve	Capital redemption reserve	Dividend reserve	Other Comprehensive Income	Accumulated Profits	Total
Balance as at March 31, 2016	254,314	1,565,048	896,718	3,122	18,433	4,471	469	3,177,854	5,920,429
Net profit for the year	-	-	-	-	-	-	(1,965)	1,965	-
Transfer to (from) reserve	-	-	-	-	-	(2,170)	-	-	(2,170)
Addition during the year	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2017	254,314	1,565,048	896,718	3,122	18,433	2,301	(1,496)	3,592,960	6,331,400
Net profit for the year	-	-	-	-	-	122,435	-	770,318	770,318
Dividend	-	-	-	-	-	-	-	(122,435)	-
Transfer to (from) reserve	-	-	80,000	-	-	-	1,002	(81,002)	-
Dividend Paid	-	-	-	-	-	(122,526)	-	-	(122,526)
Balance as at March 31, 2018	254,314	1,565,048	976,718	3,122	18,433	2,210	(494)	4,159,841	6,979,192

Rs. '000

31(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There is no change in the Company's share capital.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediate preceding year.

	31 March 2018	31 March 2017
Total number of issued ordinary shares		
Excluding treasury shares	12,997,040	18,458,940

During the year the Company has issued 54,81,900 Equity Shares on conversion of SDS.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company does not have any treasury shares.

2) Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

These figures have been audited in accordance with the provisions of Generally Acceptable Accounting Practices (GAAP) in India.

3) Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

There is no qualification or adverse remarks by Auditors. The Auditors' Report will be circulated along with Annual Report.

4) Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual Financial Statements have been applied?

The Company has prepared the accounts in accordance with Generally Acceptable Accounting Principles in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standard) Rules, 2015 (as amended) under Section 133 of the Indian Companies Act, 2013.

- 5) If there are any changes in the accounting policies and methods of computation , including any required by an accounting standard , what has changed , as well as the reasons for and the effect of the change.

The Company has prepared the accounts in accordance with the accounting principles Generally Accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standard) Rules, 2015 (as amended) under Section 133 of the Indian Companies Act, 2013.

The reasons for change are mandatory requirements. These Standards are adopted to put the accounts prepared in India at Par with International Financial Reporting System (IFRS).

There is no effect on the Profitability due to changes in the accounting policies and methods.

- 6 Earnings per ordinary share of the company for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting and provision for preference dividends.

Earnings per Ordinary shares	Group		Company	
	Year ended		Year ended	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
(a) Based on weighted average number of ordinary shares in issue (Rs)	6.74	3.44	3.03	1.62
Earnings per SDS (Rs)	3.37	1.72	1.52	0.81
(b) On a fully diluted basis (detailing any adjustments made to the earnings) (Rs)	6.74	3.44	3.03	1.62
Earnings per SDS (Rs.)	3.37	1.72	1.52	0.81.

7. Net asset value (for the issuer and Group) per ordinary share based on issued share capital of the issuer at the end of the :-

- (a) current financial period reported on; and
(b) Immediately preceding financial year.

Net assets value per ordinary share based on issued share capital at the end of the year reported in Rs.	Group		Company	
	As at	As at	As at	As at
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	42.94	34.34	27.44	24.90

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following :-

- (a) any significant factors that affected the turnover , costs , and earnings of the group for the current financial period reported on , including (where applicable) seasonal or cyclical factors ; and
(b) any material factors that affected the cash flow , working capital , assets or liabilities of the group during the current financial period reported on.

The principal activities of the Group are (i) manufacturing of Pigments, Agrochemicals and Basic Chemicals (Caustic Chlorine and Caustic Potash) (ii) trading of Pigments and its intermediates (iii) trading of Agrochemicals, Technical, Intermediates products and Small Packing.

Review of results for the year ended on 31 March, 2018

Revenue -Group

Group revenue for FY 2018 increased by 29.0% from Rs. 14035.90 million in FY 2017 to Rs.18101.40 million in FY 2018.

Breakdown of Revenue by Product

(Rs. in Millions)

Products	FY 2018	FY 2017	Increase/ (Decrease)	%
Pigment	5261.98	4801.74	460.24	9.6
Agrochemical	6276.26	4774.15	1502.11	31.5
Basic Chemicals	5931.02	3648.78	2282.24	62.5
Trading / Subsidiary	632.14	811.23	-179.09	-22.1
Total	18101.40	14035.90	4065.50	29.0

Breakdown of Exports Sales by Product

(Rs. in Millions)

Export Sales	FY 2018	FY 2017	Increase/ (Decrease)	%
Pigment	4249.24	3291.90	957.34	29.1
Agrochemical	4176.47	2929.95	1246.52	42.5
Basic Chemicals	253.94	203.08	50.86	25.0
Trading / Subsidiary	631.76	803.47	-171.71	-21.4
Total	9311.41	7228.40	2083.01	28.8

