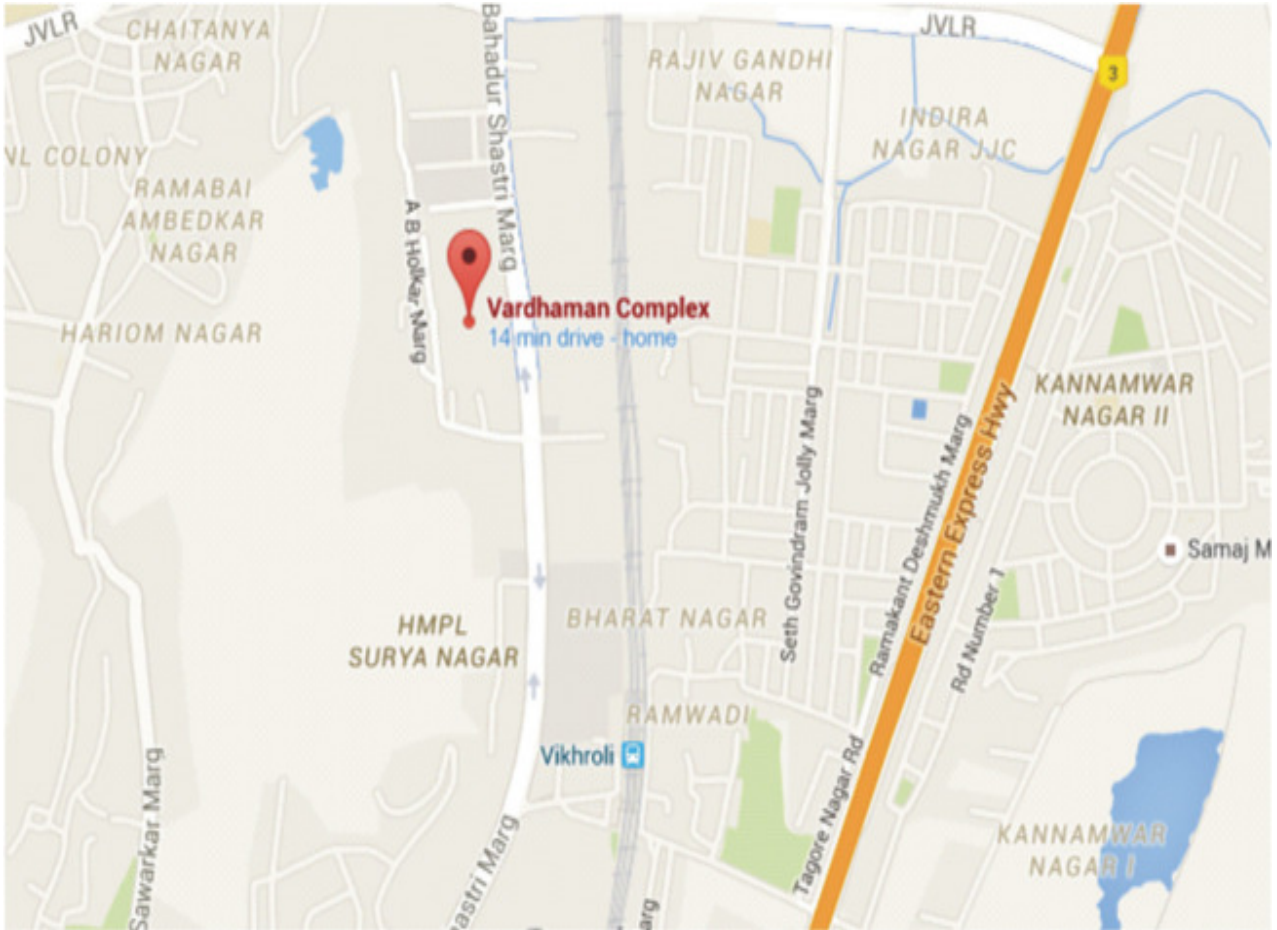




CHROMATIC INDIA LIMITED

31ST ANNUAL REPORT
2017-2018

Route Map



Address / Venue: 207, Vardhaman Complex, L.B.S Marg, Vikhroli (W), Mumbai – 400 083.
Prominent Land Mark: Home Town Mall

The Thirty First Annual General Meeting of the Members of Chromatic India Limited is scheduled on Wednesday, the 26th day of September, 2018 at 11.00 A.M.

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Corporate Information

Board of Directors

Mr. Vinod Kumar Kaushik	- Whole-time Director
Mr. Mayank R. Kotadia	- Non Executive& Independent Director
Ms. Diana M. Joshi	- Non Executive& Independent Director
Mr. Siraj A. Shaikh	- Non Executive& Independent Director

Company Secretary & Compliance Officer

Ms. Suruchi V Wadher

Auditors

M/s. S. K. Badjatya & Co.,
Chartered Accountants.

Bankers

Bank of India, Axis Bank Ltd., Central Bank of India, State Bank of India

Registered Office

207, Vardhaman Complex Premises Co. op. Society Ltd.,
L.B.S. Marg, Vikhroli (West), Mumbai – 400083
Tel. No. +91 22 6136 9800
Fax No. +91 22 25793973
Email: chromatic@mtnl.net.in, cs@chromatic.in
Website: www.chromatic.in
CIN: L99999MH1987PLC044447

Registrar & Share Transfer Agent

M/s. Bigshare Services Private Limited
CIN: U99999MH1994PTC076534
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis
Makwana Road Marol, Andheri East Mumbai 400059
Tel No. : +91 22 62638200
Fax no. : +91 22 62638299
Email: investor@bigshareonline.com
Website: www.bigshareonline.com



NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 31st Annual General Meeting of the Members of **Chromatic India Limited** will be held on Wednesday, September 26, 2018 at 11.00 a.m. at 207, Vardhaman Complex Premises Co. op. Society Ltd., L.B.S. Marg, Vikhroli (West), Mumbai – 400083, to transact the following business: -

Ordinary Business

Item No. 1- Adoption of Financial Statements for the year ended March 31, 2018

To receive, consider and adopt, the Audited Financial Statements of the Company for the financial year ended March 31, 2018, including Audited Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss Account for the year ended on that date, on a Standalone and Consolidated basis, together with the Reports of the Board of Directors and the Auditors thereon. And in this regard, pass the following resolutions as ordinary Resolution and in this regard, pass the following resolution as ordinary Resolution:

“RESOLVED THAT the Audited Financial Statements (Standalone & Consolidated) of the Company i.e Balance Sheet, Statement of Profit & Loss Account, Cash Flow, Report of the Board of Directors and Auditors thereon for the financial year ended March 31, 2018 as received, be and are hereby approved and adopted.

RESOLVED FURTHER THAT any of the Directors of the Company or the Company Secretary be and are hereby severally authorised to certify the true copy of the resolution and furnish the same to any other concerned authorities for their record and necessary action.”

Item No. 2- Appointment of Director retiring by rotation

To appoint a Director in place of Mr. Vinod Kumar Kaushik (DIN No. 02586479), who retires by rotation and being eligible, offers himself for reappointment.

Item No. 3- Re-appointment of Appointment of Statutory Auditors

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014 (the rules) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), appointment of M/s. S. K. Badjatiya & Co., Chartered Accountants, (ICAI Firm Registration No. 004017C), who have confirmed their eligibility to be appointed as Statutory Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and is hereby appointed to hold office from the conclusion of this (31st) Annual General Meeting until the conclusion of the (33rd) Annual General Meeting of the Company which is going to be held in the year 2020, at such remuneration as maybe mutually agreed between the Board of Directors of the Company and the Auditors based on the recommendation of the Audit Committee.

RESOLVED FURTHER THAT any of the Director(s) and / or the Company Secretary of the Company, be and are hereby authorized, singly, to do all such acts, deeds and things which are necessary to give effect to the aforesaid resolution.”

Special Business:

Item No. 4 - Appointment of Mr. Siraj Ahmed Shaikh (DIN: 08204720) as an Independent Director

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152, Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, Mr. Siraj Ahmed Shaikh, who was appointed by the Board of Directors as an Additional Director, categorized as Independent Director, with effect from August 31, 2018 and who holds office upto the date of this Annual General Meeting of the company in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director, be and is here by appointed as an Independent Director of the Company for a period of five years, with effect from the date of this (31st) Annual General Meeting, up to the Annual General meeting to be held in the year 2023, not liable to retire by rotation.



CHROMATIC INDIA LTD

RESOLVED FURTHER THAT any of the Director(s) and / or the Company Secretary of the Company, be and are hereby authorized, singly, to do all such acts, deeds and things which are necessary to give effect to the aforesaid resolution.”

By Order of the Board of Directors
For Chromatic India Limited

Suruchi Wadher
Company Secretary

Registered Office

207, Vardhaman Complex Premises Co. op. Society Ltd.,
L.B.S. Marg, Vikhroli (West), Mumbai – 400083

CIN: L99999MH1987PLC044447

Phone No. 022 61369800 Fax 022 25793973

Email ID: chromatic@mtnl.net.in

Website: www.chromatic.in

Place: Mumbai

Date: August 31, 2018

Notes:-

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The proxy form, forming part of this Notice is annexed at the last page of this Annual Report. The holder of the proxy shall prove his/her identity at the time of attending the meeting.

2. During the period beginning 24 hours before the time fixed for the Commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company, provided that not less than three days of notice in writing is given to the Company.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Proxies submitted on behalf of companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable.
5. Route Map of the venue of this Annual General Meeting, as a part of this notice is given soon after the cover page of this Annual Report 2017-18
6. The Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 setting out the material facts in respect to the Special Business in annexed herewith.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 22, 2018 to Wednesday, September 26, 2018 (both days inclusive) for the purposes of this Annual General Meeting.
8. The relevant details as required by Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as the Listing Regulations) entered into with the Stock Exchanges, of persons seeking appointment / re-appointment as Directors are annexed to this notice as “Annexure A”.
9. Members are requested to update their Bank Account Number, Name and Address of the Bank / Branch, change in their address and other details to the Registrar and Share Transfer Agent of the Company i.e. M/s Bigshare Services Private Limited in respect of shares held in physical mode and to their respective DPs for demat mode.
10. For convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by way of attendance slip; forming part of this Annual Report. Members / proxies are requested to bring their duly-filled Attendance Slip and sign the same at the place provided and hand it over at the entrance of the venue.



31ST ANNUAL REPORT 2017-18

11. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company on all working days between 11.00 am to 1.00 pm, except Saturdays, Sundays and Public holidays up to the date of this Annual General Meeting.
12. Members desirous of obtaining any information / clarification (s) concerning the accounts and operations of the Company or intending to raise any query are requested to forward the same at least 10 days before the date of meeting to the Company Secretary at the Registered Office of the Company so that the same may be attended appropriately.
13. Unclaimed dividend for the financial years 2011-12 and 2012-13 are still lying in the respective unpaid dividend accounts of the Company. Members, who have not encashed the dividend warrants for the said financial years, are requested to contact the Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited at the earliest. The Company has uploaded the details of unpaid & unclaimed dividend lying with the Company upto the last AGM held on September 27, 2017 as applicable the same can be accessed at www.Chromatic.in due dates for transfer of unclaimed/unpaid dividends to IEPF are given as a part of this Annual Report.
14. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Bigshare, for consolidation into a single folio.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Bigshare Services Private Limited.
16. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation /Variation in nomination in the prescribed Form SH-14 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic /demat form, the nomination form may be filed with the respective Depository Participant.
17. To support the "Green Initiative", the Members who have not registered their e-mail address so far are requested to register their e-mail address with the Company / M/s. Bigshare Services Private Limited / Depositories for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically for DEMAT account holder with their DP.
18. The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail address 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 is being sent by the permitted mode under Companies Act, 2013. The Annual Report is also available to download at the website of the Company at www.chromatic.in
19. The requirement to place the matter relating to appointment of auditors for ratification by Members at every Annual General Meeting is done away with vide Notification (No. S.O. 1833CE), dated May 7, 2018 is issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, the resolution for re-appointment does not propose for ratification of appointment of Auditors.
20. SEBI has decided that securities of listed Companies can be transferred only in dematerialized form with effect from October 4, 2018. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialise shares held by them in physical form.
21. None of the Directors and / or Key Managerial Personnel of the Company or their relatives, except proposed appointees whose appointment is proposed in their respective resolutions are in any way concerned as interested in the resolutions, to the extent applicable.
22. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and the provisions of the Listing Regulations, entered into with the Stock Exchanges, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice. Further note that members who has voted by e-voting services may also attend the meeting but shall not be entitled to cannot vote again at the AGM
23. The Company appointed CS Nishi Jain, Practicing Company Secretary (Membership No. A22386) as Scrutinizer to conduct the e-voting in a fair and transparent manner. The Scrutinizer shall within a period of not exceeding 3 working days from the conclusion of the AGM, shall unblock the votes in presence of two witness, who are not in employment of the Company and after scrutinizing the votes received shall make a Scrutinizer's report of the votes casted in favor or against or invalid votes in connection with the resolution(s) mentioned in the Notice of the Meeting and submit the same forthwith to the Wholetime Director of the Company.



- 24. The Attendance at the meeting will be regulated through the Attendance Slip and the same will be verified with the records maintained with the Company. Members who hold shares in dematerialized form are requested to quote their DP ID and Client ID number(s) and those who hold shares in physical form are requested to quote their folio number(s) in the Attendance Slip to facilitate their identification at the meeting.
- 25. The results declared along with Scrutinizer’s report shall be placed on the website of the Company immediately and shall also be communicated to the Stock Exchanges. The Resolutions shall be deemed to be passed, if approved, on the date of AGM.

The instructions for members for voting electronically are as under:-

- (i) The voting period begins on Sunday, September 23, 2018 at 9:00 a.m and ends on Tuesday, September 25, 2018 at 5.00 p.m. (both days inclusive). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, September 19, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/ mail) in the PAN field.</p> <p>* In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>* If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.



- (xi) Click on the EVSN for the relevant Company Name <Chromatic India Limited> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
 - * Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - * A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - * After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - * The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - * A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- (B) The voting period begins on Sunday, September 23, 2018 at 9:00 a.m and ends on Tuesday, September 25, 2018 at 5.00 p.m. (both days inclusive). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, September 19, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board of Directors
For Chromatic India Limited

Suruchi Wadher
Company Secretary

Place: Mumbai
Date: August 31, 2018



Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

Item no. 4 –

Appointment of Mr. Siraj Ahmed Shaikh (DIN: 08204720) as an Independent Director

The Board of Directors of the Company at their meeting held on August 31, 2018 appointed Mr. Siraj Ahmed Shaikh as an Additional Director of the Company, pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company.

Mr. Siraj Ahmed Shaikh will hold office upto the date of this AGM. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member, proposing the candidature of Mr. Siraj Shaikh or the office of the Independent Director, not liable to retire by rotation, to be appointed as such, under the provisions of Section 149 of the Companies Act, 2013.

The Company has received a declaration from Mr. Siraj Ahmed Shaikh that he is not disqualified from being appointed as Director u/s 164 of the Act and he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under SEBI Listing Regulations. In the opinion of the Board, Mr. Siraj Shaikh fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and SEBI Listing Regulations. Mr. Siraj Shaikh is independent of the management and possesses appropriate skills, experience and knowledge. The Company has also received in writing a consent, from Mr. Siraj Ahmed Shaikh, to act as an Independent Director of the Company.

In compliance with the provisions of section 149 read with Schedule IV of the Companies Act, 2013, the appointment of him as Independent Directors is now being placed before the members for their approval.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company.

Brief Profile and other details of proposed appointee's forms part of this notice.

Your Board recommends the Ordinary resolutions as set out in Item No. 4 for approval of Members.

None of the Directors and / or Key Managerial Personnel of the company or their relatives, except proposed appointees whose appointment is proposed in their respective resolution are in any way concerned or interested in the resolution.



Annexure to the Notice

"Annexure A"

**Details of Directors seeking Appointment /Re-appointment at this Annual General Meeting
[Pursuant to Regulation 26(4) & 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,
2015) and Secretarial Standard - 2 on General Meetings]**

Name of the Director	Mr. Vinod Kumar Kaushik	Mr. Siraj Ahmed Shaikh
Father's Name	Mr. Maheshwar Dayal Kaushik	Mr. Mohammed Hanif Shaikh
Designation	Executive, Whole Time Director	Non-Executive, Independent Director
Date of Birth	February 01, 1949	June 05, 1950
Age	69	68
Nationality	Indian	Indian
Date of Appointment on Board	April 01, 2009	August 31, 2018
Qualifications	Master in Arts, Maths	-
Expertise	Wide experience in Finance & Administration.	Wide experience Administration.
Directorships held in other Public Companies (Excluding foreign companies and Section 25 Companies)	Chromatic Ferro Alloys Limited	NIL
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders Relationship Committee)	NIL	NIL
Number of Shares held in the Company (as on 31.03.2018)	100	NIL
Relationships between the Directors inter – Se and KMP	NIL	NIL
Terms and Conditions of appointment / re-appointment	Executive, Wholetime Director, full time basis	Non-executive
Remuneration last drawn including Stting fee, if any.	11.82 for F.Y.2017-18	NIL
Remuneration proposed to be Paid	As to be recommended by Nomination Remuneration Committee	NIL
Date of first appointment on the Board	September 9, 2009	August 31, 2018

For other details such as number of meetings of to Board attended during the year and remuneration drawn in respect of above Directors please refer to the Corporate Governance Report which is a part of this Annual Report.

By Order of the Board of Directors
For Chromatic India Limited

Suruchi Wadher
Company Secretary

Place: Mumbai
Date: August 31, 2018

Registered Office
207, Vardhaman Complex Premises Co. op. Society Ltd.,
L.B.S. Marg, Vikhroli (West), Mumbai – 400083

**BOARD'S REPORT**

To the Members,

Your Company's Directors are pleased to present the 31st Annual Report and the audited accounts of the Company for the financial year ended March 31, 2018.

Financial Results

The summary of the financial performance of the Company for the financial year ended March 31, 2018 compared to the previous year ended March 31, 2017 is summarized below:

(In Rupees)

Particulars	2017-18	2016-17
Net Sales and Other Income	436,441,465	375,102,542
Profit/ (Loss) Before Tax	(1,095,822)	470,475
Add / (Less): Deferred Tax Adjustments	250,613	268,445
Less: Current Income Tax	113,500	90,000
Less: Fringe Benefit Tax	-	-
Less: Wealth Tax	-	-
Profit/(Loss) after Tax	(2,653,536)	112,030
Add/(Less): Prior Year short provision for Tax	-	-
Balance Brought Forward	8,766,732	8,654,703
Amount Available for Appropriation	6,009,868	8,766,732
Appropriations		
Dividend/Interim Dividend on Equity Shares	-	-
Tax on Dividend	-	-
Surplus / Deficit Carried Forward	6,009,868	8,766,732

Review of Performance

Your directors reports total income of Rs. 43.64 crores for the financial year ended March 31, 2018 as against Rs. 37.51 crores for the financial year ended March 31, 2017, a increase of 16.26 % compared to last financial year. The Loss before tax is Rs. 10.95 lacs for the year ended 2017-18 compared to Rs. 4.7 lacs for the year ended 2016-17. The Net profit after tax is Rs. 26.53 lacs for the financial year 2017-18 as against Rs1.1 lacs for the financial year 2016-17, a increase of 23.12 % compared to last financial year.

Dividend

To conserve the financial resources, no dividend has been recommended for the year under review and no amount are proposed to be transferred to reserves.

Transfer to Reserve

No amount is proposed to transfer to the General Reserve Account as required under the Companies Act, 2013.

Management Discussion and Analysis

The Management's Discussion and Analysis on Company's performance – industry trends and other material changes with respect to the Company and its subsidiaries pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(herein after called as the "Listing Regulations") is presented in a separate section forming part of this Annual Report.

Material Changes/ Commitments affecting the Financial Position of the Company occurred between the end of the Financial Year to which the Financial Statements relate and the date of this Report

Due to adverse market conditions, company has defaulted in the financial obligations to Bank and accordingly, in compliance with the extant RBI guidelines, Bank has degraded the status of the account from Standard to Non Performing Asset and



issued a notice under The Securitisation and Reconstruction of Financial Asset and Enforcement to Security Interest Act 2002. Company's management is already under discussion with the Bank for the extended repayment plan and also started repaying the debt gradually. The total outstanding amount of financial obligation of the Bank is Rs.116.66 lacs as on March 31, 2018. Due to adverse market conditions, company has defaulted in the financial obligations to Bank and accordingly, in compliance with the extant RBI guidelines, Bank has degraded the status of the account from Standard to Non Performing Asset and issued a notice under The Securitisation and Reconstruction of Financial Asset and Enforcement to Security Interest Act, 2002. **Due to this the Company's turnover has also been affected badly during the quarter. The Company has since paid all the dues to bank and bank has upgarded the account to standard assets on 16.06.2018. The Company has started production again nad hope to do well during the remaining period of financial year.**

Apart from the above there are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of this report.