Breakdown of Domestic Sales by Product

(Rs. In Millions)

Domestic Sales	FY 2018	FY 2017	Increase/ (Decrease)	%
Pigment	1012.74	1509.84	-497.10	-32.9
Agrochemical	2099.79	1844.20	255.59	13.9
Basic Chemicals	5677.08	3445.70	2231.38	64.8
Trading	0.38	7.76	-7.38	-95.1
Total	8789.99	6807.50	1982.49	29.1

Reasons for Increase / (Decrease) in Export Sales

- 1) Export sales of Pigment Division increased by 29.1% due to increase in sales quantity of Alpha Blue and Beta Blue.
- 2) Export sales of Agrochemical Division increased by 42.5% due to increase in sales quantity of Zeta Cypermethrin, Permethrin, Chlorpyrifos and 2 4 Dichlorophenoxy.

- 3) Export sales of Basic Chemicals increased by 25.0% due to increase in export quantity.

Reasons for Increase / (Decrease) in Domestic Sales

- 1) Domestic sales of Pigment Division decreased by - 32.9% higher export order resulted decrease in domestic sales.
- 2) Domestic sales of Agrochemical Division increased by 13.9% due to higher quantity Sales of formulation.
- 3) Domestic sales of Basic Chemical Division increased by 64.8% due to higher quantity sales and increase in ECU (Price) during the year.

Revenue - Company

Company revenue for FY 2018 increased by Rs. 1795.50 million i.e. by 17.5% from Rs. 10253.16 million in FY 2017 to Rs. 12048.66 million in FY 2018.

BREAKDOWN OF REVENUE BY PRODUCT

(Rs. in Millions)

Products	FY 2018	FY 2017	Increase/ (Decrease)	%
Pigment	5674.41	5116.92	557.49	10.9
Agrochemical	6293.95	4774.15	1519.80	31.8
Trading / Subsidiary	80.30	362.09	-281.79	-77.8
Total	12048.66	10253.16	1795.50	17.5

Breakdown of Exports Sales by Product

(Rs. in Millions)

Export Sales	FY 2018	FY 2017	Increase/ (Decrease)	%
Pigment	4661.67	3607.08	1054.59	29.2
Agrochemical	4194.16	2929.95	1264.21	43.1
Trading	79.92	354.33	-274.41	-77.4
Total	8935.75	6891.36	2044.39	29.7

Breakdown of Domestic Sales by Product

(Rs. in Millions)

Domestic Sales	FY 2018	FY 2017	Increase/ (Decrease)	%
Pigment	1012.74	1509.84	-497.10	-32.9
Agrochemical	2099.79	1844.20	255.59	13.9
Trading	0.38	7.76	-7.38	-95.1
Total	3112.91	3361.80	-248.89	-7.4

Reasons for Increase / (Decrease) in Export Sales

- 1) Export sales of Pigment Division increased by 29.2% due to increase in sales quantity of Alpha Blue and Beta Blue.

- 2) Export sales of Agrochemical Division increased by 43.1% due to increase in sales quantity of Zeta Cypermethrin, Permethrin, Chlorpyrifos and 2,4 Dichlorophenoxy.
- 3) Export sales of Trading Division decreased by 77.4% due to less export orders.

Reasons for Increase / (Decrease) in Domestic Sales

- 1) Domestic Sales of Pigment Division decreased by 32.9% because of higher export order converted decrease in domestic sales.
- 2) Domestic Sales of Agrochemical Division increased by 13.9 % due to increase in sale quantity of 2,4D and Cypermethrin.
- 3) Domestic Sales of Trading Division decreased by 95.1% mainly due to less quantity sales.

Gross profit - Group

The gross profit increased by 84.2% from to Rs. 2903.33 million in FY 2017 to Rs. 5349.13 million in FY 2018. The gross profit margin increased from 20.7% in FY 2017 to 29.6% in FY 2018.

Breakdown of Gross Profit by Division

Division	FY 2018	(Rs. in Millions)				
		GP Margin FY 2018 (%)	FY 2017	GP Margin FY 2017 (%)	Increase/ (Decrease)	Increase/ Decrease (%)
Pigment	1014.65	19.3	954.06	19.9	60.59	6.4
Agrochemical	1482.07	23.6	772.62	16.2	709.45	91.8
Basic Chemicals	2783.03	46.9	1109.44	30.4	1673.59	150.8
Trading/Subsidiary	69.38	11.0	67.21	8.3	2.17	3.2
Total	5349.13	29.6	2903.33	20.7	2445.80	84.2

REASONS FOR INCREASE / (DECREASE) IN GP MARGIN

GP of Pigment

The gross profit of Pigment Division increased by 6.4% due to higher quantity sales of Alpha Blue and Beta Blue. While GP margin decreased marginally from 19.9% in FY 2017 to 19.3% in FY 2018 due to pressure on sales prices Beta Blue and increase in raw material cost of CPC blue and Alpha blue.

GP of Agrochemical

The gross profit of Agrochemical Division increased by 91.8% , because of better realization of sales prices. The GP margin increased from 16.2% in FY 2017 to 23.6% in FY 2018 due to increase in Sales Quantity of Zeta Cypermethrin, Permethrin, Chlorpyrifos and 2,4 Dichlorophenoxy.

GP of Basic Chemicals

The gross profit of Caustic Chlorine Division increased by 150.8%. This is due to increase in Production and Sales quantity. The GP margin increased from 30.4% in FY 2017 to 46.9% in FY 2018 due to increase in ECU.

Gross profit – Company

The gross profit at Company level increased by 42.9% from Rs. 1745.37 million in FY 2017 to Rs. 2494.43 million in FY 2018. The gross profit margin increased from 17.0% in FY 2017 to 20.7% in FY 2018. The main contributors for increase in gross profits is Agrochemical Division.

BREAKDOWN OF GROSS PROFIT BY DIVISION

Division	FY 2018	(Rs. in Millions)				
		GP Margin FY 2018 (%)	FY 2017	GP Margin FY 2017 (%)	Increase/ (Decrease)	%
Pigment	1014.65	17.9	954.06	18.6	60.59	6.4
Agrochemical	1482.07	23.5	772.62	16.2	709.45	91.8
Trading / Subsidiary	-2.29	-2.9	18.69	5.2	-20.98	-112.3
Total	2494.43	20.7	1745.37	17.0	749.06	42.9

Reasons for increase / (decrease) in GP margin

GP margin of Pigment

The amount of gross profit of Pigment Division increased by 6.4% due to higher quantity sales of Alpha Blue and Beta Blue. The GP margin decreased marginally from 18.6% in FY 2017 to 17.9% in FY 2018 due to pressure on sales prices Beta Blue and increase in raw material cost of CPC blue and Alpha blue.

GP of Agrochemical

The amount of gross profit of Agrochemical Division increased by 91.8%, because of better realization on sales prices. The GP margin increased from 16.2 % in FY 2017 to 23.5% in FY 2018 due to increase in Sales Quantity of Zeta Cypermethrin, Permethrin, Chlorpyrifos and 2 4 Dichlorophenoxy.

COST OF SALES :-

The Cost of Sales at Group level increased by 14.5% and at Company level increased by 12.3% mainly due to increase in raw material prices.

OTHER OPERATING INCOME – GROUP & COMPANY

Other operating income of the Group and the Company which consists mainly of export benefits such as Focus Product Market Incentive Scheme, duty drawback, etc. has increased by Rs. 61.42 million and Rs. 58.25 million in FY 2017 respectively mainly due to increase in export.

DISTRIBUTION, ADMINISTRATIVE AND OTHER OPERATING EXPENSES – GROUP & COMPANY

Distribution expenses

Distribution expenses of Group increased by Rs. 529.37 million, i.e. by 63.7% and the Company increased by Rs. 169.35 million i.e. by 23.3%. This is in proportion to increase in sales during the year. Distribution Expenses increased mainly due to export clearing and forwarding, transportation, packing Consumption, loading unloading charges at depot and quantity rebate to customers at etc.

Administrative expenses – Group & Company

Administrative expenses of Group increased by Rs. 411.50 million i.e. by 143.6% and at Company level increased by Rs. 211.40 million i.e. by 92.0%. This is mainly due to increase in insurance premium, legal & professional fees, donation and director remuneration to Working Director.

Other Operating Expenses

Other operating expenses decreased mainly on account of favourable foreign currency exchange adjustment. The fluctuations in the exchange rate of the Indian Rupee against the US dollar and mark to market on derivatives are main contributory. Other operating expenses reflect income in current and previous financial year.

Finance costs

Finance costs of the Group during FY 2018 decreased by Rs. 97.55 million, i.e. by 19.1% at Company level decreased by R 42.83 million i.e. by 11.7% the reason being reduction in rate of interest and repayment of Term Loan.

Income from investments

During the year Group and Company level income from investment is Rs. 0.15 million and Rs. Nil.

Taxation

Income tax of the Group increased by Rs.482.35 million in FY 2018 and at the Company level increased by Rs. 205.57 million in FY 2017 due to increase in profit.

Interest in Subsidiaries

1. Meghmani Organics USA Inc., is a 100% wholly owned subsidiary of the Company. The Company is in the trading business.
2. Meghmani Finechem Limited (MFL) is a company formed to set up Rs. 555 Crore Caustic Chlorine project. Meghmani Organics Limited holds 57% of the Equity.