Internal Financial Control (IFC) System and their adequacy

The Company's present Internal Control Systems are commensurate with its size. However, looking at the growth in the size of the Company and its operations it is strengthening these systems further. The Company places great emphasis on the maintenance of effective internal controls, both from the point of view of compliance with statutory requirements as well as supporting the smooth and efficient running of the business.

The Management is taking further initiatives in terms of adding more capacities, which would have significant benefit in the coming years.

A process driven framework for Internal Financial Control has been designed and implemented by the Company within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013. For the financial year ended March 31, 2018, the Board is of the opinion that the Company has sound Internal Financial Control commensurate with its size and nature of its Business operations and operating effectively and no material weakness exist.

The Company has appointed M/s. Ponkshe Kulkarni & Co.(FRN: 107962W) Chartered Accountants, as Internal Auditors of the Company pursuant to Section 138 of the Companies Act, 2013 read with Rule 13 of The Companies (Accounts) Rules, 2014.

Corporate Governance and Shareholders Information

Your Company has taken adequate steps to adhere to all the stipulations laid down in the provisions of the Listing Regulations. A report on the Corporate Governance is included as a part of this Annual Report. A Certificate from the Practicing Company Secretary, confirming the compliance with the conditions of the Corporate Governance as stipulated under Listing Regulations, forming a part of this Annual Report.

Subsidiary Company / Associate / Joint Venture Company

As on March 31, 2018, your Company has two wholly owned subsidiaries (WOS), namely,

1. Chromatic Ferro Alloys Limited
2. Chromatic International FZE

The Company has incorporated two 100% wholly – owned subsidiary, namely Chromatic Ferro Alloys Limited and Chromatic International FZE on 13th September, 2011 and 21st October, 2010 respectively.

The Company will make available, on request, the annual accounts of the subsidiary companies and related information to any member of the Company who may be interested in obtaining the same. These documents will also be kept open for inspection during the business hours at the registered office of the Company. The Consolidated Financial Statements presented by the Company includes the financial results of its subsidiary companies.

During the year under review, Company does not have any associate company and joint venture company pursuant to the provisions of Companies Act, 2013. Your company is in process to close down a subsidiary company, viz. Chromatic Ferro Alloys Limited which has not yet started any operation and during the year one of the subsidiary company viz. Chromatic Sponge Iron Limited has been struck off by the Registrar of Companies on an application made by the Company and dissolution certificate has also issued.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement, in Form AOC-1, containing the prescribed details of subsidiaries is attached to this Annual Report, as **Annexure A**.

Policy for determining material subsidiaries is disclosed on the website of the Company at www.chromatic.in



Further, the Company does not have any Joint Venture or Associate Company.

Listing of Equity Shares

The equity shares of your company are listed on Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE). The equity shares of the Company was listed and admitted for dealing on National Stock Exchange with effect from 29th May, 2012. The annual listing fees for the year 2018-19 is already paid to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

Human Resource Development

Company encourages a culture that develops and empowers people, promotes team building and nurtures new ideas. The Company's recruitment practice ensures that suitable candidates with merit are recruited and provided with the right opportunities to grow within the organization.

Depository System

Your Company's equity shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited. As of March 31, 2018, 99.63% of the Equity shares were held in demat form. In view of the numerous advantages offered by the Depository system, members holding shares in physical mode are advised to avail of the facility of dematerialization form either of the Depositories. Company's ISIN No. is INE662C01015.

SEBI has decided that securities of listed Companies can be transferred only in dematerialized form with effect from October 4, 2018. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialise shares held by them in physical form.

Buy-Back of Shares

During the financial year under review, Company has not announced any Buy-back of its Shares.

Share Capital

During the financial year under review, there is no change in the capital structure of the Company by way of further issue, bonus, sweat equity share, employee stock option scheme or in any other manner. The paid up equity share capital of the Company as on March 31, 2018 was Rs. 710,461,000/- divided into 71,046,100 equity shares of Rs. 10/- each. As on March 31, 2018, Directors shareholding in the Company is as mentioned in this Annual Report.

Pledge of shares

As on March 31, 2018, the Promoter of the Company does not have any shares which are encumbered / pledged.

Board Meetings

During the Financial year, five board meetings were held and the details of which are given in the Corporate Governance Report. The provisions of the Companies Act, 2013, Secretarial Standards as prescribed by the Institute of Company Secretaries of India and the Listing Regulations were adhered to while considering the time gap between the two meetings.

Directors / Key Managerial Personnel**1. Composition of Directors****A Appointment**

Mr. Siraj Ahmed Shaikh was appointed as an Additional Director (Independent) on the Board with effect from August 31, 2018. We seek your confirmation for appointment of Mr. Siraj Ahmed Shaikh as an Independent Director for a term upto five consecutive years i.e., with effect from the date of this (31st) Annual General Meeting, up to the Annual General meeting to be held in the year 2023.

Mr.Siraj Ahmed Shaikh has consented to act as an Independed Director of the Company.The Company has also received a declaration that he is not disqualified from being appointed as a Director u/s 164 of the Companies Act, 2013 and meets the criteria of independence as prescribed under both Companies Act and SEBI Regulations.

B. Re-appointment

Mr. Vinod Kumar Kaushik, Whole time Director of the Company retires by rotation and being eligible, offers himself for reappointment.



C. Resignation

During the financial year under review, Mr. Sandeep Baban Pawar, Non-Executive Independent Director has resigned from the Board with effect from January 12, 2018, who was appointed w.e.f. August 11, 2017 by the Board of Directors. The Board wishes to place on record its deep appreciation for the valuable contributions made by him to the Board and the Company during his tenure as director.

All the appointment(s) and reappointment(s) has been recommended by the Nomination and Remuneration Committee of the Company. The resolutions seeking approval of the members for the re-appointment of Mr. Vinod Kumar Kaushik as Whole time Director and appointment of Mr. Siraj Ahmed Shaikh as Independent Director have been incorporated in the Notice of the Annual General Meeting of the Company.

Declaration by Independent Directors:

In pursuance of Section 149 of the Companies Act, 2013, two of the Director's of the Company namely, Mr. Mayank Rasiklal Kotadia and Ms. Diana Mahesh Joshi were categorized as Independent Directors in terms of the definition contained in the Equity Listing Regulations and were appointed as Independent Directors at the 30th Annual General Meeting held on September 27, 2017 for a term of 5 years.

The provisions of Section 149(4) of the Companies Act, 2013, pertaining to the appointment of Independent Directors have been notified by the Ministry of Corporate Affairs with effect from April 01, 2014. Pursuant to the provisions into force of Section 149 of the Companies Act, 2013, from April 01, 2014, the Company has re-assessed the status of its Directors with a view of determining their qualification for categorising as Independent Directors in terms of Section 149(6) of the Companies Act, 2013. Accordingly, Mr. Mayank Rasiklal Kotadia, Ms. Diana Mahesh Joshi and Mr. Siraj Ahmed Shaikh fulfills the criteria laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the Listing Regulations, in this regard.

During the year under review the new appointees on Board namely, Mr. Siraj Ahmed Shaikh, who is proposed to be appointed as Independent Directors in this ensuing Annual General Meeting, has also given his declaration of independence as per the provisions of the Companies Act, 2013.

Section 149 (10) of the Companies Act, 2013 restrict the tenure of Independent Director upto two terms, with a single term not exceeding five years, which shall be effective from April 01, 2014. The Regulation 25 of the Listing Regulations also contains the same provisions relating to tenure of Independent Directors. The said Regulation also contains other obligations with respect to independent directors, which has been duly fulfilled by the Independent Directors of the Company.

The Company has received declaration from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of section 149 of the Companies Act, 2013.

Retire by Rotation:

In accordance with the applicable provisions of Section 152(6) of the Companies Act, 2013, Mr. Vinod Kumar Kaushik, Whole time Director, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment at the forthcoming Annual General Meeting. The Board recommends his reappointment.

Key Managerial Personnel

During the financial year under review, there is no change in the Key Managerial Personnel of the Company.

Familiarization programme for Independent Directors

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

Company's policy relating to Directors Appointment, Payment of Remuneration and discharge of their duties

The provisions of Section 178(1) of the Companies Act, 2013 relating to constitution of Nomination and Remuneration Committee are applicable to the Company and hence the Company has devised a policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under the aforesaid provisions.

**Board Evaluation**

In accordance with the provisions of the Companies Act, 2013 Companies (Amendment) Act, 2017 and Chapter II Regulation 4 of the Listing Regulations, the annual evaluation has been carried out of the performance of the Board and Audit, Nomination and Remuneration and Stakeholder relationship Committees and of individual Directors.

Directors Responsibility Statement

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

- a. In the preparation of Annual Accounts for the year ended March 31, 2018 the applicable Accounting Standard read with requirement set out under schedule III of the Act, have been followed and there are no material departures from the same;
- 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, 2018, and of the loss 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 provision of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the Annual financial statements of the Company on a going concern basis;
- e. Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were 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.

Auditors and Auditors' Report

Pursuant to section 139 of the Companies Act, 2013 and rules framed thereunder, the Company had appointed M/s. S. K. Badjatya & Co., Chartered Accountants (ICAI Firm Registration no. 004017C), in the (28th) Annual General Meeting held on September 30, 2015, as the Statutory Auditor of the Company who shall hold office till the conclusion of third consecutive Annual General Meeting of the Company to be held in the year 2018 on such remuneration as may be determine by the Board of Directors of the Company on the recommendation of the Audit Committee.

M/s. S. K. Badjatya & Co., Statutory Auditors of the Company retires at the conclusion of the ensuing Annual General Meeting and they have consented to continue as the Statutory Auditors of the Company

The Company has received confirmation from M/s S. K. Badjatya & Co., to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3) of the Companies Act, 2013 and that they are not disqualified for such re-appointment within the meaning of Section 141 of the Companies Act, 2013. The Auditors has also submitted peer review certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India, New Delhi as required under the listing agreement. The Board recommends their re-appointment.

Members are requested to consider their re-appointment as Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the second consecutive Annual General Meeting of the Company to be held in the year 2020, at a remuneration decided by the Board of Directors of the Company on the recommendation of the Audit Committee.

The requirement to place the matter relating to appointment of auditors for ratification by Members at every Annual General Meeting is done away with vide Notification (No. S.O. 1833CE), dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, the resolution for re-appointment does not propose for ratification of appointment of Auditors.

The Board recommends re-appointment of M/s. S. K. Badjatya & Co., as the Statutory Auditors of the Company at the ensuing Annual General Meeting.

Secretarial Audit

According to the provision of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel), 2014, The Board of Directors has appointed M/s. R N Gupta & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report submitted by them is enclosed as a part of this Report as Annexure B.



Explanation or Comments on Qualifications, Reservations or Adverse Remarks or Disclaimers made by the Auditors in their Reports:

(i) Statutory Auditor:

The observations and comments given in the report of the Auditors are as follows:

- In the opinion of the Board, current assets, loans and advances shall have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provision for all known liabilities have been made and contingent liabilities disclosed properly. Balances of sundry debtors, sundry creditors, loans and advances and other personal accounts are subject to confirmation and reconciliation. Consequential impact, if any, will be considered as and when determined. Sundry Debtors and Loans & Advance (other than advances to subsidiaries) includes amount for a period of more than 3 years.
- Loans & Advances includes non-interest bearing unsecured loan given to Chromatic International FZE, the subsidiary of the company for overseas Business Development. The subsidiary did not do any business during the year. Company has not made accounting treatment as prescribed in Ind AS 109 (Financial Instruments) and INd As 113 (Fair Value Measurement). Due to non availability to repayment plan, Company is notable to provide the impact of the same in the Balance Sheet/Notes.
- The Company has written off the entire amount related to investment in subsidiary namely chromatic Ferro Alloys Limited during the year, net worth of which is completely eroded and the company has started process of winding up of same.
- Due to adverse market conditions, company has defaulted in the financial obligations to Bank and accordingly, in compliance with the extant RBI guidelines, Bank has degraded the status of the account from Standard to Non Performing Asset and issued a notice under The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. Company's management is already under discussion with Bank for the extended repayment plan and also started repaying the debt gradually.
- The Company had made investments in erstwhile subsidiary namely Arcoiris SA with a view to have establishment abroad to penetrate into foreign market. Net worth of Arcoiris SA is fully eroded and the company has been liquidated during the year 2011-12. However, no provision is made for investment made by the company in Arcoiris S.A. as well as the advances and interest receivable, which are doubtful of recovery. The amount has been shown as Long Term Loans & Advances.
- During the year under review, the Company has initiated process of closure of its Indian unlisted subsidiary company, i.e., Chromatic Ferro Alloys Limited, as the company is non operational. The projects / plans of the Company could not be implemented due to operational difficulties. The respective investments in and loan given to these subsidiary companies have not been written off in the books of the Company. The same shall be adjusted / accounted for / written off in the year in which certificate of closure is received from the Registrar of Companies, Mumbai. In view of this the Company's consolidated results consists of Chromatic Ferro Alloys Limited and Chromatic International FZE – 100% non-integral foreign subsidiary together comprise "Group".

Explanation or comments by management under Section 134(f)(i) of the Companies Act, 2013 in respect of the above Auditors observations are as follows:

- The management has estimated that the current assets, loans and advances shall have value on realization in the ordinary course of business. Though balances of sundry debtors, sundry creditors, loans and advances and other personal accounts are subject to confirmation and reconciliation, the management feels the same are recoverable.
- The management is of the opinion that the subsidiary would commence business and the advances lent to the subsidiary would be utilized for the purpose of its business.
- Due to adverse market conditions, company has defaulted in the financial obligations to Bank and accordingly, in compliance with the extant RBI guidelines, Bank has degraded the status of the account from Standard to Non Performing Asset and issued a notice under The Securitisation and Reconstruction of Financial Assets and Enforcement to Security Interest Act 2002. Due to this the Company's turnover has also been affected badly during the quarter. The Company has since paid all the dues to bank and bank has upgarded the account to standard assets on 16.06.2018. The Company has started production again nad hope to do well during the remaining period of financial year.



- The amount has been shown as Long Term Loans & Advances in the Financial Statements. Unfortunately, the company has been liquidated during the year 2011-12 and hence recovery of the same is estimated as doubtful.
- The subsidiary did not do any business during the year, but it is positively estimated that the aforesaid subsidiary may commence business in the next financial year.

(ii) Secretarial Auditor:

The observations and comments given in the report of the Secretarial Auditors are as follows:

- During the year under review, the Company has received a notice of demand form from the Income Tax Assessing Officer U/s 143(1) of the Income Tax Act, 1961 and the matter is pending before the Commissioner of Income Tax (Appeals).
- Due to adverse market conditions, company has defaulted in the financial obligations to Bank and accordingly, in compliance with the extant RBI guidelines, Bank has degraded the status of the account from Standard to Non Performing Asset and issued a notice under The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. Company's management is already under discussion with Bank for the extended repayment plan and also started repaying the debt gradually.

Explanation or comments under Section 134(f)(i) of the Companies Act, 2013 in respect of the above Auditors observations are as follows:

- The Company has raised an appeal against the notice of the Assessing Officer U/s 143(1) of the Income Tax Act, 1961 and the matter is pending before the Commissioner of Income Tax (Appeals).
- Due to adverse market conditions, company has defaulted in the financial obligations to Bank and accordingly, in compliance with the extant RBI guidelines, Bank has degraded the status of the account from Standard to Non Performing Asset and issued a notice under The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002. Due to this the Company's turnover has also been affected badly during the quarter. The Company has since paid all the dues to bank and bank has upgraded the account to standard assets on 16.06.2018. The Company has started production again and hope to do well during the remaining period of financial year.

Reporting of Fraud

The Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143 (12) of the Companies Act, 2013.

Shares in suspense account

No equity share of the Company was in suspense account as on March 31, 2018.

Cost Audit

As per the Cost Audit Orders, Cost Audit is not applicable to the Company's products /business for the financial year 2017-18.

Fixed Deposits

Your Company has not accepted any fixed deposits, during the year, under Section 73 of the Companies Act, 2013 and, as such; no amount on account of principal or interest on fixed deposits was outstanding during the period under review.

Consolidated Financial Results

Your Directors provides Audited Consolidated Financial Statements in this Annual Report.

Foreign Exchange Earnings and Outgo

During the year under review, Company has made following transactions in Foreign Currency.

(Rs. in Lakh)

Particular	2017-18	2016-17
Expenditure in Foreign Currency	15.99	47.55
Earning in Foreign Currency	3,346.20	3,352.01

Conversation of Energy, Technology Absorption & Foreign Earnings and Outgo:

Information in accordance with the provision of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conversation of energy and technology absorption are as per Annexure-C and forms part of this report.



Environment and Social Concern

Your Company continues its efforts for the betterment of the environment and conservation of scarce natural resources.

Details of Policy Developed and Implemented by the Company on its Corporate Social Responsibility Initiatives

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable on the Company for the financial year ending March 31, 2018.

Vigil Mechanism

In pursuant to the provisions of the Section 177(9) and (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.chromatic.in.

Business Risk Management

The principle of Risk Minimization has been followed in the company as is the norm of the every industry, it has now become a compulsion.

Therefore, in accordance with Regulation 17(9) of the Listing Regulations, the members of the Board were informed about the risk assessment and the minimization procedures after which the Board formally adopted the steps for framing, implementing and monitoring the risk management plan of the company.

In today's competitive environment, strategies for mitigating risk while accomplishing the growth plans of the company are imperative.

The common risk interalia are: Business Risk, Technology obsolescence, Investments, Retention of Talent and expansion of facilities.

As a matter of policy, these risks are assessed and appropriate steps are taken to mitigate the same.

Disclosure under Sexual Harassment of Women & Workplace (Prevention, Prohibition & Redressal) Act, 2013

Our company has in place an Anti-Sexual Harassment Policy at workplace. Our policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment. During the year ended March 31, 2018 no complaints have been received pertaining to sexual harassment.

Significant and Material Orders Passed by the Regulators or Courts

During the year under review there are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Disclosure of Composition of Audit Committee

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is applicable to the Company. The Composition is in line with the provisions of the Listing Regulations read with Section 177 of the Companies Act, 2013.

Related Party Transactions

The Related Party Transactions that were entered during the financial year were on the Arm's Length Basis and were in the ordinary course of business. There were no Related Party Transactions (RPTs) entered into by the Company during the financial year, which attracted the provisions of section 188 of the Companies Act, 2013.

There were no materially significant transactions with the Company's Promoters; Directors; Management, KMP or their Relatives which could have a potential conflict with the interests of the company. Transactions with related parties entered by the Company in the normal course of the business are periodically placed before the committee for its omnibus approval. There being no 'material' related party transactions as defined under regulation 23 of SEBI Listing Regulations, 2015, there are no details to be disclosed in Form AOC-2 in that regard. During the year 2017-18, pursuant to section 177 of the Companies Act, 2013 and regulation 23 of SEBI Listing Regulations, 2015, all RPTs were placed before the Audit Committee for its approval.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the company and its related parties, in compliance with the applicable provisions of the Companies Act, 2013, the Rules made there under and the Listing Regulations.



Pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations, the Company shall make disclosures in compliance with the Accounting Standard on “Related Party Disclosures” as per the following:

Sr no	In the accounts of	Disclosures of amounts at the year end and the maximum amount of loans / advances / Investments outstanding during the year.
1	Holding Company: Cheetah Multitrade Private Limited	Loan Taken by the Company = Rs. 8,182,402/-
2	Subsidiary:	
a	Chromatic International FZE	Loan Given by the Company = Rs 2,336,749,514
b	Chromatic Sponge Iron Limited	NA
c	Chromatic Ferro Alloys Limited	Loan Given by the Company is written off
3	Holding Company	Investments by the loan in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan= NA

Note: For the purpose of above disclosures directors ‘interest shall have the same meaning as given in Section 184 of Companies Act, 2013.

Particulars of Loans, Guarantees or Investments

In pursuance to the provision of Section 186 of the Companies Act, 2013, the details of the Loans, guarantees or investments are given in the notes to the financial statements in this Annual Report.

Annual Return

As per Companies (Amendment) Act, 2017 Annual Return of the Company has been uploaded on the website www.chromatic.in

Particulars of Employees

The information required pursuant to Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of the employees of the Company is as follows:

- a) Employed throughout the year NIL
- b) Employed for part of the year NIL

The Company has not employed any individual whose remuneration falls beyond the purview of the limits prescribed under the provisions Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The remuneration paid to all the Key Managerial Personnel was in accordance with the remuneration policy adopted by the Company.