3. P T Meghmani Indonesia is a 100% wholly owned subsidiary of the Company set up for the trading purpose.
4. Meghmani Overseas FZE, Sharjah is a 100% wholly owned subsidiary of the Company. The Company is in the trading business.
5. Meghmani Agrochemicals Private Limited is a 100% wholly owned subsidiary of the Company.

SGX Rule 716

As per Rule 716, we declare that no one of the above Subsidiaries or Associates is listed on any of the Stock Exchanges.

Other Comprehensive income.

Other comprehensive income (OCI) is defined as comprising 'items of income and expense (including reclassification adjustments) that are not recognised in profit or loss. Other comprehensive income at group level increased by Rs.51.17 million and at Company Level increased by Rs. 29.67 million.

BALANCE SHEET

Trade receivables

Group Trade Receivables increased by **Rs. 435.91 million**, i.e. by **13.2%** and at the Company level by **Rs. 50.70 million** i.e. by **1.7%**. The receivables turnover ratio decreased from **86 days** as at 31 March 2017 to 76 days as at 31 March 2018.

Inventories

The Group Inventories for FY 2018 increased by **Rs. 260.59 million** and at the Company level by **Rs. 236.16 million**. The Finished Goods and Raw material Inventories increased.

Property, Plant and Equipments

Property, Plant and Equipment at Group level increased by **Rs. 1010.60 million** and at Company level increased by **Rs. 727.34 million** in FY 2018 respectively.

Bank Borrowings and Long Term Loan

Bank borrowings (current and non current liabilities) in FY 2018 at Group level decreased by **Rs 778.32 million** This is mainly due to repayment of term loan while at the Company level it decreased by **Rs.282.52 million** mainly due to decrease in working capital loan.

Trade payables

Trade Payables of Group increased by **Rs.333.53 million** in FY 2018 while that of Company level by **Rs. 164.47 million**. This indicates increase in payable for material domestic and foreign.

Other payables

The Other Payables of Group increased by **Rs 317.83 million** in FY 2017 while that of Company increased by **Rs. 40.80 million**.

Cash flow statement

During the year, the Group generated positive cash flows of Rs. 3032.21 million while Company generated Rs. 1242.98 million from operating activities.

FINANCIAL ANALYSIS – GROUP LEVEL

Group Key financial highlights	(Rs. in millions)			
	As at 31.03.2018	As at 31.03.2017	Variance	Variance (%)
Profitability				
Sales	18,101	14,036	4065	29.0
Gross Profit	5,349	2,903	2446	84.3
Gross Profit Margin (%)	29.6	20.7	8.9	43.0
Profit before tax	3,257	1,558	1,699	109.1
Profit before tax Margin (%)	18.0	11.1	6.9	62.2
Net profit	1,715	874	841	96.2
Earnings Per Share (EPS in Rs.)	6.74	3.44	3.30	95.9
Annualised return on equity (ROE)	15.70	10.01	5.69	56.8
Financial position				
Net Tangible Assets	10,921	8,734	2,187	25.0
Debt (short term + long term)	3,845	4,624	-779	-16.8
Capital Gearing ratio	0.35	0.53	-0.18	-34.0
Net Tangible Assets per share	34.24	28.26	5.98	21.2
Stock Turnover (days)	77	79	-2	-2.5
Trade Debts Turnover (days)	76	86	-10	-11.6

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the company operates and any known factors or events that may affect the company in the next reporting period and the next 12 months.

INDUSTRY STRUCTURE: -

Pigments:-

Pigments are classified as either organic or inorganic. Organic pigments include azo pigments, which contain a nitrogen group; they account for most of the organic red, orange, and yellow pigments. Copper phthalocyanines provide brilliant, strong blues and greens that are unusually colourfast for organic colours. Traditionally organic pigments are popular in plastics, synthetic fibres and as surface coatings-paints and inks. In recent years, the organic pigments are used for hi-tech applications that include photo-reprographics, opto-electronic displays and optical data storage.

Organic Pigments Market Dynamics :-

Major factors driving growth of the organic pigments market include their increasing use in plastic, paint, coatings and textile industries. Manufacture of organic pigments with good light fastness

property is gaining traction among global manufacturers. Besides, developing countries such as China & India are shifting towards becoming the center of global organic pigments market, both from the demand and supply side. Organic pigments are expected to substitute inorganic pigments for some specific applications over the coming years.

Organic Pigments Market: Segmentation :-

Global organic pigments market is segmented on the basis of source of production and application.

- ⇒ On the basis of production source, global organic pigments market is categorized into natural and synthetic segments.
- ⇒ On the basis of application, global organic pigments market is segmented into-paints and coatings, plastics, printing inks, textiles, cosmetics, food, chemical, and others.

Overview of the global organic pigments market :-

Organic pigments have peculiarly unique properties that ensure hues that other kinds of pigments fail to produce. They provide metallic finishes and elastic properties. Organic pigments are highly preferred in specialized applications in the original equipment manufacturers (OEMs), refinished, and high-end automobile industries. Organic pigments are also being used to improve aesthetics and the functional values in both paints and plastics segments. These pigments are used in paints that can protect against harsh weather, dampness, corrosion, fungi, and other destructive influences on the building. Moreover, some of them are also used as a plasticizer dampened powders that allow functional advantages such as light reflection, heat reflection, opacity, and gas and vapour barrier. With paints and coatings with low VOC content gaining prominence, the market for organic pigments is expected to witness massive growth during the forecast period.

Overview of the Asia pacific :-

In terms of geography, Asia Pacific (APAC) is the largest and dominating region in the global market due to the presence of several manufacturers who offer pigments at lower costs in comparison with other regions. APAC is anticipated to lead the market in terms of consumption over the next four years due to increase in infrastructural activities that require paints and coatings with functional benefits. Moreover, the sustainability factor of organic pigments is expected to drive the overall market globally throughout the predicted period.

Market Forecast:-

Based on in-depth research, TMR projects the global pigments market to exhibit a moderate CAGR of 3.8% between 2015 and 2023. If the projection holds true, the global pigments market will reach US\$31.98 bn by 2023, from a valuation of US\$22.86 bn in 2014. Volume-wise the market is expected to report a CAGR of 2.9% during the forecast period (Source: - Transparency Market Research)

The main factors that are contributing to the growth in the industry are increase in demand for high performance pigments (HPP), growth in end-user industries and increasing preference for environmentally-friendly products.

Asia Pacific Region To Remain Fastest Growing

The report confirmed that the Asia Pacific region is anticipated to witness highest regional gains at over 5% CAGR. Pigment market growth in Asia Pacific is primarily driven by the automotive and construction industries, as well as increasing manufacturing and infrastructure development

(specifically in China and India). Eastern Europe, the Middle East and South America will see demand rise by more than 3% p.a. each as well and thus contribute to the positive development of the pigment industry. The rather saturated markets in Western Europe and North America will slowly return onto a growth path after they suffered losses in the past couple of years. (Source: Cersana.)

THREAT:-

The volatility of Rupee versus Dollar is a major concern. Another major concern is in acceptance of the product by overseas customer, sometimes it takes considerable period. Sometimes proposals do not get converted in to order.

Unstable prices, various environmental regulations and limited availability of raw materials are some of the factors expected to impede the growth of global organic pigments market. Manufacture of organic pigments with good light fastness property is gaining traction among global manufacturers. Besides, developing countries such as China & India are shifting towards becoming the center of global organic pigments market, both from the demand and supply side. Regulatory environment, labor laws and wages in Asia Pacific are expected to remain major factors impacting this global market shift (Source :Future Market insight).

AGROCHEMICALS - INDUSTRY STRUCTURE:-

There are broadly 5 categories of crop protection products:

1. Insecticides: Manage the pest population below the economic threshold level
 2. Fungicides: Prevent the economic damage due to fungal attack on crops
 3. Herbicides: Prevent/ inhibit/ destroy the growth of unwanted plants in a crop field
 4. Bio pesticides: These are derived from natural substances like plants, animals, bacteria & certain minerals. These are non-toxic & environmental friendly
 5. Plant growth regulators
- India's agrochemical industry can be divided into producers of technical agrochemicals - the bulk actives - and formulators who compound actives in forms that enable use.

1) GLOBAL AGROCHEMICALS MARKET:-

The global agrochemicals market is estimated to reach USD 265.04 Billion by 2022 at a CAGR of 4.51%. Factors like growing demand for food and consumer awareness, changing agrochemicals usage patterns, advantages of fertilizers and pesticides in crop production, increasing horticulture industries are the drivers for the market. Development in technology to boost farm production with increasing government investments in agriculture to increase crop yields provides huge opportunities to this market.

Lucintel's research indicates that developing countries such as China and India are demanding higher volumes of nutritious food, which will increase demand for agrochemicals. Agrochemicals have significantly increased farm productivity in both developed and developing countries.

Presently, the cost of innovation and registration of an active ingredient is higher. Companies spend extensively on the research and development of new chemicals and improving the performance of the existing ones.

The pressure, therefore, is for the agriculture industry to increase yields per acre, which can be achieved through increased usage of agrochemical products.

As the study indicates, a large untapped market, shrinking of arable land in recent years, increasing demand for food grain production, and increasing population are anticipated to drive the global agrochemicals industry.

The global market has been witnessing lot of technological advancements and developments over the past few years. The changing buyers' preferences, stringent environmental regulations, changing weather conditions, increased agricultural trade and improved farming practices are triggering the innovations and research efforts of the industry.