The details pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Annexure –E

Remuneration Ratio of the Director’s/Key Managerial Personnel (KMP)/Employees

The information required pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975 in respect of employees of the Company and Director’s/Key Managerial Personnel is furnished hereunder:

Sr.No	Name	Designation	Remuneration paid F.Y 2017-18 (Rs. In Lakhs)	Remuneration paid F.Y 2016-17 (Rs.in Lakhs)	Increase in Remuneration from Previous year (Rs.in Lakhs)	Ratio/Times per Median of Employees Remuneration
1	Mr. Vinod Kumar Kaushik	Whole Time Director	11.82	12.07	(0.25)	6.18
2	CS Suruchi Wadher	Company Secretary	2.97	2.97	0	0

**Relationship between average increase in remuneration and Company's performance:**

In line with Company's reward philosophy, merit increases and annual bonus pay-outs of its Employees including Key Managerial Personnel are directly linked to individual performance as well as that of the business. Given the superior business performance and the performance rating of the Key Managerial Personnel, appropriate reward by way of merit increase or variable pay have been awarded to the Key Managerial Personnel for the current year. This was duly reviewed and approved by the Nomination & Remuneration Committee of the Company.

Transfer to investor education and protection fund

The following table gives information relating to outstanding dividend accounts and the dates by which they need to be transferred:

Financial Year	Date of Declaration of Dividend	Date on which dividend will become part of IEPF
2011-12 (Interim)	February 08, 2012	March 16, 2019
2012-13 (Final)	September 30 ,2013	November 06, 2020

As referred above, since there was no unpaid/unclaimed Dividend declared and paid for the last year 2014-15 and 2015-16, the provisions of Section 125 of the Companies Act, 2013 do not apply.

Acknowledgement

Your Directors take this opportunity to thank all investors, customers, vendors, banks/financial institutions, regulatory and government authorities and Stock Exchanges for their consistent support and encouragement to the Company. The Directors also place on record their sincere appreciation to all employees of the Company for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the Industry.

Cautionary Statement:

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic market conditions affecting cost as well as the selling prices of the services, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

By order of the Board of Directors
For Chromatic India Limited

Sd/- Mayank Rasiklal Kotadia Director (DIN:07484438)	Sd/- Vinod Kumar Kaushik Whole time Director (DIN: 02586479)
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Place: Mumbai
Date: May 26, 2018

ANNEXURE INDEX



Annexure	Content
A	Form AOC-1
B	Secretarial Audit Report – MR-3
C	Conservation of Energy, Technology absorption, Foreign Earnings and Outgo ,
D	Particulars of Employees

Annexure to Director Report

Annexure - A

Form AOC-1

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

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Rs. In Lacs)

Sr. No.	Name of the subsidiary Companies	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency Tax	Exchange rate as on last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserves & surplus	Total assets	Total Liabilities	Investments (excluding Investment in Subsidiaries)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding	Country
1	Chromatic International FZE (previous year)	31-03-2018	AED	17.67 (17.62)	17.62 (17.62)	928.06 926.12	23,377.14 23,305.36	23,377.14 23,305.36	- -	- -	-0.88 (-0.88)	-	-0.88 (-0.88)	-	100	UAE
2	Chromatic Ferro Alloys Limited (previous year)	31-03-2018	INR	1.00 -	10.00 (10.00)	-14.53 (-15.10)	0.08 0.25	0.08 0.25	- -	- -	0.56 (-0.12)	-	0.56 (-0.12)	-	99.94	India

* Amount reported in equivalent INR.

Notes:

- All mentioned above are yet to commence operations as on reporting date.
- None of above are liquidated or sold during the year.
- Previous year's figure is given in bracket.

For and on behalf of Board of Directors

Sd/-
Mayank R Kotadia
Director
(DIN:07484438)

Sd/-
Vinod Kumar Kaushik
Whole time Director
(DIN: 02586479)

Place: Mumbai
Date: May 26, 2018

CHROMATIC INDIA LTD



Annexure - B

To,
The Members,
Chromatic India Limited
CIN-L99999MH1987PLC044447
207, Vardhaman Complex Premises
Co. op. Society Ltd., L.B.S. Marg,
Vikhroli (West), Mumbai – 400083
Maharashtra- India

My Secretarial Audit Report is to be read along with this letter

- 1). Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2). We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- 3). We have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
- 4). Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5). The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
- 6). The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For R. N. GUPTA & CO.
Practicing Company Secretaries

Sd/-
(R. N. GUPTA)
Proprietor
FCS No. 4693
COP No. 3131

Place: Mumbai
Dated: May 26, 2018



Form MR-3
SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2018

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

To,
The Members,
Chromatic India Limited
CIN-L99999MH1987PLC044447
207, Vardhaman Complex Premises
Co. op. Society Ltd., L.B.S. Marg,
Vikhroli (West), Mumbai – 400083
Maharashtra- India

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Chromatic India 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 March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 March 31, 2018 according to the provisions of:

- (i) The Companies Act, 1956 and Companies Act, 2013 (the Act) and the rules made there under;
- (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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act' as applicable):-
 - 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, 1992 and 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 / Securities and Exchange Board of India (share based Employee Benefits) Regulations, 2014 (effective 28th October, 2014)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - 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; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015



- (vi) The Other laws as may be applicable specifically to the Company are:
- (a) The Factories Act, 1948,
 - (b) The Payment of Wages Act, 1936,
 - (c) The Minimum Wages Act, 1948,
 - (d) Employees Provident Fund and Miscellaneous Provisions Act, 1952,
 - (e) Employers State Insurance Act, 1948,
 - (f) The Payment of Bonus Act, 1965,
 - (g) Maternity Benefit Act, 1961,
 - (h) Payment of Gratuity Act, 1972,
 - (i) Industrial Disputes Act, 1947,
 - (j) Industrial Employment (Standing Orders) Act, 1946,
 - (k) Indian Contract Act, 1872
 - (l) Indirect Tax Laws,
 - (m) Employees Compensation Act, 1923,
 - (n) Contract Labour (Regulation and Abolition) Act, 1970
 - (o) Pollution Control Acts and Rules made thereunder,
 - (p) The Hazardous Waste and Management Handling Rules, 1988 and The Boiler Act, 1923

Based on the information, explanations and management representation letter, I report that the Company has substantially complied with the provisions of these Acts as are applicable to it.

- During the year under review, the Company has received a notice of demand from the Income Tax Assessing Officer u/s 143(1) of the Income Tax Act 1961 and the matter is pending before the Commissioner of Income Tax (Appeals).
- Due to adverse market conditions, Company has defaulted in the financial obligations to Bank and accordingly, in compliance with the extant RBI guidelines, Bank has degraded the status of the account from Standard to Non Performing Asset and issued a notice under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. Company's management is already under discussion with Bank for the extended repayment plan and also started repaying the debt gradually.

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

- a) Secretarial Standards for Board Meetings and Annual General Meetings issued by The Institute of Company Secretaries of India.
- b) Erstwhile Listing Agreement and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendments thereof, entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited, as applicable and;

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

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. 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 sufficiently 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.



CHROMATIC INDIA LTD

- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that based on review of compliance mechanism established by the Company I am of the opinion that there are adequate systems and processes in the company which 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 the company has passed one circular resolutions of Board of Directors in compliance of the Act.

I further report that during the audit period there were no instances

- a) Public/Right/Preferential issue of shares/debentures/sweat equity, etc.
- b) Redemption/buy-back of securities
- c) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- d) Merger / amalgamation / reconstruction, etc.
- e) Foreign technical collaborations

I further report that during the audit period the Company has no other specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

For R. N. GUPTA & CO.
Practicing Company Secretaries

Sd/-
(R. N. GUPTA)
Proprietor
FCS No. 4693
COP No. 3131

Place: Mumbai
Dated: May 26, 2018



Annexure – C

Disclosure of Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. Conservation of Energy :

a) Energy conservation measures taken :

Energy Conservation continues to receive priority attention at all the levels. All requisite efforts are made to conserve and optimise the use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques.

b) Total energy conservation & energy consumption per unit of production (as per form - A annexed hereto)

B. Technology Absorption :

a) Updation of Technology is a continuous process, absorption implemented and adapted by the Company for innovation. Efforts are continuously made to develop new products required in the Textile Dyes Industry. The details of the Technology absorption is as per Form - B.

b) The Company has been able to successfully indigenise the toolings to a large extent and successfully developed new products by virtue of technology absorption, adaptation and innovation.

C. Foreign exchange earnings and outgo : (Rs. in Lakhs)

Foreign exchange earned	:	3,352
Foreign exchange used	:	433

**Form - A****Form for disclosure of particulars with respect to conservation of energy****A. Power and fuel consumption :**

	2017-18	2016-17
1. Electricity : Unit	345126	399182
Total Amt. (Rs.)	3220710	3359980
Rate per Unit (Rs.)	9.32	8.41
2. Furnace Oil :		
Quantity (Ltrs)	39129	27460
Total Amt. (Rs.)	1203134	736007
Average Rate (Rs.)	30.74	26.81
3. Briquettes / Firewoods :		
Quantity (Kgs)	0	0
Total Amt. (Rs.)	0	0
Average Rate (Rs.)	0	0
4. Coal		
Unit	557510	567623
Total Amt. (Rs)	4061496	4087681
Rate per Unit(Rs.)	7.28	7.20

B. Consumption per unit of production :

Production Unit (In Kg.)	1,072,184	1,002,224
Electricity Unit	0.32	0.39
Furnace Oil (Ltrs)	0.04	0.03
Coal	0.52	0.57

Form – B**(See Rule - 2)**

(Form for disclosure of particulars with respect to absorption.)

Research and Development (R&D)

1. Research and development in the area of new value added products is continuing.
2. As a result of last year R & D efforts the new products are already running in the market.



Annexure to Director's report

Annexure "D"

Particulars of Employees

Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Requirements	Disclosure
I	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	6.18 as stated above in the report
II	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	NA
III	The percentage increase in the median remuneration of employees in the financial year;	10%
IV	The number of permanent employees on the rolls of company	There were 47 permanent employees on the rolls of the Company as on March 31, 2018
V	The explanation on the relationship between average increase in remuneration and company performance	NIL
VI	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Remuneration of the Key Managerial Personnel is as per the Company's policy and in line with the performance of the company.
VII	Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.	The market capitalisation as on 31st March, 2018 was Rs. 9.38 crores (Rs 9.24 Crores as on 31st March, 2017). The Price earning ratio of the Company was (45.75) Times as at 31st March, 2018 and was 1395 Times as at 31st March, 2017.
VIII	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	There was no exceptional increase in Managerial Remuneration.
IX	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	Remuneration of Key Managerial Personnel is in line with the bench mark study and performance of the company
X	The key parameters for any variable component of remuneration availed by the directors	Depends on the performance parameters set for key managerial personnel as approved by the committees of the Board.
XI	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	NIL
XII	Affirmation that the remuneration is as per the remuneration policy of the company	We affirm that the remuneration is as per the remuneration policy of the company.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Chemicals dyes Industry**

In view of the slow- down on the economic front over the world and its corresponding impact on chemical dyes Industry across the globe, the chemicals dyes business experienced very challenging conditions during the year. With high natural / synthetic prices and the slowing down in end-product demand, customers undertook production cuts at periodic intervals. This did impact the demand for chemicals dyes adversely. The resultant mismatch in supply and demand of certain key chemicals impacted their selling prices, resulting in pressure on margins. Cost increases on account of various inputs, aggravated the situation further. Despite this, our Company managed to retain its volumes at the previous year's levels.

Industry Structure and Development

Chemical industry is capital as well as knowledge intensive industry. This industry plays a significant role in the Global economic and social development. It is also human resource intensive industry and hence generates employment. The diversification within the chemical industry is huge and covers more than thousands of commercial products. Chemicals are used in a wide variety of products and processes. They are major contributors to national and world economies, their sound management throughout their lifecycle is essential in order to avoid significant and increasingly complex risks to human health and ecosystems and substantial costs to national economies. There is immense potential for increasing consumption within the country as also for India to become a reliable supplier of such quality chemicals to the world.

Chemicals play a major role in improving the quality of life by enabling the manufacture of the goods and materials that need whilst mitigating adverse environmental impact. By developing new usages of chemicals, processes and sustainable routes to produce novel environmental friendly materials, it can achieve low carbon processes that can make high value products of the Company for humans and solve energy and sustainability challenges.

Our Company is a manufacturer and supplier of Chemical Dyes, Dye Intermediates and Basic Chemicals. It currently focuses on manufacturing basic chemicals to feed dye intermediates and dyes manufacturing through a successful strategy of backward integration. The product range caters mainly to textiles industries. The Company has its manufacturing facilities at Dombivali, District Thane and Khed, District Ratnagiri. The setting up of additional production facilities will enable your Company to capture a higher market share out of additional production volumes.

The company achieved a turnover of Rs.43.35 Crore during the current year as against Rs. 35.65 Crore during the previous year thereby reporting an increase of 0.21%. The exports during the year has been Rs.33.46 Crores as compared to Rs. 35.52 Crores during the previous year, thereby reporting an decrease of 5.80%

Business Outlook: Opportunities and threats

Over the last fifteen years, the Indian chemicals industry has graduated from manufacturing principle chemicals in a highly regulated market to being a mature industry in a liberalized economy. Until 1991, India had a closed economy, with the domestic chemical industry enjoying protection in the form of differential import duties on raw materials and finished chemical products. Chemical manufacturing was largely controlled by licensing regulations. This industry is among the fastest growing industries in India. The bulk of chemicals produced in India comprise either upstream products or intermediates, which go into a variety of manufacturing applications.

Indian chemical companies with well-built systems and structured operations are likely to be benefited. It has been contributing to India's growing economy in a phenomenal way. Today, India has achieved considerable progress in production of basic organic and inorganic chemicals, dyestuffs and intermediates. Those companies who are manufacturing highly valued chemicals and who are compliant of industrial quality standards can make their mark not just in India but even in the overseas markets as well.

The sales efforts are also well supported by a team of technical experts who play a pivotal role in providing pre / post sales technical services, training to customer's employee, on-site back-up, recipe and process customization, product development etc.

Our Company's R&D activities broadly comprise various processes for developing new products, standardizing analytical methods and identifying substitutes for key raw materials. Through the R&D centre, the Company continuously interacts with consumers to obtain feedback on its existing as well as new products to complement its new product development activities.

Threats, Risks and Concerns:

The Company is a manufacturer and suppliers of Dyes, Intermediates and Basic chemicals. However, the following major issues may hamper business operation as well as growth of the Company:

- (a) Volatility in prices of raw material especially crude oil and transportation cost can adversely affect the business operations and can thin out the profitability of the Company.



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- (b) The Company is doing business with various countries, therefore, our business operations and growth is dependent upon the political, climatic, economic, regulatory and social environment of such countries.
- (c) The Company is an exporter therefore; the volatility in foreign exchange rates may affect the business operation as well as growth of the Company.

The Company is continuously working towards achieving further improvements in the quality of its products as well as in technological and operational efficiencies of its manufacturing processes. It also strives to develop new products to improve its participation in the market and enlarge its product range. The company is also, through its strong research initiatives, engage in developing new products which would meet the emerging needs of its customers and the environmental challenges of the future. The pricing scenario of chemicals dyes, accordingly, is likely to undergo a positive change with the reduction in the global supply position.

Periodic assessment across the Company is undertaken to identify and thereafter prioritize significant risks. Owners are identified for all such risks and are assigned the responsibility to develop and deploy mitigation strategies. These are subjected to a review by the Board.

With the expectation of an improvement in the market conditions for the Chemical Industry during the year, the Company will endeavour to perform better than the last year.

Segment-wise or product-wise performance

The company has only one manufacturing plant and a unified marketing and administrative set-up due to which segment wise disclosures of Liabilities and Profitability cannot be determined.

The Company operates in one business segment, namely manufacturing & trading of S. O. Dyes & Chemicals and geographic segments i.e. the Domestic and the Overseas are summarised as follows. :

Particulars	Domestic	Overseas	Total
Sales	95,630,818 (21,341,700)	334,620,304 (335,201,367)	430,251,122 (356,543,067)
Total Sales	95,630,818 (21,341,700)	334,620,304 (335,201,367)	430,251,122 (356,543,067)

Note: Figures in bracket represent previous year figures.

Performance of the Year

The adverse business sentiments coupled with slowdown in the domestic chemical sector resulted in fluctuating demand for chemicals from key customer accounts. The continued dumping by our competitors further aggravated this situation. Despite this, we succeeded in maintaining our volumes more or less of the same levels as in the previous year. The turnover witnessed increase in value terms with an improvement in selling prices of some of our products. These were necessitated on account of steep increase in our input costs, which to some extent, we managed, to pass on to the customers. Our Export business too has not been able to witness any growth due to the uncertain and fragile nature of the economic situation in the developed markets, more particularly in the European markets.

Financial and Operational Performance

The highlights of the Financial Operational Performance are given below :

(Rupees in Lakhs)

Sr. No	Particulars	2017-18	2016-17
1.	Sales/ Income from Operations	4302.51	3565.43
2.	Other Income	61.90	162.96
3.	Sub – Total	4364.41	3728.39
4.	Total Expenditure (Before Interest)	2947.88	3690.39
5.	Profit Before Interest and Exceptional Items	(10.96)	4.70
6.	Profit/Loss from Ordinary Activities Before Tax	(10.96)	4.70
7.	Profit/Loss After Tax	(26.53)	1.12

During the year under review, the Company has incurred a loss before tax of Rs. 10.96 Lakhs as compared to profit Rs. 4.70 Lakhs in 2016-17. The current trend for rupee is in a weak mode and the overall economic sentiment does not appear very positive.



Internal control systems and their Adequacy

Effective Internal Control Systems have been out in place by the Management to provide reasonable assurance for :

- Safeguarding Assets and their usage
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the information used for carrying on Business Operations.

Key elements of the Internal Control Systems are as follows:

- (i) Existence of well defined organisational structure and Authority
- (ii) Existence of Corporate Policies for Financial Reporting and Accounting
- (iii) Existence of Management Information System updated from time to time as and when required
- (iv) Existence of Internal Audit System
- (v) Review of Opportunities and Risk factors depending on the domestic scenario and to undertake measures as may be necessary.

The company has appointed an Independent internal auditor to conduct internal audit and to ensure effective compliance and effectiveness of the Internal Control Systems in place.

The members of the Audit Committee are regularly reviewing the Internal Audit Reports for the audit carried out in all the significant areas of the operations. In addition to it, the Audit Committee approves all the audit plans and reports for significant issues raised by the Auditors. The Internal Audit Reports are circulated on a regular basis for the perusal of the Senior Management and appropriate action is taken as and when required.

Material developments in Human Resources / Industrial Relations front, including number of people employed

In view of the acute shortage of skilled and equipped human resources prevailing in the country, our focus during the year was to enhance the capabilities of our existing workforce. In order to ensure employee motivation and confidence level which would enable the Company to face the current challenges and seize future opportunities, various initiatives were taken for the same. Necessary steps are taken to strengthen the areas in which the employees of the Company need improvement. The Company complies with all the regulations pertaining to Safety. The Company continues to have an excellent track record in the area of Safety. The main objective of the company is to achieve zero accident/ incident and safe working environment. Regular programmes are therefore held on health and safety awareness, fire fighting and first aid, apart from other development programmes. Industrial relations remained cordial during the year.

The employee development is quite extensive as the Company believes in investing in the human capital at our own company first and foremost. At present there are in all 47 employees associated with the Company. The Company has invested its time and resources in training and developing its workforce to become indispensable resources for the Company later on.

The Company believes individuals in any organization is a vital resource and must be valued, nurtured and retained. Employees are the most valuable assets and truly the backbone of an organization. Every employee in his/her own way contributes towards the success or failure of an organization. Without employees in an organization, even the most powerful machinery with the latest technology would not function.

Cautionary statement

Statements in the Management Discussion & Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions are 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied depending upon various economic conditions like raw material availability and prices, cyclical demand and pricing in the Company's principal markets, fluctuation in forex rates, changes in Government regulations, tax regimes, economic developments within India and the countries in which business is conducted, and other incidental factors. The Readers are cautioned not to place undue reliance on the forward looking statements.

For and on behalf of the Board of Directors
Chromatic India Limited

Sd/-
Vinod Kumar Kaushik
Whole Time Director
(DIN: 02586479)

Place: Mumbai
Date: August 31, 2018



Report on Corporate Governance

1. Company's Philosophy on code of Corporate Governance

SEBI vide its notification No. SEBI/LAD-NRO/GN/2015-16/013 dated 2 September 2015 notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'SEBI Listing Regulations, 2015'), which were made applicable with effect from 1 December 2015 and repealed the erstwhile listing agreement with the stock exchanges. This Report, therefore, states the compliance status as per requirements of Companies Act, 2013 and SEBI Listing Regulations, 2015.