The global agrochemicals industry experienced robust growth over the last five years but is expected to experience moderate CAGR of 5.4% over next five years (2012-2017) and reach approximately US \$262 billion in 2017. New product development and innovation at competitive prices are anticipated to drive the agrochemicals industry.

2) INDIAN MARKET:-

Insecticides are largest sub-segment of agrochemicals with 60% market share whereas herbicides with 16% market share are the fastest growing segment in India. Other segments are rodenticides/nematocides with 15% and 4%, respectively.

India is fourth largest producer of agrochemicals worldwide, after United States, Japan and China. Indian Agrochemical industry is valued at USD 4.76 billion in FY15 and is estimated to grow at a CAGR of 12% to reach USD 8.38 billion by FY19.

On the other hand, domestic market will grow at ~8% CAGR to reach USD 3.57 billion by FY19. Indian Agrochemical consumption is one of the lowest in the world (0.6kg/ha). Compared to agrochemical usage, India's fertilizer consumption (~144 kg/ha) is much higher than the global average (~122 kg/ha). This reflects a large potential for agrochemical usage in India.

Indian population is expected to be 1.4 billion by 2020. The increasing population, coupled with growing income will generate increased demand for food grains and non-food grain crops. Therefore, Indian agriculture has to achieve and maintain a consistent and higher growth rate of 4 per cent per annum. The sector is also driven by huge opportunity for contract manufacturing and research for Indian players due to large availability of technically skilled labour.

Agrochemicals play a critical role in ensuring food and nutrition security of the nation. With estimated 355 MMTPA (million metric tonne per annum) food grain requirement by 2030 from current 253 MMTPA, efficient usage of crop protection products and solutions for Indian agriculture are the need of the hour. In order to realise the true potential, industry, government and regulatory bodies need to work in tandem and embrace digital technologies to further improve farmer connect," (Source :- National Conference on Agrochemicals 2016 in New Delhi.)

3) Challenges:-

The industry is expected to face certain challenges such as regulatory standards to reduce toxicity, high inventory, low profit margins, and patent expirations.

Low farm output is a major challenge faced by most farmers across India. The chief reasons for the poor yield are fragmented land holdings, inadequate use of technology and modern methods of farming, poor soil health, and lack of access to irrigation facilities.

Increase in investment in the field of research and development of agrochemicals which in turn will spur the exports increasing competitiveness in the global scenario.

Development and registration of a pesticide active ingredient is one of the biggest components of cost for a pesticide company.

The demand is also seasonal. Low literacy rate translates into low efficiency and low agriculture productivity. Low awareness amongst farmers regarding agrochemical products and its usage.

Outlook for FY 2019

The Group and Company revenue of Pigment and Agrochemical Segment for FY 2018 has increased due to higher production. We expect to see the improvements in revenue in Agrochemical Products as Market Dynamics are changing rapidly. While in Pigment the pressure on pricing prevailed throughout FY 2018.

While Net Profit after tax at Group and Company level has increased in FY 2018. This is due to increase in production, higher quantity sale and better price/ ECU in Agrochemicals and Basic Chemicals.

The Group Profitability may be affected due to unpredictable market trends, rupee/dollar exchange rate and crude oil prices Fluctuation in ECU prices of Caustic Chlorine and the erratic monsoon season in 1Q FY 2019

11. Dividend

(a) Current Financial Period Reported on 31.03.2018

Any dividend declared for the financial period reported on? Yes

Name of the dividend:	Final Dividend
Dividend Type	Cash
Dividend amount per Share (IN INR)	Rs. 0.40 Per Share
Par value of Share	Rs. 1/- per Ordinary share

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of the dividend:	Final Dividend
Dividend Type	Cash
Dividend amount per Share (IN INR)	Rs. 0.40 Per Share
Par value of Share	Rs. 1/- per Ordinary share

(c) Date payable: The date will be announced once the dividend is approved by the members at AGM

(d) Books closure date: Book closure date will be announced subsequently.

12. If no dividend has been declared/recommended, a statement to that effect.

Final dividend recommended.

13. The aggregate value of IPTs as per Rule 920(1)(a)(ii) if a general mandate from shareholders for IPTs had been obtained. If no IPT mandate has been obtained, a statement to that effect. In this regard, please make the requisite disclosure to comply with the requirements of Appendix 7.2(13) of the Listing Manual.