The Company believes that effective corporate governance is not just the framework enforced by the regulation but it is supported through the principles of transparency, unity, integrity, spirit and responsibility towards the stakeholders, shareholders, employees and customers. Good corporate governance requires competence and capability levels to meet the expectations in managing the business and its resources and helps to achieve goals and objectives of the organization.

The Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices, many of which were in place even before they were mandated by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

The Company is highly committed to the adoption and adherence of good Corporate Governance Practices so as to ensure that all the stakeholders of the Company obtain requisite information about the Company and its operations in an efficient and timely manner. Such Corporate Governance Practices also help enhancement of long term shareholder value and interest of other Stakeholders.

The Company's corporate governance philosophy has been further strengthened through Code of Conduct for Prevention of Insider Trading for its employees including Executive and Non-executive Directors. Company not only adheres to the prescribed corporate governance practices as per clause 49 but is also committed to sound principles and practices under Companies Act, 2013, Companies Act, 1956, Listing Regulations and the applicable Laws, Rules, Regulations and Guidelines issued by Securities and Exchange Board of India (SEBI). Corporate Governance strengthens investors trust and ensures a long-term partnership that helps in fulfilling a company's quest for higher growth and profits.

The Company is in compliance with the requirements of the guidelines on corporate governance stipulated under SEBI Listing Regulations, 2015.

2. Board of Directors

(a) Board Composition

As on March 31, 2018, the Board of Directors of the Company have an optimum combination of Executive; Non Executive Directors and Independent Directors who have an in depth knowledge of Business, in addition to the expertise in their areas of specialization. The Board of Directors comprises of Four Directors which includes one Woman Director. The Composition of the Board is in conformity with Regulation 17(1) of the Listing Regulations entered with the Stock Exchanges.

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Notices of Board meetings (including Committee meetings) of the Company are circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However in case of special and urgent business need, the Board's approval is taken by passing resolution(s) by circulation, as permitted by law, which is confirmed in the subsequent Board meeting. The Board of Directors has complete access to the information within the Company.

The Company secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary attends almost all the meetings of the Board and its Committees, advises / assures the Board on Compliance and Governance principles ensures appropriate recording of minutes of the meeting.

The minutes of the proceedings of the meetings of the Board of Directors / Committee(s) are noted and the draft minutes are circulated amongst the members of the Board for their perusal. Comments, if any, received from the Directors are incorporated in the Minutes, in consultation with the Chairman of the meeting. The Minutes are approved and confirmed by the members of the Board prior to the next meeting and were signed and entered into the Minutes book within the statutory time limit prescribed by Companies Act, 2013.



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As mandated by Regulation 26 of the Listing Regulations, none of the Directors on the Board are the Members of the more than ten Committees or Chairman of more than five Committees across all the public companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2018 have been received by the Directors.

Directorship & Membership / Chairmanship of Committees held by them as on March 31, 2018 are as follows:

Name of the Director	Category	Number of Board Meetings during the year 2017-18		Attendance at the last AGM held on 27.9.2017	Number of Directorships in other public companies	Number of Committee position held in other public companies*	
		Held	Attended			Chairman	Member
Mr. Vinod Kumar Kaushik (Whole-time Director (DIN: 02586479)	Non Promoter Executive Director	6	6	Yes	1	NIL	NIL
Mr. Mayank R Kotadia (DIN: 07484438)	Additional (Independent, Non Executive) Director	6	6	No	2	NIL	NIL
Mr. Sandeep Pawar** (DIN:06583820)	Independent, Non Executive Director	6	2	No	0	NIL	NIL
Mr. Ajay Singh Sethi (DIN: 01940047)	Independent, Non Executive Director	6	2	No	1	NIL	NIL
Ms. Diana M Joshi (DIN:06966287)	Independent, Non Executive Director	6	6	N.A.	0	NIL	NIL

*Committee chairpersonship / membership includes chairpersonship / memberships of Audit Committee and Stakeholder Relationship Committee in all public limited companies (whether listed or not) and excludes private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

**Mr. Sandeep Pawar, Independent, Non Executive Director of the Company was appointed w.e.f. August 11, 2017 resigned w.e.f. January 12, 2018.

\$Mr. Ajay Singh Sethi, Independent, Non Executive Director of the Company resigned w.e.f. August 11, 2017.

(b) Details of Board Meetings Held During the Year

During the Year, the Board held four meetings on the following dates:

Board Meeting	Dates
First	7th April, 2017
Second	27th May, 2017
Third	11th August, 2017
Fourth	1st September, 2017
Fifth	11th November, 2017
Sixth	6th February, 2018

The gap between any two meetings has been less than one hundred and twenty days.

(c) None of the Directors are related inter-se during the year.

During the year under review, none of the Directors have inter-se relationship among them.

(d) Shareholding of Non- Executive Director in the Company during the year.

During the year under review, the Company does not have any convertible securities nor have issued any convertible instruments. None of the Non – Executive Directors holds shares in the Company during the year



(e) Independent Directors

The company has complied with the definition of Independence as per Regulation 16(b) of the Listing Regulations and according to the provisions of Section 149(6) of the Companies Act, 2013. The requisite declarations have also been obtained from all the independent directors pursuant to Section 149(7) of the Companies Act, 2013. All the independent directors have confirmed to the Board that they meet the criteria for independence in terms of Regulation 25 of the Listing Regulations and Section 149 (6) of the Companies Act, 2013.

Pursuant to the provisions of Regulation 25(7) of the Listing Regulations, the Company has formulated a programme for familiarising the 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 through various initiatives. The details of the aforementioned programme is available on the company's website www.chromatic.in

(f) Meeting of Independent Directors

Section 149(8) of the Act read with Schedule IV of the Act and Regulation 25(3) of the Listing Regulations require the Independent Directors of the Company to hold at least one meeting in a year, without the attendance of non-independent directors and members of management. The Independent Directors of the Company met on 16th February, 2018, pursuant to the provision of the Act and Equity Listing Agreement with the Stock Exchanges.

3. Audit Committee

(a) Terms of Reference

The terms of reference of the Audit Committee are broadly as under:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134(5) of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- 5A. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.



8. Discussion with internal auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- 12A. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
14. Appointment of Cost Auditor.

(b) Composition

The Audit Committee of the Company is constituted in line with the provision of Regulation 18 of Listing Regulations with the Stock Exchanges read with Section 177 of the Companies Act, 2013.

With the resignation of Mr. Ajay Singh Sethi and appointment of Mr. Sandeep Pawar w.e.f. August 11, 2017 the Audit Committee reconstituted on its meeting held on November 11, 2017, consisting of the following Directors:

Name	Category	Position Held
Mr. Mayank R. Kotadia	Independent, Non Executive	Chairman/Member
Mr. Vinod K. Kaushik	Whole Time Director	Member
Mr. Sandeep Pawar	Independent, Non Executive	Member
Ms. Diana M. Joshi	Independent, Non Executive	Member

Further with the resignation of Mr. Sandeep Pawar w.e.f. January 12, 2018, the Audit Committee was again reconstituted on its meeting held on February 6, 2018, consisting of the following Directors:

Name	Category	Position Held
Mr. Mayank R. Kotadia	Independent, Non Executive	Chairman/Member
Mr. Vinod K. Kaushik	Whole Time Director	Member
Ms. Diana M. Joshi	Independent, Non Executive	Member

Further Mr. Siraj Shaikh was appointed w.e.f. 31.08.2018 and hence the Audit Committee was again reconstituted and currently consists of the following Four Directors:

Name	Category	Position Held
Mr. Mayank R. Kotadia	Independent, Non Executive	Chairman/Member
Mr. Vinod K. Kaushik	Whole Time Director	Member
Mr. Siraj A. Shaikh	Independent, Non Executive	Member
Ms. Diana M. Joshi	Independent, Non Executive	Member

The Company Secretary of the Company acts as a secretary to the Audit Committee.

All the members of the Audit Committee are financially literate and Mr. Mayank R Kotadia, Chairman possesses requisite financial / accounting expertise.

The Audit Committee invites head of the finance and account function and representatives of the Statutory Auditors, Internal Auditors to be present at its meeting.

**(c) Meetings and Attendance during the year**

During the year 2017-18, four Audit Committee Meetings were held on 27th May, 2017, 11th August, 2017, 11th November 2017, and 6th February, 2018. Attendance of Committee Members at Committee Meetings is as follows:

Name	Number of Meetings Attended
Mr. Mayank R Kotadia	4
Mr. Vinod Kumar Kaushik	4
Mr. Ajay Singh Sethi**	1
Ms. Diana M Joshi	4
Mr. Sandeep Pawar*	1

*Resigned w.e.f. August 11, 2017

**Appointed w.e.f. August 11, 2017 and resigned w.e.f. January 12, 2018

4. Nomination and Remuneration Committee**(a) Terms of Reference**

The Company has constituted a Nomination and Remuneration Committee of Directors in line with the provision of Regulation 19 read with Schedule II Part D of Listing Regulations and Section 178 of the Companies Act, 2013. The broad terms of reference of the Remuneration Committee are as under:

- To recommend / review / approve the remuneration, service agreement, commission / incentive remuneration payable to the Managing Director, Whole-time Director (s) on the basis of their performances.
- Approval of the commission payable to the Non-Executive Directors of the Company, if any.
- To identify persons who are qualified to become directors and who may be appointed as Directors. To 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 designated employees.
- To identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- To establish criteria for evaluation of performance of independent directors and the board of directors;
- To review and maintain the policy laid down on diversity of board of directors;
- To review the performance evaluation of independent directors and on basis of a report thereof recommend to the board whether to extend or continue the term of appointment of the independent director.

Such other matters as the Board may from time to time request the Nomination and Remuneration Committee to examine and recommend / approve.

(b) Composition

The Nomination & Remuneration Committee of the Company is constituted in line with the provision of Regulation 19 of Listing Regulations with the Stock Exchanges read with Section 178 of the Companies Act, 2013.

With the resignation of Mr. Ajay Singh Sethi & Mr. Sandeep Pawar, w.e.f. August 11, 2017 and January 12, 2018 respectively; and the appointment of Mr. Siraj Shaikh w.e.f. August 31, 2018. The Nomination and Remuneration Committee was reconstituted and currently consists of the following Three Directors:

Name	Category	Position Held
Mr. Mayank R Kotadia	Independent, Non Executive	Chairman
Mr. Siraj A. Shaikh	Independent, Non Executive	Member
Ms. Diana Mahesh Joshi	Independent, Non Executive	Member

**(c) Meetings and Attendance during the year**

During the year 2017-18, One Nomination and Remuneration Committee Meeting were held on 11th August, 2017. Attendance of Committee Members at committee Meetings is as follows:

Name	Number of Meetings Attended
Mr. Mayank R Kotadia	1
Mr. Ajay Singh Sethi*	0
Ms. Diana Mahesh Joshi	1

* Mr. Ajay Singh Sethi resigned on the date of this meeting, ie., August 11, 2017

(d) Performance Evaluation Criteria for Non Executive and Independent Directors.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit and Nomination & Remuneration Committees. The details of the policy on evaluation of Board's performance is available on the Company's website www.chromatic.in

a. Remuneration of Directors:**(a) None of the Directors of the Company has any material pecuniary relationship or business relationship with the Company.**

During the year under review, none of the Directors of the Company has any material pecuniary relationship or business relationship with the Company.

(b) Criteria of making payments to the Non Executive Directors

During the year under review, all payments made by the Company to its Non Executive Directors are in conformity with the provisions of the Companies Act 2013, Listing Regulations and the Remuneration Policy of the Company.

(c) Disclosure with respect to remuneration, in addition to disclosures required under the Companies Act, 2013:

- (i) All elements of remuneration package of the whole time Director has been made in the Extract of Annual Return in form MGT-9
- (ii) Except for the maximum fixed amount of remuneration including perquisites and other amenities, there are no other fixed components and performance linked incentives paid to the Director, the performance criteria of the Directors are carried out as per the policy of performance evaluation of the Board;
- (iii) The Contract of service of the executive directors is for 5 years and is in form upto March 31, 2019, notice period and other conditions there of shall be as per the agreement entered into by the Company with the said Director;
- (iv) There are no stock option(s) issued to any of the Directors.

(d) Remuneration Policy:

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and variable pay. The individual performance pay is determined by business performance.

The Company pays remuneration by way of salary, benefits, perquisites, amenities and allowances to its Whole-time Director as per the service agreements entered into by the Company with him.

During the year, the Company had paid sitting fees per meeting to its Non-Executive Directors for attending Board and its committee meetings. The Company pays a sitting fee of Rs. 500/- for each Board and Committee meeting attended by the members of the Board, other than the Whole-time Director. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending meetings.

**(e) Details of the Remuneration for the year ended March 31, 2018:**

a) Non-Executive Directors:

Names	Sitting Fees (in Rs.)
Mr. Mayank R Kotadia	8000
Mr. Ajay Singh Sethi*	2000
Ms. Diana Mahesh Joshi	8000
Mr. Sandeep Baban Pawar**	2000

*Resigned w.e.f. August 11, 2017

**Appointed w.e.f. August 11, 2017 and resigned w.e.f. January 12, 2018

b) Whole-time Director:

(Rs. in lakh)

Name of Director and period of appointment	Salary	Other Perquisites (LTA & Medical Allowance + PF employer contribution)	Total
Mr. Vinod Kumar Kaushik (appointed w.e.f. 1.4.2014 for 5 years)	10.56	1.26	11.82

The above figures do not include provisions for gratuity, for the Whole-time Director.

The Company does not have any Employee Stock Option Scheme.

During the year under review none of the Directors of the Company other than the following holds Shares in the Company as on March 31, 2018.

Sr. No.	Name of Director Holding Shares in the Company	Number of shares held
1	Mr. Vinod Kumar Kaushik	100

6. Stakeholders Relationship Committee**(a) Composition**

With the resignation of Mr. Ajay Singh Sethi & Mr. Sandeep Pawar, w.e.f. August 11, 2017 and January 12, 2018 respectively; and the appointment of Mr. Siraj A. Shaikh w.e.f. August 31, 2018. The Stakeholders Relationship Committee was reconstituted and currently consists of the following Four Directors:

Name	Category	Position Held
Mr. Mayank R Kotadia	Independent, Non Executive	Chairman
Mr. Vinod Kumar Kaushik	Whole Time Director	Member
Mr. Siraj A. Shaikh	Independent, Non Executive	Member
Ms. Diana M Joshi	Independent, Non Executive	Member

The Company has duly appointed M/s. Big Share Services Pvt Ltd to act as Registrar and Share Transfer Agent of the Company for servicing the shareholders holding shares in physical or dematerialized form. All requests for dematerialization of shares are likewise processed and confirmations thereof are communicated to investors within the prescribed time.

Ms. Suruchi Wadher, appointed with effect from 7th April, 2016 as Company Secretary and Compliance Officer of the Company, has been nominated for this purpose under Regulation 6(1) of the Listing Regulations. She looks into the investor grievances and supervises and coordinates with the M/s Big Share Services Pvt Ltd, Registrar and Share Transfer Agents, for redressal of grievances of shareholders / investors of the Company. The Company, under Regulation 13 of the Listing Regulations, submits quarterly status of the complaint received, disposed, pending during the quarter and their respective redressal to the Stock Exchange(s).

**(b) Terms of Reference**

The Company has constituted a Stakeholders Relationship Committee of Directors in line with the provision of Regulation 20 of Listing Regulations and Section 178(5) of the Companies Act, 2013 to look into the redressal of complaints of investors such as transfer / transmission / demat / credit of shares / remat of shares, non-receipts of dividend/notices/ annual reports, etc.

(c) Meetings and Attendance during the year

Four meetings of the Committee were held during the year 2017-18 which are as follows:

27th May, 2017, 11th August, 2017, 11th November 2017, and 6th February, 2018.

Attendance of Committee Members at Committee Meetings is as follows:

Name	Number of Meetings Attended
Mr. Mayank R Kotadia	4
Mr. Vinod Kumar Kaushik	4
Mr. Ajay Singh Sethi**	1
Ms. Diana M Joshi	4
Mr. Sandeep Pawar*	1

*Resigned w.e.f. August 11, 2017

**Appointed w.e.f. August 11, 2017 and resigned w.e.f. January 12, 2018

(d) Status of Shareholders' Complaints as on 31 March, 2018

During the year under review, the Company has not received any investor grievances. During the year, the Company / its Registrar have not received any investor complaints from SEBI / Stock Exchanges.

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	0	0	0

7. General Body Meetings**(i) Annual General Meetings**

The Annual General Meeting of the Company for financial years 2014-15, 2015-16 and 2016-17 were held at 207, Vardhaman Complex Premises Co.op Soc. Ltd., Fitwell Compound, L.B.S. Marg, Vikhroli (West), Mumbai – 400083, the details of which are as under:

Year	Day, Date & Time	Whether Special Resolution Passed
2016-2017	Wednesday, September 27, 2017 – 11.00 AM	Yes
2015-2016	Tuesday, August 11, 2016 – 11.00 AM	No
2014-2015	Wednesday, September 30, 2015 – 4.00 PM	Yes

(ii) Extra Ordinary General Meetings

No Extraordinary general meeting was held of the Company during the year under review.

(iii) Postal Ballot

During the year under review and during the previous year, no resolution (special / ordinary) was passed through postal ballot pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

No further resolution is proposed to be passed through postal ballot.

**8. Means of Communications**

Quarterly, half-yearly and Annual Financial Results of the Company are regularly submitted to the Stock Exchanges in accordance with the Listing Regulations and are generally published in Free Press Journal and Nav Shakti. The official press release is also issued. The same is also uploaded on the website of the Company at www.chromatic.in

The Company also files the following information, statements, reports on the web-site as specified by SEBI:

- * Full version of the Annual Report including the Balance Sheet, Statement of Profit and Loss Account, Directors' Report and Auditors' Report, Cash Flow Statement and Quarterly Financial Statements.
- * Corporate Governance Report.
- * Shareholding Pattern.

There are no presentations made to any institutional investor(s) or to any analysts.

9. General Shareholders Information**i) 31st Annual General Meeting**

Date Wednesday, 26th September, 2018

Time 11.00 AM

Venue 207, Vardhaman Complex Premises Co. Op. Society Ltd., L. B. S. Marg, Vikhroli (West), Mumbai - 400083

As required under Regulation 36(3) of the Listing Regulations, particulars of the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting (AGM) are given in the Annexure to the Notice of the 31st Annual General Meeting.

(ii) Financial Calendar (tentative)

Financial Calendar 1st April to 31st March

Financial Year 2017-18

Annual General Meeting 26th September, 2018

(iii) Date of Book Closure / Record Date

Date of Book Closure / Record Date As mentioned in the Notice of Annual General Meeting to be held on September 26, 2018

(iv) Listing on Stock Exchanges

Stock Exchanges	Stock Code	Whether Listing Fees are paid
Bombay Stock Exchange Limited Floor 25, P J Towers, Dalal Street, Mumbai – 400001	530191	Yes
National Stock Exchange of India Limited Exchange Plaza, BandraKurla Complex, Bandra (East), Mumbai – 400051	CHROMATIC	Yes
Luxembourg Stock Exchange BP 165, L-2011, Luxembourg, Siege Social, 11, avenue de la Porte – Neuve	CHROMATIC INDIALTD	Yet to be paid

(v) Company Registration details

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L99999MH1987PLC044447.



(vi) Market Price Data

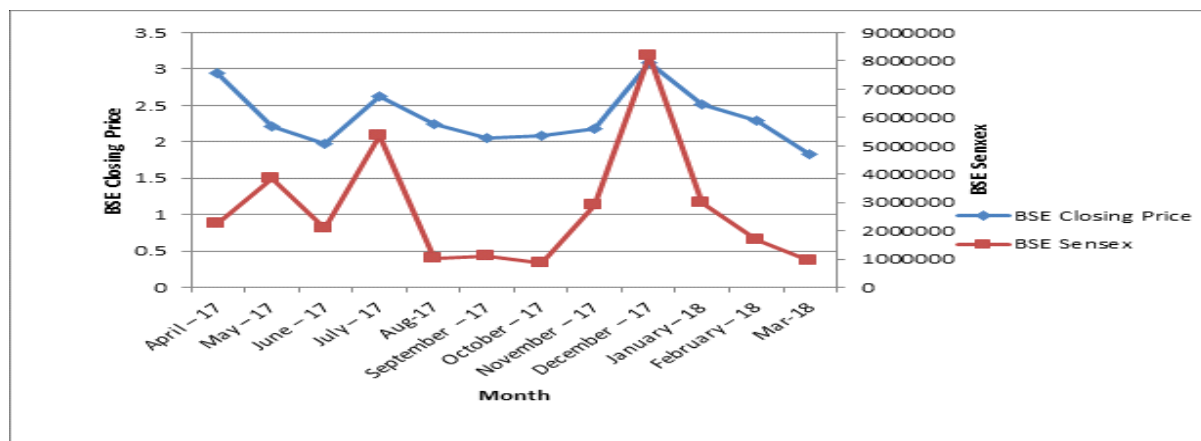
High, Low and number of shares traded during each month in the financial year 2017-18 on the National Stock Exchange Limited and Bombay Stock Exchange

Month	National Stock Exchange of India Limited –by jeenal		
	High Price (Rupees)	Low Price (Rupees)	Total No. of Shares Traded
Apr-17	3.3	2.67	2245954
May-17	3.22	2.12	3856157
Jun-17	2.71	1.92	2079982
Jul-17	3	1.9	5353203
Aug-17	2.65	1.88	1042254
Sep-17	2.66	2.01	1129821
Oct-17	2.34	1.99	859051
Nov-17	2.53	2.03	2911781
Dec-17	3.82	2.12	8193659
Jan-18	3.28	2.47	2978927
Feb-18	2.88	2.09	1678353
Mar-18	2.39	1.72	940636

The equity shares of the Company was listed and admitted for dealing on National Stock Exchange with effect from 29th May, 2012.

Month	Bombay Stock Exchange Limited		
	High Price (Rupees)	Low Price (Rupees)	Total No. of Shares Traded
April – 17	3.3	2.67	2245954
May – 17	3.22	2.12	3856157
June – 17	2.71	1.92	2079982
July – 17	3	1.9	5353203
August - 17	2.65	1.88	1042254
September – 17	2.66	2.01	1129821
October – 17	2.34	1.99	859051
November – 17	2.53	2.03	2911781
December – 17	3.82	2.12	8193659
January – 18	3.28	2.47	2978927
February – 18	2.88	2.09	1678353
March - 18	2.39	1.72	940636

(vii) Performance of the share price of the Company in comparison to the BSE sensx:



**(viii) Registrar and Transfer Agents:**

M/s Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building, Opp.Vasant Oasis
Makwana Road Marol, Andheri East Mumbai 400059
Phone no. +91 22 4043 0200
Fax no: +91 22 2847 5207
Email: investor@bigshareonline.com
Website: www.bigshareonline.com

(ix) Share Transfer System:

99.63% of the shares of the Company are in electric form as on March 31, 2018. Transfer of these shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged with Registrar and Share Transfer Agent of the Company at the above given address. All valid requests for dematerialization of shares are processed and confirmation given to the depositories within 21 days.

Transfer of shares in physical form is normally processed within ten to fifteen days from the date of receipt if the documents are complete in all respects.

Pursuant to provisions of SEBI Regulations, on half yearly basis, certificates have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company. Further, Share Capital Audit is done on a quarterly basis for reconciliation of the share capital of the Company.

(x) Distribution of Shareholding as on March 31, 2018: -

No. of Shares	Shareholders		Shares Held	
	Number	% to Total	Number	% to Total
Upto – 5000	9495	83.348	11947489	16.817
5001 – 10000	839	7.365	6815618	9.593
10001-20000	502	4.407	7461908	10.503
20001-30000	193	1.694	4859571	6.840
30001-40000	80	0.702	2842087	4.000
40001-50000	97	0.851	4535154	6.383
50001-10000	126	1.106	9130605	12.852
100001 and above	60	0.527	23453668	33.012
Total	11392	100.00	7,10,46,100	100.000

(xi) Dematerialization of Shares and liquidity:

The Company's shares are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity Shares of the Company representing 99.63% of the Company's share capital are dematerialized as on March 31, 2018.

The Company's Shares are regularly traded on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited in electronic form.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE662C01015.

(xiii) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

As on March 31, 2018, the Company does not have any underlying equity shares in respect of outstanding GDR.

(xii) Commodity Price risk and commodity hedging activities or foreign exchange risk and hedging activities

The Company does not deal with commodity trading, as it does not have any commodities listed on any stock exchange. The foreign exchange risk is minimal as the same are hedged by undertaking export / import activities when the prices are favourable.



(x) SEBI Complaints redressal System (SCORES)

SEBI has initiated SCORES for processing the investor complaints in a centralized web based system and online redressal of the Shareholders complaints. Our Company is in compliance with the SCORES and redressed the complaints well within the stipulated time.

(xii) Factory location

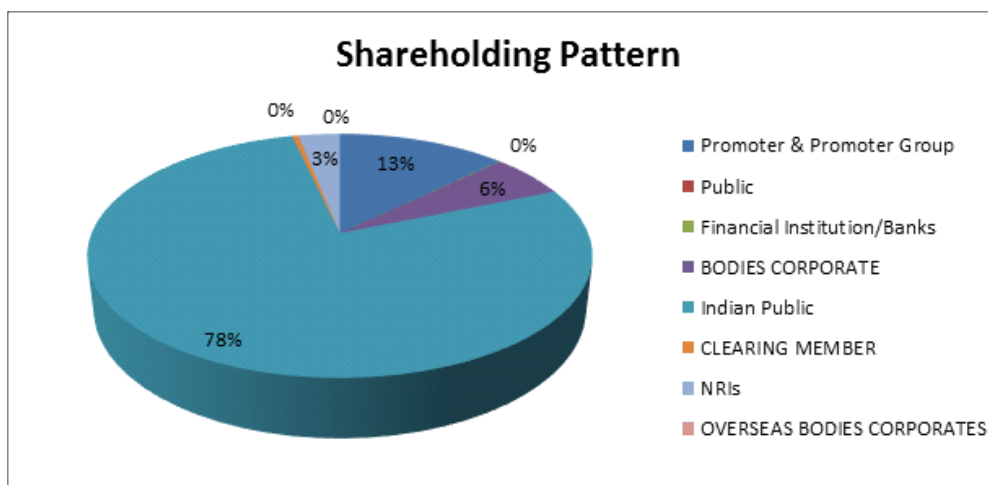
- (1) B-12/2, LoteParshuram Industrial Area,
Taluka: Khed,
Distt. Ratnagiri
- (2) W-34, Phase – II,
MIDC, Dombivali (East), 421204
Distt. Thane

(xi) Address for correspondence:

Chromatic India Limited
207, Vardhaman Complex Premises Co-op Soc Ltd,
L. B. S. Marg, Vikhroli (W),
Mumbai – 400083
Phone No.: 022 61369800
Fax No.: 022 25793973
Email Id: chromatic@mtnl.net.in, cs@chromatic.in
Website: www.chromatic.in

(xiii) Shareholding Pattern as on March 31, 2018 –

Category	Shareholders(Nos)	No of Shares	Percentage
Promoter & Promoter Group	1	9,173,305	12.91
Foreign Institutional Investors (FIIs)	0	0	0
Public Shareholding			
Bodies Corporate	126	4,177,241	5.88
Indian Public	10792	55,051,316	77.49
NRIs	194	2,255,364	3.17
Clearing Members	47	340,827	0.48
Financial Institutions/ Banks	1	43,932	0.0618
Overseas Bodies Corporates	1	4,115	0.058
Grand Total	11162	7,10,46,100	100.00



**(xiv) Listing fees and Annual Custodian Fees**

The Company has already paid the Listing fees to National Stock Exchange of India Limited and Bombay Stock Exchange Limited for the F.Y 2017-18.

The Annual Custodian Fees of CDSL & NSDL has already been paid for the year 2017-18.

10. Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 123 of the Companies Act, 2013, the dividend for the following years, which remains unclaimed for seven years, will be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

Members who have not so far encashed their dividend warrants are requested to seek revalidation of dividend warrants in writing to the Company's Registrar and Share Transfer Agents, M/s Bigshare Services Private Limited, immediately. Members are requested to note that no claims shall lie against the Company in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

Members are also advised to update their correspondence address in their demat accounts in case of their holdings in the electronic form or inform their latest correspondence address to the Registrars in case of holdings in physical form.

Information in respect of such unclaimed dividends due for transfer to the IEPF are as follows:

Financial Year	Date of Declaration of Dividend	Date on which dividend will become part of IEPF
2011-12(Interim)	February 08, 2012	March 16, 2019
2012-2013(Final)	September 30, 2013	November 06, 2020

11. Compliance Certificate of the Practicing Company Secretary

Certificate from the Practicing Company Secretary, M/s. R. N. Gupta & Co., confirming compliance with conditions of Corporate Governance as stipulated under Schedule V Part E of the Listing Regulations, is attached to this Report.

12. Disclosures**(a) Materially significant related party transactions that may have potential conflict with the interests of company at large.**

During the year 2017-18, there were no materially significant transactions with related parties i.e., directors, management, subsidiaries, or relatives conflicting with the Company's interest at large. Attention of Members is drawn to the disclosures of transactions with related parties set out in the Notes on Accounts forming part of the Annual Report. Policy on dealing with related party transactions available on the company's website www.chromatic.in

(b) Details of non-compliance by the company, penalties, imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

Company has complied with all the requirements of regulatory authorities. No penalties were imposed on the Company by Stock Exchanges, SEBI or any other statutory authority on any matter related to capital market during the last three years.

(c) Establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee

The Company has maintained a workplace where it can retain and treat all complaints concerning questionable accounting practices, internal accounting controls or auditing matters or concerning the reporting of fraudulent financial information to all our stakeholders. The employees should be able to raise these free of any discrimination, retaliation or harassment. Pursuant to the policy, employees are encouraged to report questionable accounting practices to Mr. Mayank Kotadia, Chairman Audit Committee through email or by correspondence through post. Further details are available on the company's website www.chromatic.in

The Company also has established a whistle blower policy for the above purpose and no personnel has been denied access to the audit committee

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

The Company has complied with all mandatory requirements as per the provisions of the Listing Regulations and compliance with the non-mandatory requirements of this clause has been detailed hereunder:

- i) Communication to Shareholders: The quarterly, half-yearly and annual statement of financial results of the Company are published in newspapers and are also posted on the Company's website.
- ii) Audit Qualification: The Company is in the regime of qualified financial statements the disclosures and explanations relating to the same are submitted accordingly.
- iii) Reporting of Internal Auditor: The Internal Auditor directly reports to the Audit Committee.

(e) Code for prevention of Insider – Trading practices

In compliance with the SEBI regulation on prevention of insider trading, the Company has instituted a comprehensive Code of Conduct for prevention of insider trading, for its Management and staff. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them of the consequences of violations. No personnel have been denied access to the audit committee.

(f) Share Capital Audit Report:

A qualified practicing Company Secretary carried out share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Share Capital Audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. Pursuant to the provisions of the listing regulations entered by the Company with the Stock Exchanges, certificates, on a half yearly basis, have been issued by the Company Secretary in Practice for due compliance of share transfer formalities by the company.

(g) Policy on “Material” Subsidiaries

Policy for determining material subsidiaries of the Company is disclosed on the company's website www.chromatic.in

13. Other Disclosures**(a) None of the Directors received any loans and advances from the Company during the year.**

During the year under review, none of the Directors received any loans and advances from the Company during the year.

(b) None of the Directors, except the following hold shares in the Company during the year.

During the year under review, the Company does not have any convertible securities nor have issued any convertible instruments. None of the Directors, except the following hold shares in the Company during the year:

Name of the Director	Category of Director	No. of Shares held
Mr. Vinod Kumar Kaushik (Whole-time Director): (DIN: 02586479)	Non Promoter Executive Director	100

(c) Code of Conduct

Chromatic Code of Conduct laid down by the Company is applicable to all the Directors and Senior Management of the Company. The Code of Conduct is posted on the Company's website. All the Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2018. A declaration to this effect, duly signed by the Whole time Director is forming part of this Annual Report.

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.



(d) Recruitment and Remuneration of Senior Officers

The Company has in place criteria of recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary and has followed the provisions of Schedule II Part E of the Listing regulations to the extent applicable.

(e) Compliance with Corporate Governance requirements

During the year under review the Company has complied with the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

(f) Disclosures with respect to demat suspense account/ unclaimed suspense account

During the year under review the Company does not have any shares in the demat suspense account or unclaimed suspense account

14. Management Initiatives for Controls and Compliance

The internal financial controls have been documented, embedded and digitised in the business processes. Internal controls are regularly tested for design and operating effectiveness.

Declaration by Whole-time Director

I, Vinod Kumar Kaushik (DIN: 02586479) Whole-time Director of Chromatic India Limited, pursuant to Schedule V Part D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 hereby confirm that:

The Board of Directors of Chromatic India Limited has laid down a code of conduct for all Board Members and Senior Management of the Company. All the Board Members and Senior Management Personnel have affirmed their compliance with the said code of conduct for the year ended March 31, 2018.

For Chromatic India Limited

Sd/-
Vinod Kumar Kaushik
(DIN: 02586479)
Whole Time Director

Date: April 1, 2018
Place: Mumbai



Certificate on Corporate Governance

[Pursuant to Schedule V Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors,
Chromatic India Limited
207, Vardhaman Complex Premises
Co. Op. Society Ltd., L. B. S. Marg,
Vikhroli (West),
Mumbai - 400083

We have examined the relevant records of **Chromatic India Limited** for the purpose of certifying the compliance of conditions of Corporate Governance as stipulated in the revised provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred to as the "Listing Regulations") entered into by the Company with stock exchanges in India as applicable on the Company for the year ended March 31, 2018.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement of the Company.

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

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

For R. N. GUPTA & CO.
Practicing Company Secretaries

Place: Mumbai
Dated: May 26, 2018

Sd/-
(R. N. GUPTA)
Proprietor
FCS No. 4693
COP No. 3131



Certification by Whole Time Director

COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) READ WITH SCHEDULE II PART B OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I Vinod Kumar Kaushik (DIN 02586479), Whole Time Director of the Company certify that:

- A) I have reviewed financial statements and the cash flow statement for the year ended March 31, 2018 and that to the best of my 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 my knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2018 which are fraudulent, illegal or violative of the Company's code of conduct.
- C) I accept responsibility for establishing and maintaining Internal Controls for financial reporting and that I have evaluated the effectiveness of Internal Control Systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which I was aware and the steps I have taken or propose to take to rectify these deficiencies.
- D) I have indicated to the Auditors and the Audit committee:
- (1) significant changes in Internal Control over financial reporting during the year ended March 31, 2018, if any;
 - (2) significant changes in Accounting Policies, if any, during the year ended March 31, 2018 and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which I 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 Chromatic India Limited

Sd/-
Vinod Kumar Kaushik
(DIN: 02586479)
Whole Time Director

Date: May 26, 2018
Place: Mumbai

**Independent Auditor's Report****To The Members of Chromatic India Limited****Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Chromatic India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and statement of changes in equity 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder. 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 Standalone Ind AS 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 standalone Ind AS 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.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS 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 standalone Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements, subject to note nos. 24, 25, 27, 28, 29, 32, 42 & 46 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 including the Indian Accounting Standard notified under the Companies (Indian Accounting Standards) Rules, 2015:

- (a) In the case of the Standalone Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- (b) In the case of the Standalone Statement of Profit and Loss including other comprehensive income, of the Profit of the company for the year ended on that date;
- (c) In the case of the Standalone Cash Flow Statement, of the cash flows of the company for the year ended on that date, and
- (d) In the case of Statement of Changes in equity of the Company 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 of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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 including other comprehensive income, the cash flow statement and statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules thereunder; and
 - e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' , and
 - g) With respect to 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 has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S. K. Badjatya & Co.
Chartered Accountants
Firm Registration No. 004017C

CA. Sudhir K. Jain
Partner
Membership No. 072282

Place: Mumbai
Date: 26th May, 2018

**Annexure A to Auditors' Report**

The Annexure referred to in our Independent Auditors' Report to the members of **Chromatic India Limited** on the standalone Ind AS financial statements for the year ended March 31, 2018, we report that:

1. In respect of its Fixed Assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed
 - c) According to the information and explanation given to us and on the basis of our examination of records of the company, immovable properties are held in the name of the company.
2. The inventories have been physically verified by the management during the year. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records
3. In respect of the Loans, secured or unsecured, granted by the company to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') there is no overdue amount of loan granted to said companies. The company has given non-interest bearing loan of Rs. 233.67 Cr. to its subsidiary for doing business in overseas market.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to loans and investments made.
5. According to the information and explanations given to us, the company has not accepted any deposits from the public.
6. The Company is required to maintain the cost records as prescribed by the Central Government of India under sub-section (1) of section 148 of the Companies Act for the activities carried on by the company. We are of the opinion that prima facie the prescribed records have been maintained. We have, however, not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
7. In respect of statutory dues:
 - a) Undisputed statutory dues including provident fund, investor education and protection fund, Employees' state insurance, income-tax, sales-tax, wealth-tax, customs duty, excise duty, have not been timely deposited with the appropriate authorities and there have been slight delays in few cases.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, wealth-tax, sales-tax, customs duty, excise duty and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except an amount of Rs. 163053/- on account of Income Tax for the A.Y. 2011-12 & 2012-13 and Rs. 2,30,510/- on account of Dividend Distribution Tax for the F.Y. 2012-13 and interest thereon.
 - c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules there under has been transferred to such fund within time.
8. Based on our audit procedures and as per the information and explanations given by the Management, we are of the opinion that the Company has defaulted in repayment of certain dues to a financial institution or bank or debenture holders. Please refer Note no. 28 to the other notes to accounts.
9. The company did not raise any money by way of initial public offer or 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. On the Basis of our examination and according to the information and explanation given to us, no material fraud, on or by the company, has been noticed or reported during the year.



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11. According to the information and explanations given to us and on the basis of our examination of records of the company, the company has not paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given to us the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable to the Company.
16. The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For S. K. Badjatya & Co.
Chartered Accountants
Firm Registration No. 004017C

CA. Sudhir K. Jain
Partner
Membership No. 072282

Place: Mumbai
Date: 26th May, 2018

**Annexure B to the Auditor's 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 **Chromatic India Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 judgement, 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.

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion:

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the 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 S. K. Badjatya & Co.
Chartered Accountants
Firm Registration No. 004017C

CA. Sudhir K. Jain
Partner
Membership No. 072282

Place: Mumbai
Date: 26th May, 2018



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Balance Sheet as on 31st March,2018

(Amount in INR.)