Particulars of interested person transactions for the year ended 31 March, 2018 are as under:

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 (equivalent to approximately Rs 4,771,000) and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than S\$100,000 (equivalent to approximately Rs 4,771,000))	
	Amount in Rs.	Amount in S\$,000	Amount in Rs.	Amount in S\$,000
Purchases				
Meghmani Pigments ⁽¹⁾	146,018,700	3061	-	-
Meghmani Industries Ltd.	5,363,404	112	-	-
Vidhi Global Chemicals Limited	77,752,509	1630	-	-
Meghmani LLP	25,566,842	536	-	-
Panchratna Corporation	16,039,800	336	-	-
Total	270,741,255	5675		
Sales				
Ashish Chemicals (EOU) ⁽⁴⁾	42,149,458	883	-	-
Meghmani Dyes & Intermediate LLP	8,329,492	175	-	-
Meghmani Industries Limited ⁽⁵⁾	9,687,600	203	-	-
Vidhi Global Chemicals Limited	68,724,821	1440	-	-
Total	128,891,371	2701		

Note – Rs. 47.71 = S\$1 (Average Rate of Financial Year 2017-2018)

⁽¹⁾ Meghmani Pigments is a partnership firm owned by Mr Jayanti Patel (Executive Chairman) and Mr Ashish Soparkar (Managing Director) and their immediate family.

⁽⁴⁾ Ashish Chemicals (EOU) is a partnership firm owned by Mr Jayanti Patel (Executive Chairman) and Mr Ashish Soparkar (Managing Director).

⁽⁵⁾ Meghmani LLP is a partnership firm owned by Mr Jayanti Patel (Executive Chairman) and Mr Ashish Soparkar (Managing Director) and their immediate family.

- (6) Matangi Industries is a partnership firm owned jointly by the immediate family of Mr Ramesh Patel (Executive Director), Mr Ashish Soparkar (Managing Director), Mr Natwarlal Patel (Managing Director) and Mr Ramesh Patel (Executive Director) and by Mr. Ruchit Jani.
- (8) 48% of Equity Shares of Meghmani Industries Limited are held directly by Mr Natwarlal Patel (Managing Director), and Mr Ramesh Patel (Executive Director).

The above interested person transactions conducted fall within the Interested party transactions shareholders' mandate obtained under Indian Companies Act and Indian Stock Exchange Rules for a period of three year at the Annual General Meeting held on 28 July 2016.

14. Confirmation by Directors pursuant to Rule 705(5) of the Listing Manual of the SGX-ST.

On behalf of the Board of Directors of the Company, I the undersigned, hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the Full year ended 31 March, 2018 to be false or misleading.

15. Undertaking from Directors and officers of the Company stating that they are responsible for ensuring that the Company complies with its obligations under the Listing Rules

The Company confirms that undertaking under Rule 720 (1) have been obtained from all its Directors and Executive officers in the Format set out in Appendix 7.7.

Contd.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1,Q2,Q3 or Half Year Results)

16. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements , with comparative information for the immediately preceding year .

Segment Results -- Group

- a) Analysis by business segment - Financial year ended March 31, 2018

	<u>Pigments</u>	<u>Agro chemicals</u>	<u>Basic chemicals</u>	<u>Others*</u>	<u>Eliminations</u>	<u>Total</u>
Revenue:						
External Sales	5,261,984	6,276,257	5,931,020	632,135	-	18,101,396
Sales to Subsidiaries	412,430	17,693	437,968	-	(868,091)	-
Total Revenue	5,674,414	6,293,950	6,368,988	632,135	(868,091)	18,101,396
Results						
Segment results	741,837	809,507	2,041,231	40,639	35,686	3,668,900
Unallocated Expenses						-
Profit from Operations						3,668,900
Finance Costs						(411,907)
Income from Investments						154
Profit before Tax						3,257,147
Income Tax						(877,876)
Other Comprehensive Income (net of tax)						1,738
Minority Interest						(666,274)
Profit after Tax						1,714,735

	<u>Pigments</u>	<u>Agro chemicals</u>	<u>Basic chemicals</u>	<u>Others</u>	<u>Eliminations</u>	<u>Total</u>
Other information:						
Capital additions	527,222	616,695	813,119	45,046	-	2,002,082
Depreciation	(208,610)	(197,189)	(552,715)	(20,858)	31,646	(947,726)
Balance Sheet:						
Segment assets	6,102,622	5,097,842	7,037,678	1,384,696	(3,663,046)	15,959,792
Unallocated						2,419,404
Corporate assets						-
Total assets						18,379,196
Segment liabilities	788,844	1,085,201	1,493,431	179,778	(1,311,100)	2,236,154
Unallocated						2,173,086
Corporate liabilities						2,172,226
Deferred Tax Liabilities						876,480
Total liabilities						7,457,946

*Others include trading activity.