	Notes	As on 31st March,2018	As on 31st March 2017	As on 1st April 2016
ASSETS				
Non-Current Assets				
Property,Plant And Equipment	3	31,966,310	34,212,959	36,888,914
Capital Work in Progress	4	1,057,800,000	1,057,200,000	1,057,200,000
Investment Properties	5	106,908	124,709	142,511
Other Intangible Assets		-	-	-
Intangible Assets Under Development*		-	-	-
Biological Assets Other Than Bearing Plants*		-	-	-
Investments Accounted for Using The Equity Method		-	-	-
Financial Assets		-	-	-
i. Investments	6(a)	1,311,390	2,264,490	2,264,490
ii. Loans	6(c)	2,338,135,891	2,331,584,336	2,394,862,157
iii. Other Financial Assets		-	-	-
Deferred Tax Assets		-	-	-
Other non-current Assets		-	-	-
Total Non-Current Assets		3,429,320,499	3,425,386,494	3,491,358,072
Current Assets				
Inventories	7	7,013,789	63,002,711	74,905,928
Financial Assets		-	-	-
i. Investments		-	-	-
ii. Trade Receivables	6(b)	538,453,127	553,928,753	553,381,104
iii. Cash And Cash Equivalents	6(d)	12,986,533	18,696,482	22,696,055
iv. Bank Balance other than(iii)above*		-	-	-
v. Loans	6(c)	58,841,776	55,825,713	52,733,302
vi. Other Financial Assets		-	-	-
Other Current Assets	8	60,531,124	54,349,609	50,386,205
Current tax assets (Net)	9	19,190,951	11,111,970	2,989,698
Assts classified as held for sale		-	-	-
Total Current Assets		697,017,299	756,915,238	757,092,292
Total Assets		4,126,337,798	4,182,301,731	4,248,450,364
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	10(a)	710,461,000	710,461,000	710,461,000
Other Equity		-	-	-
Equity component of compound financial Instruments		-	-	-
Reserves and Surplus	10(b)	2,011,495,928	2,014,252,792	2,014,140,763
Other Reserve	10(c)	499,564,540	494,954,899	529,726,633
Equity Attributable to owners of Chromatic India Ltd		3,221,521,468	3,219,668,691	3,254,328,396
Non-Controlling Interests		-	-	-
Total Equity		3,221,521,468	3,219,668,691	3,254,328,396
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities		-	-	-
i. Borrowings		-	-	587,471
ii. Other Financial Liabilities		-	-	-
Provisions		-	-	-
Employee Benefit Obligations		-	-	-
Deferred Tax Liabilities	11	218,594,292	216,388,193	231,021,920
Government Grants		-	-	-
Other non-current Liabilities		-	-	-
Total non-Current Liabilities		218,594,292	216,388,193	231,609,391
Current Liabilities				
Financial liabilities		-	-	-
i. Borrowings	12(a)	31,696,374	40,789,082	56,290,457
ii. Trade Payables	12(b)	643,987,715	697,454,114	691,872,311
iii. Other Financial Liabilities	12(c)	3,493,681	935,490	7,082,799
Provisions		-	-	-
Employee Benefit Obligations	13	930,768	976,161	1,219,010
Government Grants		-	-	-
Current Tax Liabilities		113,500	90,000	48,000
Other Current liabilities	14	6,000,000	6,000,000	6,000,000
Liabilities directly associated with assets classified as held for Sale		-	-	-
Total Current Liabilities		686,222,038	746,244,848	762,512,577
Total Liabilities		904,816,330	962,633,041	994,121,968
Total Equity And Liabilities		4,126,337,798	4,182,301,731	4,248,450,364

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
For S.K.Badjatya & Co
Chartered Accountants
Firm Registration No. 004017C

CA Sudhir K. Jain
Partner
Membership No. 072282

Place: Mumbai
Date : 26th May,2018

For and on behalf of Board of Directors

Mr.V.K.Kaushik
Whole Time Director
Din No : 02586479

Mr.Mayank Kotadia
Director
Din No : 07484438

Place: Mumbai
Date : 26th,May,2018



Statement of Profit & Loss for the Year Ended 31st March,2018

(Amount in INR)

	Note No.	For the Year Ended 31st March,2018	For the Year Ended 31st March 2017
Continuing Operations			
Revenue from operations	15	430,251,122	356,543,067
Other income	16(a)	6,190,343	16,295,916
Other Gains	16(b)	-	2,263,559
Total Income		436,441,465	375,102,542
Expenses			
Cost of material consumed	17(a)	368,344,325	314,035,300
Changes in Inventories of work-in-progress & Finished Goods	17(b)	14,168,428	3,800,408
Employee benefits expense	18	17,685,224	14,053,602
Depreciation and Amortization expense	19	2,293,431	2,425,262
Other Expense	20	32,334,345	36,987,614
Financial Cost	21	2,711,534	3,329,882
Total Expenses		437,537,287	374,632,067
Profit before exceptional items and tax		(1,095,822)	470,475
Exceptional Items		-	-
Profit Before Tax from Continuing Operations		(1,095,822)	470,475
Income Tax Expense			
(a) Current tax		113,500	90,000
(b) Deferred tax		250,613	268,445
(c) Earlier Year		1,193,601	-
Total Tax Expense		1,557,714	358,445
Profit/(loss) from Continuing operation		(2,653,536)	112,030
Profit/(loss) from Discontinued operations		-	-
Profit for the period		(2,653,536)	112,030
Other comprehensive Income			
A. Item that may be reclassified to profit or loss			
a. Exchange difference on translation of foreign assets & Liabilities		6,518,287	(49,673,906)
B. Item that will not be reclassified to profit or loss			
a. Changes in fair value of FVOCI Equity Instruments		46,840	-
Total comprehensive income for the period		3,911,590	(49,561,876)
Earning per equity share(for Continuing operation)			
(1) Basic		(0.04)	0.002
(2) Diluted		(0.04)	0.002
Earning per equity share(for Discontinued operation)			
(1) Basic		-	-
(2) Diluted		-	-
Earning per share (for discontinued & continuing Operation)			
(1) Basic		(0.04)	0.002
(2) Diluted		(0.04)	0.002
The accompanying notes are an integral part of the financial statements.			

As per our report of even date attached

For S.K.Badjatya & Co
Chartered Accountants
Firm Registration No. 004017C

CA Sudhir K. Jain
Partner
Membership No. 072282

Place: Mumbai
Date : 26th May,2018

For and on behalf of Board of Directors

Mr.V.K.Kaushik
Whole Time Director
Din No : 02586479

Place: Mumbai
Date : 26th,May,2018

Mr.Mayank Kotadia
Director
Din No : 07484438



CASH FLOW STATEMENT AS ON 31.03.2018

(Amount in Lacs)

PARTICULARS	YEAR ENDED 31.03.2018	YEAR ENDED 31.03.2017
I CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income tax including discontinued operations:	(10.96)	4.70
Adjustment for :		
Depreciation	22.93	24.25
Interest	21.66	25.54
Rental Income	(10.56)	(10.56)
Loss on sale of Fixed Assets	-	2.11
Interest earned	(0.84)	(5.49)
Loss/ expenses of previous year adjusted	(1.03)	-
	32.16	35.86
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	21.20	40.56
Changes in operating assets and liabilities :		
(Increase)/ Decrease in Trade and other Receivables including Loans & Advances	(20.28)	(21.22)
(Increase)/ Decrease in Inventories	559.89	119.03
Increase/(Decrease) in Trade & Other Payables	(527.72)	(8.56)
	11.89	89.25
CASH GENERATED FROM OPERATIONS	33.09	129.81
Income Tax Paid	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES	33.09	129.81
II CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(6.29)	(0.75)
Proceeds from Sale of Fixed Assets	-	1.32
Rental Income	10.56	10.56
Interest Received	0.84	5.49
	5.11	16.62
NET CASH USED IN INVESTING ACTIVITIES	5.11	16.62
III CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) / increase in Long Term Borrowings	-	(5.87)
(Repayment) / increase in Short Term Borrowings	(90.93)	(155.01)
Interest Paid	(4.38)	(25.54)
	(95.30)	(186.43)
NET CASH USED IN FINANCING ACTIVITIES	(95.30)	(186.43)
IV NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(57.10)	(40.00)
ADD : Opening Balance as on 01.04.2017 (P.Y. As on 01.04.16)	186.96	226.96
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	129.87	186.96
Notes to the cash flow statement :		
Cash and cash equivalent consist of cash on hand and balances with banks and investments in money market instruments.		
	31.03.2018	31.03.2017
Cash on hand	70.59	15.99
Balances with banks	59.27	170.97
	129.87	186.96

As per our report of even date attached
For S.K.Badjatya & Co
Chartered Accountants
Firm Registration No. 004017C

CA Sudhir K. Jain
Partner
Membership No. 072282

Place: Mumbai
Date : 26th May,2018

For and on behalf of Board of Directors

Mr.V.K.Kaushik
Whole Time Director
Din No : 02586479

Mr.Mayank Kotadia
Director
Din No : 07484438

Place: Mumbai
Date : 26th,May,2018



Statement of changes in equity

Particulars	Equity share capital	Reserve & surplus				Other Reserves		Total Equity
		Capital Reserve	Security Premium Reserve	General Reserve	Retained Earning	FVOCI Equity Investment	Foreign Currency Translation Reserve	
Balance as at 1 April 2016	710,461,000	1,695,000	1,985,812,100	17,978,960	8,654,703	-	529,726,633	3,254,328,396
Changes in equity Share Capital	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	112,030	-	-	112,030
Other comprehensive income	-	-	-	-	-	-	-	-
Changes in fair value of FVOCI equity instruments	-	-	-	-	-	-	-	-
Exchange Differences on Translation on foreign assets & liabilities	-	-	-	-	-	-	(49,673,906)	(49,673,906)
Deffered Tax Assets/(Liabilities)	-	-	-	-	-	-	14,902,172	14,902,172
Balance as on 31st March 2017	710,461,000	1,695,000	1,985,812,100	17,978,960	8,766,732	-	494,954,899	3,219,668,691
Changes in equity Share Capital	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	(2,653,536)	-	-	(2,653,536)
Prior period items	-	-	-	-	(103,326)	-	-	(103,326)
Other comprehensive income	-	-	-	-	-	-	-	-
Changes in fair value of FVOCI equity instruments	-	-	-	-	-	46,840	-	46,840
Exchange Differences on Translation on foreign assets & liabilities	-	-	-	-	-	-	6,518,287	6,518,287
Deffered Tax Assets/(Liabilities)	-	-	-	-	-	-	(1,955,486)	(1,955,486)
Balance as on 31st March 2018	710,461,000	1,695,000	1,985,812,100	17,978,960	6,009,868	46,840	499,517,700	3,221,521,468



Notes forming part of the financial statements

Note-1: Company Overview

The Company is currently in the business of manufacturing, trading and export of Synthetic Organic Dyestuff and dyes intermediates. The Company concentrates on the Reactive Dyestuff mainly Vinyl Sulfone type, bi-functional, multi-functional and high exhaustion and the latest dyestuff to make liquid dyestuff. All the products are appreciated all over the world. At present, the Company is manufacturing only Reactive Dyes based on Vinyl Sulphone & Cyanuric Chloride. In future, the Company is planning to manufacture Disperse & Vat Dyes. The Company has also started trading activities in chemicals and building material and also has taken Power Trading license from Govt. of India.

Note-2: Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

- a) The financial statements of the Company have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments which have been measured at fair value. The accounting policies are consistently applied by the Company during the year and are consistent with those used in previous year except for the changes in accounting policies required to be made on adoption of Indian Accounting Standards notified under the Companies Act, 2013.
- b) In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. Previous period's and year's numbers in the financial statements have been restated to Ind AS.
- c) These financial statements have been prepared in accordance with Ind AS 34 Interim Financial Reporting as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.
- d) These financial statements are the Company's first Ind AS Standalone financial statements.

2.2 Use of Estimates

The preparation of the condensed financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of period /year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.3 Revenue Recognition

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

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Excise Duty, Sales Tax and VAT are deducted from turnover (gross).

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognised even if same are declared after the balance sheet date but pertains to period on or before the date of balance sheet.

Rentals

Revenue is recognised on accrual & time proportion basis.

**2.4 Accounting for Export Incentive:**

Export incentive are recognised on exports on accrual basis, and based on the estimated realizable value of such entitlements.

2.5 Property, plant and equipment:

Fixed Assets are stated at cost (net of Cenvat Credit) of acquisition/construction and includes amounts added on revaluation, less accumulated depreciation and impairment loss. Cost includes purchase price, borrowing costs and any direct expenses as well as clearly identifiable indirect expenses incurred to bring the assets to their working condition for its intended use.

Transition to Ind AS

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

Expenditure during Project Implementation Period:

All expenditure, including advances given during the project implementation period, is accumulated and disclosed as capital work-in progress until the assets are ready for commercial use.

2.6 Investment Property

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment Property. Investment property is measured initially at its cost, including related transaction costs and borrowing costs, where applicable. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and cost of the item can be measured reliably. All other repairs and maintenance cost are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property are depreciated using the straight line method over their estimated useful lives.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of its Investment properties recognised as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

2.7 Depreciation and Amortisation

Depreciation on Fixed Assets is provided to the extent of depreciable amount on 'Straight Line Method' as on 31.03.2014 on the remaining useful life of the Assets in the manner and at the rates specified in Schedule II of the Companies Act, 2013 except in the case of buildings where WDV as on 31.03.2014 has been depreciated in the remaining estimated life of the asset (as certified by the management in the absence of complete details of additions), which is different than those prescribed in schedule-II. Assets acquired under finance lease are depreciated over the period of lease. Leasehold land & and premium thereon are depreciated over the period of lease. Also individual capital items of upto a value of Rs.5,000/- have been fully depreciated.

2.8 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

2.9 Leased Assets

Finance leases, which effectively transfer to the Company, all the risks and benefits incidental to ownership of the



leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised. If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

2.10 Foreign Currency Transactions

i) Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. Equity Investment in foreign companies are recorded at the exchange rates prevailing on the date of making the investments, however, any advances to foreign company are reported using the closing rate.

(iii) Exchange Differences:

Exchange differences arising on a monetary item that, in substance, form part of the company's net investment (except investment in share capital) in a non-integral foreign operation is recognised in other comprehensive income and accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognised as income or as expenses.

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

iv) Forward Exchange Contracts not intended for trading or speculation purposes:

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or as expense for the year. None of the forward exchange contracts are taken for trading or speculation purpose.

2.11 Investment

Investments that are readily realisable 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. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the Investment.

2.12 Inventories

Inventories are valued as follows:

Raw materials, packing material, Work in progress, components, stores and spares:

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First in First out basis (FIFO).

Finished goods:

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.



Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the product saleable.

2.13 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 Income-tax Act, 1961 enacted in India. Deferred income tax reflects 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 and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised 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 realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are 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 realised. 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

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

2.14 Employee Benefits:

Retirement benefits in the form of Provident Fund and Government administered Employees Insurance and Pension Plans are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is a defined benefit obligations and are provided for on the basis of an actuarial valuation. The Company makes annual contributions to the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The Scheme provides for lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The Company has a scheme for compensated absences for employees, the liability of which is recognised on actual basis instead of accrual basis and charged to Profit and Loss Account in the year of payment.

Expenditure on Voluntary Retirement Scheme are amortised over the period of two years.

2.15 Borrowing Cost:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.



2.16 Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.17 Provision:

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.18 Cash and Cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.19 Segment:

In accordance with Notified Indian Accounting Standard (Ind AS-108) "Operating Segments", the Company's business constitutes only one reportable business segment being manufacturing & trading of S. O. Dyes & Chemicals and hence no separate disclosure to attributable Revenues, Profits, Assets, Liabilities, and Capital Employed are given. Geographical segments details i.e. the Domestic and the Overseas are provided in the notes to the accounts.

2.20 Contingent Liabilities:

Contingent Liabilities, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the approval of the accounts by the Board of Directors and which have material effect on the position stated in the Balance Sheet.

2.21 First-time adoption of Ind-AS:

These financial statements, for the year ended March 31, 2018 are the first financial statements the Company has prepared in accordance with Ind-AS. For periods up to and including the year ended March 31, 2017 the Company prepared its financial statements in accordance with statutory reporting requirements in India immediately before adopting Ind AS ('previous GAAP').

Accordingly, the Company has prepared condensed financial statements which comply with Ind-AS applicable for year ended March 31, 2018, together with the previous year ended March 31, 2017. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind-AS. There were no adjustments made by the Company in restating its Indian GAAP financial statements including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

Exemptions applied:

Ind AS 101 allows first-time adopters certain optional exemptions from the retrospective application of certain requirements under IndAS. The Company has applied the following optional exemptions:

- a) Deemed cost :The Company has elected to measure the carrying value for all of its Property, Plant & Equipment and Investment Properties as per the previous GAAP and used that as its deemed cost as at the date of transition to Ind AS i.e. April 1, 2016.
- b) Ind AS 101 allows a Company to measure investments in subsidiaries and associates at the deemed cost. The Company has considered the carrying amount as per previous GAAP at the previous reporting date as the deemed cost.
- c) Ind AS 101 allows a Company to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to IndAS. The Company has elected to apply this exemption for its investment in equity instruments.



Note No.3 property Plant & Equipment

	Land-Lease Hold	Building & Res.Flat	Furniture & Fixture	Plant & Machinery	Office & Other Equipment	Vehicles	Total
Year Ended 31st March 2017							
Gross Carrying Amount							
Deemed Cost As AT 1st April 2016	11,702,920	29,338,599	2,781,217	55,605,751	6,145,138	6,148,529	111,722,154
Exchange Differences	-	-	-	-	-	-	-
Additions	-	-	-	-	74,797	-	74,797
Assets Included in a Disposal	-	-	-	-	-	-	-
Group Classified as held for sale	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	738,073	738,073
Closing gross carrying amount	11,702,920	29,338,599	2,781,217	55,605,751	6,219,935	5,410,456	111,058,878
Accumulated depreciation							
Depreciation charge during the year	1,015,325	16,637,973	2,776,844	45,856,921	5,662,897	2,883,280	-
Assets included in a disposal group classified as held for sale(Note 33)	156,712	976,323	866	622,275	173,772	477,513	2,407,461
Disposals	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	394,782	394,782
Closing accumulated depreciation	1,172,037	17,614,296	2,777,710	46,479,196	5,836,669	2,966,011	76,845,919
Net carrying amount as on 31 March 2017	10,530,883	11,724,303	3,507	9,126,555	383,266	2,444,445	34,212,959
Year Ended 31st March 2018							
Gross Carrying Amount							
Opening gross carrying amount	11,702,920	29,338,599	2,781,217	55,605,751	6,219,935	5,410,456	111,058,878
Exchange Differences	-	-	-	-	-	-	-
Additions	-	-	-	-	28,988	-	28,988
Assets classified as held for sale(Note 11)	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Closing gross carrying amount	11,702,920	29,338,599	2,781,217	55,605,751	6,248,923	5,410,456	111,087,866
Accumulated depreciation and impairment							
Opening accumulated depreciation	1,172,037	17,614,296	2,777,710	46,479,196	5,836,669	2,966,011	76,845,919
Depreciation charge	156,713	976,323	866	622,277	139,145	380,306	2,275,630
Impairment loss (iii)(Note.1)	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-
Assets classified as held for sale(Note 11)	-	-	-	-	-	-	-
Closing accumulated depreciation and impairment	1,328,750	18,590,619	2,778,576	47,101,473	5,975,814	3,346,317	79,121,549
Net carrying amount as on 31 March 2018	10,374,170	10,747,980	2,641	8,504,278	273,109	2,064,139	31,966,310



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Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Note No.04 Capital Work in Progress			
Capital Work in Progress	1,057,800,000	1,057,200,000	1,057,200,000
Total	1,057,800,000	1,057,200,000	1,057,200,000

Note No.05 Investment Property

Particulars	31.03.2018	31.03.2017	01.04.2016
Gross Carrying Amount			
Opening gross Carrying Amount/Deemed Cost	1,309,679	1,309,679	1,309,679
Additions	-	-	-
Closing Gross carrying amount	1,309,679	1,309,679	1,309,679
Accumulated depreciation			
Opening Accumulated Depreciation	1,184,970	1,167,169	-
Depreciation Charge	17,801	17,801	-
Closing Accumulated Depreciation	1,202,771	1,184,970	1,167,169
Net Carrying Amount	106,908	124,709	142,511
Amount recognised in Profit & Loss Account			
Rental Income	1,056,000	1,056,000	-
Direct Op Expenses from property that generated rental income	-	(568,470)	-
Profit from Investment property before Dep	1,056,000	487,530	-
Depreciation	(17,801)	(17,801)	-
Profit from Investment property	1,038,199	469,729	-

Note no.6(a) Non-Current Investment

Details of Non-Current Investment

Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	Quoted / Unquoted	No. of Shares			Partly Paid / Fully paid	Extent of Holding (%)			Amount (Rs.)		
			2018	2017	2016		2018	2017	2016	2018	2017	2016
Investment in Equity Instruments												
Long Term, Trade												
Chromatic Ferro Alloys Ltd. Equity shares of 10/- each fully paid up	Subsidiary	Unquoted	-	99940	99940	Fully paid	0.00%	99.94%	99.94%	-	999,940	999,940
Chromatic International FZE Equity shares of 100000 AED each fully paid	Subsidiary	Unquoted	100000	100000	100000	Fully paid	100%	100%	100%	1,228,550	1,228,550	1,228,550
Long Term, Non - Trade												
Equity shares of Bank of India of Rs. 10 each at a premium of Rs. 35/- each	Others	Quoted	800	800	800	Fully paid	-	-	-	82,840	36,000	36,000
Total										1,311,390	2,264,490	2,264,490



Note no.6(a) Non-Current Investment (Contd.)

Particular	2017-18	2016-17	2015-16
Aggregate amount of quoted investment	82,840	36,000	36,000
Aggregate amount of unquoted investment	1,228,550	2,228,490	2,228,490
Aggregate amount of impairment in value of investment	-	-	-
Total	1,311,390	2,264,490	2,264,490

Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Note -06(b) Trade receivable			
Trade receivables	538,835,389	554,311,015	553,763,367
Receivables from related parties	-	-	-
Less: Provision for doubtful trade receivables	382,263	382,263	382,263
Total receivables	538,453,127	553,928,753	553,381,104
Current Portion	538,453,127	553,928,753	553,381,104
Non-current portion	-	-	-
Break-up of security Details			
Secured considered goods	-	-	-
Unsecured considered goods	538,835,389	554,311,015	553,763,367
Doubtful	-	-	-
Total	538,835,389	554,311,015	553,763,367
Allowance for doubtful debts	382,263	382,263	382,263
Total trade receivables	538,453,127	553,928,753	553,381,104

Note -06 (c) Loans

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Current	Non current	Current	Non current	Current	Non current
Unsecured, considered good:						
Loans and advances to related parties						
- Arcoiris SA	-	-	-	-	-	13,603,915
- Chromatic International FZE	-	2,336,749,514	-	2,330,231,222	-	2,379,905,128
Loans and advances to employees	1,263,050	-	1,266,650	-	1,152,950	-
Other advances	57,578,726	-	54,559,063	-	51,580,352	-
Doubtful	-	-	-	-	-	-
Security Deposits	-	1,386,377	-	1,353,114	-	1,353,114
Less: Provision for doubtful loans and advances						
Sub total (a)	58,841,776	2,338,135,891	55,825,713	2,331,584,336	52,733,302	2,394,862,157



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Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Note -06(d)Cash and cash equivalents			
Balance with banks			
i. In current accounts	5,205,858	16,418,423	18,498,414
ii. In EEFC accounts			
iii. In deposits accounts	85,406	80,310	74,603
iv. In earmarked accounts			
-Unpaid dividend accounts	1,769	1,769	1,769
-Unpaid matured deposits	-	-	-
-Unpaid matured debentures	-	-	-
- Share application money received for allotment of securities and due for refund	-	-	-
- Balances held as margin money or security against borrowings, guarantees and other commitments	633,457	596,136	3,145,520
- Other earmarked accounts (Gratuity Account)	638	638	638
Cash on hand	7,059,405	1,599,206	975,111
Total	12,986,533	18,696,482	22,696,055
Note-7 Inventories			
(At lower of cost and net realisable value)			
Raw materials (including Goods in transit)	4,321,693	46,142,187	54,244,996
Finished Goods	-	-	-
Work-in-progress	2,692,096	16,860,524	20,660,932
Total	7,013,789	63,002,711	74,905,928
Note -8 Other current assets			
Prepaid Expenses	188,153	181,519	72,577
Balances with government authorities			
i Vat credit receivable	22,907,632	24,720,542	16,063,603
ii Service tax credit receivable	-	172,588	273,868
iii Export incentive receivable	4,680,534	16,820,690	22,440,622
iv Balance with central excise	-	12,454,270	11,535,535
v) Balance with GST	32,754,806	-	-
Total	60,531,124	54,349,609	50,386,205
Note-9 Current tax assets			
TDS receivable/Deposit with IT (net of provisions)	19,190,951	11,111,970	2,989,698
Total	19,190,951	11,111,970	2,989,698



Note -10 (a) Share Capital

1	Particulars	As at 31st March,2018		As at 31 March 2017		As at 1 April 2016	
		Number	Amount	Number	Amount	Number	Amount
	Authorised						
	Equity Shares of Rs 10/- each	125000000	1,250,000,000	125000000	1,250,000,000	125000000	1,250,000,000
	Issued						
	Equity Shares of Rs 10/- each	71046100	710,461,000	71046100	710,461,000	71046100	710,461,000
	Subscribed & Paid up						
	Equity Shares of Rs 10/- each fully paid	71046100	710,461,000	71046100	710,461,000	71046100	710,461,000
	Total	71046100	710,461,000	71046100	710,461,000	71046100	710,461,000

2	Particulars	As at 31st March,2018		As at 31 March 2017		As at 1 April 2016	
		Number	Amount (Rs.)	Number	Amount (Rs.)	Number	Amount (Rs.)
	Shares outstanding at the beginning of the year	71046100	710,461,000	71046100	710,461,000	71046100	710,461,000
	Shares issued during the year	-	-	-	-	-	-
	Shares bought back during the year	-	-	-	-	-	-
	Shares outstanding at the end of the year	71046100	710,461,000	71046100	710,461,000	71046100	710,461,000

3 Details of Shares held by the Holding Company, the ultimate Holding Company their subsidiaries and associates

Particulars	As at 31st March,2018		As at 31 March 2017		As at 1 April 2016	
	Number	Amount	Number	Amount	Number	Amount
M/s Cheetah Multitrade Private Limited, Holding Company of Chromatic India Limited	9173205	91,732,050	12873305	128,733,050	20273305	202,733,050

4 Details of shares held by each shareholder holding more than 5 percent shares

Name of Shareholder	As at 31st March,2018		As at 31 March 2017		As at 1 April 2016	
	Shares held	% of Holding	Shares held	% of Holding	Shares held	% of Holding
M/s. Cheetah Multitrade Pvt. Ltd.	9173305	12.91%	12873305	18.12%	20273305	28.54%

Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
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Note-10(b) Reserve and surplus

Capital reserve	1,695,000	1,695,000	1,695,000
Securities premium reserve	1,985,812,100	1,985,812,100	1,985,812,100
General reserve	17,978,960	17,978,960	17,978,960
Other reserve	499,564,540	494,954,899	529,726,633
Retained earnings	6,009,868	8,766,732	8,654,703
Total	2,511,060,468	2,509,207,691	2,543,867,396

Capital reserve

Opening balance	1,695,000	1,695,000	1,695,000
Add: Additions during the year (give details)	-	-	-
Less: Utilised / transferred during the year (give details)	-	-	-
Closing balance	1,695,000	1,695,000	1,695,000



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Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Note-10(b) Reserve and surplus (Contd.)			
Securities premium account			
Opening balance	1,985,812,100	1,985,812,100	1,985,812,100
Add : Premium on shares issued during the year	-	-	-
Less : Utilised during the year for:			
Issuing bonus shares	-	-	-
Closing balance	<u>1,985,812,100</u>	<u>1,985,812,100</u>	<u>1,985,812,100</u>
General reserve			
Opening balance	17,978,960	17,978,960	17,978,960
Add: Transferred from surplus in Statement of Profit and Loss	-	-	-
Less: Utilised / transferred during the year for:			
Issuing bonus shares	-	-	-
Others (give details)	-	-	-
Closing balance	<u>17,978,960</u>	<u>17,978,960</u>	<u>17,978,960</u>
Retained earnings			
Opening balance	8,766,732	8,654,703	8,384,262
Add: Profit / (Loss) for the year	(2,653,536)	112,030	270,442
Add: Adjustment Relating to Fixed Assets*	-	-	-
TOTAL	<u>6,113,194</u>	<u>8,766,732</u>	<u>8,654,703</u>
Add/ (Less): Prior Period Expenses	(103,326)	-	-
Profit after Tax and Prior Period Adjustments	<u>6,009,868</u>	<u>8,766,732</u>	<u>8,654,703</u>
Less: Provision for dividend (including Dividend Tax)	-	-	-
Closing balance	<u>6,009,868</u>	<u>8,766,732</u>	<u>8,654,703</u>
	<u>2,011,495,928</u>	<u>2,014,252,792</u>	<u>2,014,140,763</u>
Note-10(c) Other Reserve			
Foreign currency translation reserve			
Opening balance	494,954,899	529,726,633	756,752,333
Add / (Less): Effect of foreign exchange rate variations during the year	6,518,287	(49,673,906)	-
Add/(Less): Deffered Tax Assets/(Liabilities)	(1,955,486)	14,902,172	(227,025,700)
Add / (Less): Transferred to Statement of Profit and Loss on disposal of the net investment in non-integral foreign operations	-	-	-
Closing balance	<u>499,517,700</u>	<u>494,954,899</u>	<u>529,726,633</u>
FVOCI equity investments reserve			
Opening balance	-	-	-
Changes in fair value of FVOCI equity instruments	46,840	-	-
Closing balance	<u>46,840</u>	<u>-</u>	<u>-</u>
TOTAL	<u>499,564,540</u>	<u>494,954,899</u>	<u>529,726,633</u>



Notes:

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.

FVOCI Equity Instruments

The Company has elected to recognize changes in the fair value of investments in quoted equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserves within equity. The Company transfers amount from this reserve to retained earnings when the relevant equity securities are derecognized.

Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Note No.11 Deferred Tax Liabilities			
Deffered tax Liabilities	216,388,193	231,021,920	3,996,220
Deffered tax Liabilities/assets for current year	250,613	268,445	
Changes in Foreign currency Translation reserve	1,955,486	(14,902,172)	227,025,700
	-	-	-
Total	218,594,292	216,388,193	231,021,920
Note - 12(a) Non current borrowings			
Term loans			
From banks			
Secured	-	-	-
Unsecured	-	-	-
Total	-	-	-
From other parties			
Secured*(Interest@11.50%)	-	587,471	-
Unsecured	-	-	587,471
Total	-	-	587,471
* Secured by Hypothecation of underlying assets purchased.			
Note - 12(a) Current borrowings			
Loan repayable on demand			
From bank			
Secured#			
i Cash credit lilit from bank of india (interest @13%)	4,016,034	2,258,849	16,044,419
ii Export packing credit from bank of india(Interest @9.00%)	7,649,999	20,501,762	4,132,023
Unsecured	-	-	-
Total(a)	11,666,033	22,760,611	20,176,442
From Other parties			
Secured @	-	-	15,785,672
Unsecured	19,430,427	17,430,427	19,930,427
Advances from Customer	599,913	598,044	397,916
Total(b)	20,030,340	18,028,472	36,114,015
Total(a+b)	31,696,374	40,789,082	56,290,457



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Secured by exclusive charge on the underlying plant & machineries i.e. Hot Air Generator, Hypoyhecation of Stocks, Collateral Security of Equitable Mortgage of Land & Buildings situated at B-12/2, Lote Parshuram Indl. Area, Taluka-Khed, Distt. Ratnagiri and simple deposit of title deeds of office premises situated at Vikhroli, Mumbai.

@ Secured by shares held by the Promoters

Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Note - 12(b) Trade payable			
Trade payable	643,987,715	697,454,114	691,872,310
Trade payable to related parties	-	-	-
Total	643,987,715	697,454,114	691,872,310
Note - 12(c) Other financial liabilities			
Current maturities of long-term debt (Refer Note (i) below)	-	-	-
Current maturities of finance lease obligations	-	-	381,573
Interest Payable	1,728,327	-	-
Other payables			
i Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	361,302	171,587	317,573
ii Others: Salary & Wages	1,403,548	680,367	779,610
iii Other Liabilities	504	83,536	5,604,043
Total	3,493,681	935,490	7,082,799
Note - 13 Employee benefit obligations			
Provision for bonus	633,750	375,200	403,200
Provision for other employee benefits - Exgratia	-	158,400	172,800
Provision for Gratuty employee benefits	297,018	442,561	643,010
Total	930,768	976,161	1,219,010
Note - 14 Other Current liabilities			
Other Current liabilities	6,000,000	6,000,000	6,000,000
Total	6,000,000	6,000,000	6,000,000



CHROMATIC INDIA LTD

Particulars	For the year ended 31st March 2018 Rs.	For the year ended 31st March 2017 Rs.
Note 15: Revenue from operations		
Sale of products	334,620,304	335,201,367
Sales of traded goods	95,630,817	21,341,700
Total	430,251,122	356,543,067
Note 16(a): Other income		
Interest Received	84,089	548,708
Dividend-others from Long Term Investments	-	-
Rent Recd	1,056,000	1,056,000
Conversion Charges	-	736,864
Duty Drawback	5,017,277	5,836,299
Misc & other income	32,977	8,118,045
Total	6,190,343	16,295,916
Note 16(b): Other gain		
Foreign Exchange Gain	-	2,263,559
Total	-	2,263,559
Note 17(a) : Cost of material consumed		
Raw Material consumed		
Opg Stock of Raw Material	46,142,187	54,244,996
Add : Raw Material Purchase	320,787,562	299,759,937
Packing Material	3,509,254	3,867,017
Freight Inward	2,227,014	2,305,539
	372,666,018	360,177,488
Less : Closing stock	4,321,693	46,142,187
Total	368,344,325	314,035,300
Note 17(b) : Changes in inventories		
Inventory at the beginning of the year Finished & Work in Progress		
Finished Goods	-	-
Work in Progress	16,860,524	20,660,932
	16,860,524	20,660,932
Inventory at the end of the year		
Finished Goods	-	-
Work in Progress	2,692,096	16,860,524
	2,692,096	16,860,524
Changes in Inventories	14,168,428	3,800,408



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Particulars	For the year ended 31st March 2018 Rs.	For the year ended 31st March 2017 Rs.
Note 18: Employees benefit expense		
Salary, Wages and Bonus Etc.	16,000,186	12,293,683
Company's Contribution to Provident Fund, ESIC & Gratuity	784,930	828,470
Staff welfare Expenses & other Amenities	900,108	931,449
Leave Encashment	-	-
Total	17,685,224	14,053,602
Note 19: Depreciation and Amortization Expenses		
Depreciation of property, Plant & equipment	2,275,630	2,407,461
Depreciation on investment property	17,801	17,801
Total	2,293,431	2,425,262
Note 20 : Other Expense		
Rates & Taxes	259,372	284,982
Power & Water	4,165,362	4,159,271
Stores & Spares	1,148,965	1,342,155
Repairs and Maintenance :		
- Repairs to Building	870,101	788,725
- Repairs to Machinery	836,933	390,406
- Repairs to Others	134,241	107,335
Advertisement & Sales Promotion	217,896	108,971
Freight & Forwarding Charges	3,668,132	2,805,346
Travelling Expenses	1,985,708	669,570
Auditor's Remuneration	478,578	474,096
Insurance	244,596	216,599
Telephone Charges	311,787	264,631
Car Expenses	850,926	819,038
Labour Charges	3,374,374	4,369,594
General Expenses	3,610,758	2,284,889
Annual Listing Exps	507,524	457,275
Professional Charges	976,344	1,248,952
Printing & Stationery	212,152	243,720
Balance Written Off	5,625,114	15,952,058
Foreign Exchange Loss (Net)	2,855,483	-
Total	32,334,345	36,987,614
Note-21: Financial Cost		
Interest expense		
Bank Interest	2,164,168	2,536,783
Other Interest	1,782	17,215
Bank Charges	545,584	775,884
Total	2,711,534	3,329,882

**Notes forming part of the financial statements****OTHER NOTES TO ACCOUNTS**

22 Contingent liabilities not provided for:	As at 31-03-18 (Rs. In Lacs)	As at 31-03-17 (Rs. In Lacs)
Income Tax Demand for which company has gone into appeal	2108.28	70.85
Bank Guarantees (secured by fixed deposit receipts)	7.19	5.65
23 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.		
24 In the opinion of the Board, current assets, loans and advances shall have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provision for all known liabilities have been made and contingent liabilities disclosed properly. Balances of sundry debtors, sundry creditors, loans and advances and other personal accounts are subject to confirmation and reconciliation. Consequential impact, if any, will be considered as and when determined. Sundry Debtors and Loans & Advances (other than advances to subsidiaries) includes amount of Rs 38.61 crore and Rs 1.06 crore respectively for a period of more than 3 years.		
25 Loans & Advances includes non-interest bearing unsecured loan of Rs. 233,67,49,514/- given to Chromatic International FZE, the subsidiary of the company for overseas Business Development. The subsidiary did not do any business during the year. Company has not made the accounting treatment as prescribed in Ind AS 109 (Financial Instruments) and Ind AS 113 (Fair Value Measurement). Due to non availability of repayment plan, Company is not able to provide the impact of the same in Balance sheet/ Notes.		
26 The Company has written off the entire amount of Rs. 14.49 Lacs during the year, related to investments in subsidiary namely Chromatic Ferro Alloys Limited, net worth of which is completely eroded and the company has started process of winding up of same.		
27 On transition to Ind AS, Company has classified one of its Building which has been given on rent, as Investment Property as per Ind AS 40 (Investment Property) and elected to continue with the carrying value recognised as at 1 April 2016 measured as per previous GAAP. Further, as prescribed in IAS 40, Company has not measured the Investment property at Fair value as on 31.03.2018.		
28 Due to adverse market conditions, company has defaulted in the financial obligations to Bank and accordingly, in compliance with the extant RBI guidelines, Bank has degraded the status of the account from Standard to Non Performing Asset and issued a notice under The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002. Company's management is already under discussion with the Bank for the extended repayment plan and also started repaying the debt gradually. The total outstanding amount of financial obligation of the Bank is Rs. 116.66 lacs as on March 31, 2018.		
29 Capital work in progress includes an amount of Rs. 105.72 Crores, paid during previous accounting years for setting up of power plant. The procurement has not been done for pending clearances from the Govt. These advances are subject to confirmation and reconciliation and outstanding for more than 3 years.		
30 No events or transactions have occurred since the date of Balance Sheet or are pending that would have a material effect on the financial statements at the date or for the period then ended, other than those reflected or fully disclosed in the Notes on Accounts.		
31 Net amount of exchange differences	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
The net amount of exchange differences debited / (credited) 'to profit & loss account	2,855,483	(2,263,559)
32 Provision for Gratuity payable to employees has been covered by the Group Gratuity Policy taken by the company with LIC of India and premium of the policy has been duly accounted for as advised by LIC of India as per communication dated 08.05.2018 on estimated basis. However, no provision has been made for leave encashment as required by Ind AS-19		



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(Employee Benefits) notified by Companies (Indian Accounting Standard) Rules 2015 and the same shall be accounted for as and when paid.

A. Defined Contribution Plans - Employers contribution to Provident Fund :

During the year the company has recognized the following amounts in the statement of Profit & Loss

Employers Contribution to Provident fund	2017-18	2016-17
	830,164.00	740,165.00

B. State Plans - Employers contribution to Employee State Insurance:

During the year the company has recognized the following amounts in the Statement of Profit & Loss

Employers Contributions to Employee State Insurance	2017-18	2016-17
	3,454.00	4,052.00

Present value of gratuity obligation based on actuarial valuation using the projected unit credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to built up the final obligation:

I. Change in present value of obligations:	Gratuity 2017-18	Gratuity 2016-17
Present value of obligation at the beginning	4,718,947.00	4,823,336.00
Current service costs	201,763.00	187,944.00
Benefits paid	-	-
Acturial (Gain)/Loss on obligation	25,538.00	(292,333.00)
Present value of obligation at the end	4,946,248.00	4,718,947.00
II. Amount to be recognized in the Balance Sheet:	2017-18	2016-17
Present value of obligation at the end of the current year	4,946,248.00	4,718,947.00
Fair value of plan assets at the end of the I.V.P	-	-
Funded status	4,863,669.00	4,872,341.00
Unrecongized Actuarial (Gain)/Loss at the end	-	-
Net (Assets)/Liability Recognized in the Balance Sheet	82,579.00	(153,394.00)
III. Expenses recognized in the Statement of Profit & Loss:	2017-18	2016-17
Current service cost	201,763.00	
Net Actuarial (Gain)/Loss recognized in the I.V.P	-	-
Expenses recognized in the Statement of Profit & Loss	12,676.00	12,001.00
IV. Actuarial Assumptions:	LIC 2006-08 (Ultimate) 2017-18	LIC 2006-08 (Ultimate) 2016-17
Discounting Rate	7.50%	8.00%
Salary Rise	5.00%	5.00%
Withdrawl Rate	1% - 3%	1% - 3%
Average Past Service	22.15	21.60



33 Segment reporting

The Company operates in one business segment, namely manufacturing & trading of S.O.Dyes & Chemicals and geographic segments i.e. the Domestic and the Overseas. They are summarised as follows. :

Particulars	Domestic	Overseas	Total
Sales	95,630,818 (21,341,700)	334,620,304 (335,201,367)	430,251,122 (356,543,067)
Total Sales	95,630,818 (21,341,700)	334,620,304 (335,201,367)	430,251,122 (356,543,067)

Figures in bracket represent previous year figures.

The following table shows the distribution of sales in India and outside India

Name of the country	2017-18 (Rupees)	2016-17 (Rupees)
India	95,630,818	21,341,700
Switzerland	212,884,437	238,849,404
Austria	6,534,360	16,896,854
Italy	1,278,108	1,417,742
Singapore	113,923,399	77,611,738
Hungary	-	425,629
Total	430,251,122	356,543,067

Disclosure of Segment-wise Liabilities and Profitability has not been possible, as the company has only one manufacturing plant and a unified marketing and administrative set-up.