Segment Results – Group

b) Analysis by business segment - Financial year ended March 31, 2017

	<u>Pigments</u>	<u>Agro chemicals</u>	<u>Basic chemicals</u>	<u>Others*</u>	<u>Eliminations</u>	<u>Total</u>
Revenue:						
External Sales	4,801,744	4,774,149	3,648,780	811,230	-	14,035,903
Sales to Subsidiaries	315,184	0	314,781	10,682	(640,647)	-
Total Revenue	5,116,928	4,774,149	3,963,561	821,912	(640,647)	14,035,903
Results						
Segment results	675,549	334,148	894,957	64,750	97,673	2,067,077
Unallocated Expenses						-
Profit from Operations						2,067,077
Finance Costs						(509,458)
Income from Investments						-
Profit before Tax						1,557,619
Income Tax						(395,524)
Other Comprehensive Income (net of tax)						(3,379)
Minority Interest						(284,451)
Profit after Tax						874,265

	<u>Pigments</u>	<u>Agro chemicals</u>	<u>Basic chemicals</u>	<u>Others</u>	<u>Eliminations</u>	<u>Total</u>
Other information:						
Capital additions	288,844	117,500	227,133	73,318	-	706,795
Depreciation	(195,054)	(189,059)	(554,301)	(1,050)	32,227	(907,237)
Balance Sheet:						
Segment assets	5,214,888	4,646,494	5,768,216	327,207	(1,565,083)	14,391,722
Unallocated						1,883,047
Corporate assets						-
Total assets						16,274,769
Segment liabilities	648,016	1,021,571	1,736,337	304,230	(386,892)	3,323,262
Unallocated						2,699,308
Corporate liabilities						765,917
Deferred Tax Liabilities						752,037
Total liabilities						7,540,524

*Others include trading activity.

c) Analysis by geographical segment

Segment revenue:

Segment revenue is analysed based on the location of customers regardless of where the goods are produced. The following provides an analysis of the Group's sales by geographical markets:

Continent	2018	2017
	Rs'000	Rs'000
Africa	615,309	1,594,404
Asia	3,802,062	1,876,716
Australia	51,416	121,939
Europe	2,287,747	1,247,281
India	9,043,929	6,807,509
North America	1,421,989	1,531,554
South America	878,944	856,500
Total	18,101,396	14,035,903

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earning by the business or geographical segments.

Please refer Point No. 8 above

18. A breakdown of Sales:

	FY 2018	FY 2017	% Increase
	Rs.'000	Rs.'000	(Decrease)
Sales			
a) Sales reported for first Quarter	4,140,135	3,455,264	19.8
b) Sales reported for second Quarter	4,651,587	3,742,492	24.3
c) Sales reported for third Quarter	4,479,019	3,328,302	34.6
d) Sales reported for fourth Quarter	4,830,655	3,509,845	37.6
Total Sales	18,101,396	14,035,903	29.0
Profit after tax			
a) Profit after tax reported for first Quarter	327,835	208,068	57.6
b) Profit after tax reported for second Quarter	447,604	222,470	101.2
c) Profit after tax reported for third Quarter	433,740	240,967	80.0
d) Profit after tax reported for fourth Quarter	505,556	202,760	149.3
Total Profit after tax	1,714,735	874,265	96.1

19. Disclosure of person occupying a Managerial Position :

Name	Age	Family Relationship	Current Position and duties of the year of position held	Details of changes in duty and position held
Ms. Deval Soparkar	40	Daughter of Mr. A N Soparkar - MD	Head – Corporate Communication	No
Mr. Karana Patel	36	Son of Mr. R M Patel - ED	Chief Operating Officer (COO)	No

Name	Age	Family Relationship	Current Position and duties of the year of position held	Details of changes in duty and position held
Mr. Ankit Patel	32	Son of Mr. N M Patel – MD	Chief Executive Officer (CEO)	No
Mr. Darshan Patel	31	Son of Mr. A I Patel – ED	Chief Operating Officer (COO)	No
Mr. Maulik Patel	36	Son of Mr. J M Patel – Executive Chairman	No position held	No
Mr. Kaushal Soparkar	36	Son of Mr. A N Soparkar - MD	No position held	No

20. A breakdown of the total Annual Dividend (in dollar / rupee value) for the issuer's latest full year and its previous full year:

Total Annual Dividend (Refer to Para 11 of Appendix 7.2 for the required details)

	FY 2018(Rs. '000)	FY 2017(Rs. '000)
Ordinary	101,725.68	101,725.68
Preference	-	-
Total	101,725.68	101,725.68

Final dividend of 31.03.2018 recommended on 26.05.2018.

21. **Annual General Meeting :**

The Annual General Meeting of the group will be held on **27 July, 2018** at Ahmedabad, Gujarat, India

22. The Company has been granted waiver by SGX ST in compliance with Rule 220 (1) of the listing manual and the Company is allowed to release its periodical finance report as well as annual report under the Indian GAAP. Provided it is accompanied by a reconciliation of statement to IFRS of the materially affected line items. The Annual Report 2018 will give full reconciliation carried out by KPMG IFRS of the materially affected line items.

23. **Reconciliation between IGAAP and IFRS**

There is no variance in the profit reported for the year ended 31st March, 2018.

BY ORDER OF THE BOARD
Kamlesh Dinkerray Mehta
Company Secretary
Date : 30.05.2018