Segment assets	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
Export Debtors	109,156,404	121,132,980
Total	109,156,404	121,132,980

34 Related Party Disclosures

As per the Accounting Standard 18, disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

(i) List of related parties and relationships:

Name of the Related Party	Nature of Relationship
(a) Cheetah Multitrade Pvt. Ltd.	Holding Company
(b) Chromatic International FZE	100% Subsidiary
(c) Chromatic Ferro Alloys Ltd	100% Subsidiary
(d) Mr.V.K.Kaushik	Key Managerial Personnel
(e) Mr.Ajay Sethi (Resigned on 11/08/2017)	Independent Director
(f) Ms. Diana Mahesh Joshi	Independent Director
(g) Mr.Mayank Kotadia	Independent Director
(h) Mr Sandeep Baban Pawar (27/09/2017 to 12/01/2018)	Independent Director
(i) Ms Suruchi Pednekar	Company Secretary

(ii) Entities in which any director or his relative is a partner , director or member

(a) Healthy Choice Agro India Limited	Company
(b) Chromatic Sponge Iron Limited	Company
(c) Chromatic Ferro Alloys Ltd.	Company
(d) Inshape Lifestyle Centre	Proprietorship



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(iii) Remuneration to Whole Time Directors: (Includes benefits which are debited to respective expenses)	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
a Remuneration	1,056,000	1,056,000
b Provident Fund Contribution	126,720	126,720
c Other Perquisites (LTA & Medical Allowance)	-	25,000
Total	1,182,720	1,207,720

(iv) Transactions during the year with related parties(excluding reimbursements)	2017-18 (Rupees)	2016-17 (Rupees)
With Holding Company: Cheetah Multitrade Pvt. Ltd. Unsecured loan taken	-	-
With Subsidiary: Chromatic International FZE Investment in Share Capital of Chromatic International FZE Unsecured loan given	- -	- -
With Subsidiary: Chromatic Ferro Alloys Ltd. Investment in Share Capital of Chromatic Ferro Alloys Ltd. Advances given / received back	- -	- -
With Key Managerial Personnel : Mr.V.K.Kaushik-Remuneration	1,182,720	1,207,720
Mr.Ajay Sethi - Director Sitting Fees	-	5,000
Ms. Diana Mahesh Joshi - Director Sitting Fees	-	5,000
Mr.Mayank Kotadia - Director Sitting Fees	-	2,000
Mr Sandeep Baban Pawar - Director Sitting Fees	-	-
Ms.Suruchi Pednekar - Remuneration	297,600	297,600
(v) Closing balance as on 31st March:		
With Holding Company: Cheetah Multitrade Pvt. Ltd. Unsecured loan taken	8,182,402	8,182,402
With Subsidiary: Chromatic International FZE Investment in Share Capital of Chromatic International FZE Unsecured loan given (including exchange rate difference)	1,228,550 2,336,749,514	1,228,550 2,330,231,222
With Subsidiary: Chromatic Ferro Alloys Ltd. Investment in Share Capital of Chromatic Ferro Alloys Ltd. Advances given	- -	999,940 450,000

35 Calculation of Earning Per Shares

(i) Basic EPS	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
Net Profit / (Loss) after tax available for equity shareholders (Rupees) used as numerator	(2,653,536)	112,030
Weighted average no. of Equity Shares used as denominator	71,046,100	71,046,100
Basic Earning Per Share (In Rupees)	(0.04)	0.002
(ii) Diluted EPS	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
Net Profit / (Loss) after tax available for equity shareholders (Rupees) used as numerator	(2,653,536)	112,030
Weighted average no. of Equity Shares used as denominator	71,046,100	71,046,100
Diluted Earning Per Share (In Rupees)	(0.04)	0.002



36 Deferred Tax

Particulars	Opening Balance as at 01.04.2017	During the year 2017-18	Closing Balance as at 31.03.2018
Deferred Tax Assets			
Ex-Gratia	48,946	(48,946)	-
Bonus	115,937	79,892	195,829
Unpaid Interest	-	534,053	534,053
	164,883	564,999	729,882
Deferred Tax Liability			
Depreciation	4,429,547	815,613	5,245,160
Change in Foreign currency translation reserve	212,123,529	1,955,486	214,079,014
Net Deferred Tax Liability	216,388,193	2,206,099	218,594,292

37 Disclosure pursuant to Clause 32 of The Equity Listing Agreement and section 186 of the Companies Act, 2013 (Rs in Lacs)

Particulars	Year ended 31/03/2018	Year ended 31/03/2017
Loans and advances in the nature of loans to subsidiaries		
Chromatic International FZE		
Balance as at the year end	23,367.49	23,302.31
Maximum amount outstanding at any time during the year* (Interest free loan given to subsidiary has been utilised for meeting working capital requirement)	23,694.88	24,416.77
Chromatic Ferro Alloys Ltd		
Balance as at the year end#	-	4.50
Maximum amount outstanding at any time during the year (Interest free loan given to subsidiary has been utilised for meeting working capital requirement)	4.50	4.50

*there have been no transactions with the subsidiary during the year. The effect/ variation in balances is due to adjustment of foreign exchange fluctuation during the year# Advances written off during the year (refer note 26)

38 Earnings in foreign currency	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
F.O.B. Value of Exports (on accrual basis)	334,620,304	335,201,367

39 Value of import on CIF basis	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
Raw Materials & Packing Material Purchased	-	4,332,219
Stores and Spares Purchased	-	17,127

40 Expenditure in foreign currency	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
Travelling Expenses	1,599,432	405,996

41 Particulars of unhedged foreign currency exposure as at balance sheet date

Particulars	Currency	As at 31-03-18		As at 31-03-17	
		USD	Rupees	USD/EURO	Rupees
Debtors (net of advances)	USD	1,678,296.51	109,156,406	1,866,301.00	121,008,334
	EURO	-	-	1,800.00	124,646



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42 Pursuant to Indian Accounting Standard (AS)-36 on "Impairment of Asset" issued by The Institute of Chartered Accountants of India, the company assessed its fixed assets for impairment as at 31st March 2018, and concluded that there have been no significant impaired fixed assets that need to be recognized in the books of accounts.

43 Disclosure as per clause 32 of the listing agreement:

Loans given to subsidiary company where no repayment schedule is prescribed.

Name of subsidiary company	As at 31-03-18 (Rupees)	Maximum balance outstanding during the year
Unsecured Loan to Chromatic International FZE	2,336,749,514 (2,330,231,222)	2,369,487,753 (2,441,676,887)

Figures in bracket represent previous year figures.

44 Additional quantitative information

A Details of licensed and installed capacity and actual production	As at 31-03-18 in KG	As at 31-03-17 in KG
Licensed capacity	1,200,000	1,200,000
Installed capacity	1,200,000	1,200,000
Actual production	1,072,184	1,002,224

B Details of finished goods / WIP as on 31-03-18 All Quantities are in KG

Particulars	Opening Stock		Production	Turnover		Closing Stock	
	Quantity	Value (Rs.)	Quantity	Quantity	Value (Rs.)	Quantity	Value (Rs.)
S.O. Dyestuffs (Reactive dyes)	40,593	16,860,524	1,072,184	1,103,136	43,025,121	9,641	2,692,096
Total	40,593	16,860,524	1,072,184	1,103,136	43,025,121	9,641	2,692,096
Previous Year	(49,748)	(20,660,932)	(1,002,224)	(1,011,379)	(356,543,067)	(40,593)	(16,860,524)

Figures in bracket represent previous year figures.

C Raw material consumed/ sales

Particulars	For the year ended 31-03-18		For the year ended 31-03-17	
	Quantity	Value (Rs.)	Quantity	Value (Rs.)
H. Acid	24532	8,861,999	24959	9,811,598
J. Acid	15340	7,585,401	14569	9,394,201
Vinyl Sulphone	58560	15,045,682	75683	19,030,185
F.Oil	39129	1,203,134	27460	736,007
Coal	557510	4,061,496	567623	4,087,681
Other raw materials		331,586,613		270,975,628
		368,344,325		314,035,300

D Raw material/Packing material & stores & spares imported/ indigenous:

Particulars	For the year ended 31.03.2018		For the year ended 31.03.2017	
	Value (Rs.)	%	Value (Rs.)	%
A) Raw Material & Packing Material				
Imported	-	0.00	4,332,219	1.43
Indigenous	324,296,816	100.00	299,294,734	98.57
	324,296,816	100.00	303,626,953	100.00
B) Stores & Spares				
Imported	-	0.00	17,127	1.28
Indigenous	1,148,865	100.00	1,325,028	98.72
	1,148,865	100.00	1,342,155	100.00



45 Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires the Company to reconcile equity and total comprehensive income for prior periods. The following table represent the reconciliations from previous GAAP to Ind AS

45.1 Reconciliation of Equity (Standalone Balance Sheet) as at date of transition (1st April 2016)

(Rs.In Lakhs)

PARTICULARS	Prevoius GAAP	Adjustments	Ind AS
ASSETS			
Non-current assets			
Property, plant and equipment	370.32	(1.43)	368.89
Capital work-in-progress	10,572.00	-	10,572.00
Investment Property	-	1.43	1.43
Financial assets	-		
- Non-Current investments	22.64	-	22.64
- Loans	23,978.52	(29.90)	23,948.62
Total Non-Current Assets (A)	34,943.48	(29.90)	34,913.58
Current assets			
Inventories	749.06	-	749.06
Financial assets			
- Current investments	-		
- Trade and other receivables	5,533.81	-	5,533.81
- Cash and cash equivalents	226.96	-	226.96
- Bank Balances (other than above)	-	-	-
- Loans	1,031.19	(503.86)	527.33
Other current assets	-	503.86	503.86
Current Tax Assets	-	29.90	29.90
Total Current Assets (B)	7,541.02	29.90	7,570.92
TOTAL ASSETS (A+B)	42,484.50	0.00	42,484.50
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	7,104.61	-	7,104.61
Other equity			
- Reserves and Surplus	27,708.93	(7,567.52)	20,141.41
- Other Reserves	-	5,297.27	5,297.27
Equity attributable to owners	34,813.54	(2,270.26)	32,543.28
Share application money pending allotment	-	-	-
Total Equity (C)	34,813.54	(2,270.26)	32,543.28
Liabilities			
Non-current liabilities			
Financial liabilities			
- Long term borrowings	5.87	-	5.87
Employee benefit obligation	-	-	-
Deferred tax liabilities (Net)	39.96	2,270.26	2,310.22
Long term provisions	-	-	-
Total Non-Current Liabilities (D)	45.83	2,270.26	2,316.09



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Current liabilities	-		
Financial liabilities	-		
- Short term borrowings	562.90	-	562.90
- Trade and other payables	6,918.72	-	6,918.72
- Other financial liabilities		70.83	70.83
Other current liabilities	131.31	(71.31)	60.00
Liabilities for current tax (net)	-	0.48	0.48
Short-term provisions /Employee benefits	12.19	-	12.19
Total Current Liabilities (E)	7,625.13	-	7,625.13
Total Liabilities (F) (D+E)	7,670.96	2,270.26	9,941.22
TOTAL EQUITY AND LIABILITIES (C + F)	42,484.50	0.00	42,484.50

45.2 Reconciliation of Equity (Standalone Balance Sheet) as on 31st March 2017

(Rs.In Lakhs)

PARTICULARS	Prevoius GAAP	Adjustments	Ind AS
ASSETS			
Non-current assets			
Property, plant and equipment	343.38	(1.25)	342.13
Capital work-in-progress	10,572.00	-	10,572.00
Investment Property	-	1.25	1.25
Financial assets	-		
- Non-Current investments	22.64	-	22.64
- Loans	23,426.96	(111.12)	23,315.84
Total Non-Current Assets (A)	34,364.98	(111.12)	34,253.86
Current assets			
Inventories	630.03	-	630.03
Financial assets	-		
- Current investments	-		
- Trade and other receivables	5,539.29	-	5,539.29
- Cash and cash equivalents	186.96	-	186.96
- Bank Balances (other than above)	-	-	-
- Loans	-	558.26	558.26
Other current assets	1,101.75	(558.26)	543.50
Current Tax Assets	-	111.12	111.12
Total Current Assets (B)	7,458.03	111.12	7,569.15
TOTAL ASSETS (A+B)	41,823.02	0.00	41,823.02
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	7,104.61	-	7,104.61
Other equity			
- Reserves and Surplus	27,213.31	(7,070.78)	20,142.53
- Other Reserves	-	4,949.55	4,949.55
Equity attributable to owners	34,317.92	(2,121.23)	32,196.69
Share application money pending allotment	-	-	-
Total Equity (C)	34,317.92	(2,121.23)	32,196.69



Liabilities	-		
Non-current liabilities	-		
Financial liabilities	-		
- Long term borrowings	-	-	-
Employee benefit obligation	-	-	-
Deferred tax liabilities (Net)	42.65	2,121.23	2,163.88
Long term provisions	-	-	-
Total Non-Current Liabilities (D)	42.65	2,121.23	2,163.88
Current liabilities	-		
Financial liabilities	-		
- Short term borrowings	407.89	-	407.89
- Trade and other payables	6,974.54	-	6,974.54
- Other financial liabilities		9.35	9.35
Other current liabilities	70.25	(10.25)	60.00
Liabilities for current tax (net)	-	0.90	0.90
Short-term provisions /Employee benefits	9.76	-	9.76
Total Current Liabilities (E)	7,462.45	-	7,462.45
Total Liabilities (F) (D+E)	7,505.10	2,121.23	9,626.33
TOTAL EQUITY AND LIABILITIES (C + F)	41,823.02	(0.00)	41,823.02

45.3 Reconciliation of total comprehensive income (Standalone Profit and Loss) for the period ended 31st March 2017

(Rs.In Lakhs)

PARTICULARS	Prevoius GAAP	Adjustments	Ind AS
Continuing Operation			
Income			
Revenue from operations	3,565.43	-	3,565.43
Other income	162.96	-	162.96
Other Gain /Loss	-	(22.64)	22.64
Total Income	3,728.39	(22.64)	3,751.03
Expenses			
Cost of materials consumed	3,140.35	-	3,140.35
Changes in inventories of finished goods, WIP	38.00	-	38.00
Employee benefit expense	140.54	-	140.54
Finance cost	33.30	-	33.30
Depreciation and amortisation expense	24.25	-	24.25
Other expense	347.24	(22.64)	369.88
Total expenses	3,723.69	(22.64)	3,746.32
Profit/ (loss) before exceptional items, share of net profits of investments accounted for using equity method and tax	4.70	(0.00)	4.70
Profit/ (loss) before exceptional items and tax	4.70	(0.00)	4.70
Exceptional items	-	-	-
Profit/ (loss) before tax	4.70	(0.00)	4.70
Tax expense	-		
a) Current tax	0.90	-	0.90
b) Deferred tax	2.68	-	2.68
Total Tax Expense	3.58	-	3.58

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Profit/ (loss) for the period from continuing operations	1.12	(0.00)	1.12
Discontinued operation	-	-	-
Profit/ (loss) from discontinued operations	-	-	-
Tax expense of discontinued operations	-	-	-
Profit/ (loss) from discounting operations (after tax)	-	-	-
Profit/ (loss) for the year	1.12	(0.00)	1.12
Other comprehensive income	-	-	-
Items that may be reclassified to profit or loss	-	-	-
- (Profit)/ loss on exchange differences on translation of foreign operations	-	496.74	(496.74)
Other comprehensive income for the year, net of tax	-	496.74	(496.74)
Total comprehensive income for the year	1.12	496.74	(495.62)
Total comprehensive income attributable to owners	-	-	-
Continuing operations	1.12	496.74	(495.62)
Discontinued operations	-	-	-

46 The company is operating in single line of product i.e. manufacturing of Dyes & Chemicals on the specific orders received from its customers. In view of this, the management is of the opinion that the company is not exposed to any significant risk related to Credit, Market, liquidity etc. Accordingly, Company has not made any risk analysis as prescribed in Ind AS 107 (Financial Instruments - Disclosures)

47 Previous year figures have been regrouped, rearranged, reclassified and reworked wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

AUDITORS' REPORT

As per our report of even date attached

For S.K.Badjatya & Co.

Chartered Accountants
(Firm Regn. No. 004017C)

CA. Sudhir K. Jain

Partner
Membership No.: 072282

Place : Mumbai
Date : 26th May, 2018

For and on behalf of Board of Directors

Mr.V.K.Kaushik
Wholetime Director
Din No : 02586479

Mr.Mayank Kotadia
Director
Din No : 06583820

Suruchi Pednekar

Company Secretary
Membership No. ACS 43002

Place: Mumbai
Date : 26th May, 2018

**Independent Auditor's Report****To The Members of Chromatic India Limited****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **Chromatic India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and statement of changes in equity 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 consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder. 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 Consolidated Ind AS 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 Consolidated Ind AS 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.

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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind AS 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 consolidated Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 Ind AS financial statements, subject to note nos. 24, 26, 27, 28, 31, 40 & 43 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 including the Indian Accounting Standard notified under the Companies (Indian Accounting Standards) Rules, 2015:

- (a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- (b) In the case of the Consolidated Statement of Profit and Loss including other comprehensive income, of the Profit of the company for the year ended on that date;
- (c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the company for the year ended on that date, and
- (d) In the case of Statement of Changes in equity of the Company for the year ended on that date.



Other Matters

1. We have not audited the financial statements of the Chromatic International FZE a subsidiary of the Company, whose financial statements reflect Group's share of total assets of Rs. 24322.86 Lacs as at 31st March, 2018, (24249.10 Lacs as at 31.03.2017), the total revenue of Rs. 0.00 Lacs as at 31st March, 2018, (0.00 Lacs as at 31.03.2017) as considered in the consolidated financial statements. These financial statements of the subsidiary have been audited by other auditors whose report have been furnished to us, and our opinion, in so far as it relates to the amount included in respect of these subsidiaries, is based solely on the report of other auditors.
2. We have audited the financial statements of the Chromatic Ferro Alloys Limited a subsidiary of the Company, whose financial statements reflect Group's share of total assets of Rs. 0.25 Lacs as at 31.03. 2018, (0.25 Lacs as at 31.03.2017), the total revenue of Rs. 0.00 Lacs as at 31.03.2018, (0.00 Lacs as at 31.03.2017) and net cash inflows of Rs. 0.00 Lacs as at 31.03. 2018, (0.00 Lacs as at 31.03.2017) as considered in the consolidated financial statements.

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 of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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 including other comprehensive income, the cash flow statement and statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules thereunder; and
 - e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' , and
 - g) With respect to 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 has disclosed the impact of pending litigations on its financial position in its consolidated Ind AS financial statements.
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S. K. Badjatya & Co.
Chartered Accountants
Firm Registration No. 004017C

CA. Sudhir K. Jain
Partner
Membership No. 072282

Place: Mumbai
Date: 26th May, 2018



Annexure A to Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of **Chromatic India Limited** on the consolidated Ind AS financial statements for the year ended March 31, 2018, we report that:

1. In respect of its Fixed Assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed
 - c) According to the information and explanation given to us and on the basis of our examination of records of the company, immovable properties are held in the name of the company.
2. The inventories have been physically verified by the management during the year. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records
3. In respect of the Loans, secured or unsecured, granted by the company to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') there is no overdue amount of loan granted to said companies.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to loans and investments made.
5. According to the information and explanations given to us, the company has not accepted any deposits from the public.
6. The Company is required to maintain the cost records as prescribed by the Central Government of India under sub-section (1) of section 148 of the Companies Act for the activities carried on by the company. We are of the opinion that prima facie the prescribed records have been maintained. We have, however, not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
7. In respect of statutory dues:
 - a) Undisputed statutory dues including provident fund, investor education and protection fund, Employees' state insurance, income-tax, sales-tax, wealth-tax, customs duty, excise duty, have not been timely deposited with the appropriate authorities and there have been slight delays in few cases.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, wealth-tax, sales-tax, customs duty, excise duty and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except an amount of Rs. 163053/- on account of Income Tax for the A.Y. 2011-12 & 2012-13 and Rs. 2,30,510/- on account of Dividend Distribution Tax for the F.Y. 2012-13 and interest thereon.
 - c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules there under has been transferred to such fund within time.
8. Based on our audit procedures and as per the information and explanations given by the Management, we are of the opinion that the Company has defaulted in repayment of certain dues to a financial institution or bank or debenture holders. Please refer Note no. 28 to the other notes to accounts.
9. The company did not raise any money by way of initial public offer or 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. On the Basis of our examination and according to the information and explanation given to us, no material fraud, on or by the company, has been noticed or reported during the year.
11. According to the information and explanations given to us and on the basis of our examination of records of the company,



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the company has not paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given to us the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable to the Company.
16. The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For S. K. Badjatya & Co.
Chartered Accountants
Firm Registration No. 004017C

CA. Sudhir K. Jain
Partner
Membership No. 072282

Place: Mumbai
Date: 26th May, 2018

**Annexure B to the Auditor's 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 **Chromatic India Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the consolidated 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. 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 judgement, 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.

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion:

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the 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 S. K. Badjatya & Co.
Chartered Accountants
Firm Registration No. 004017C

CA. Sudhir K. Jain
Partner
Membership No. 072282

Place: Mumbai
Date: 26th May, 2018



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Consolidated Balance Sheet as on 31st March 2018

(Amount in INR)

Particulars	Note No.	As on 31th March 2018	As on 31th March 2017	As on 31st March 2016
ASSETS				
Non-Current Assets				
Property, Plant And Equipment	3	31,966,310	34,212,959	36,888,914
Capital Work in Progress	4	1,057,800,000	1,057,200,000	1,057,200,000
Investment Properties	5	106,908	124,709	142,511
Other Intangible Assets		-	-	-
Intangible Assets Under Development*		-	-	-
Biological Assets Other Than Bearing Plants*		-	-	-
Investments Accounted for Using The Equity Method		-	-	-
Financial Assets				
i. Investments	6(a)	82,840	36,000	36,000
ii. Loans	6(c)	2,433,653,164	2,426,811,882	2,492,143,461
iii. Other Financial Assets		-	-	-
Deferred Tax Assets		-	-	-
Other non-current Assets		-	-	-
Total Non-Current Assets		3,523,609,222	3,518,385,550	3,586,410,886
Current Assets				
Inventories	7	7,013,789	63,002,711	74,905,928
Financial Assets				
i. Investments		-	-	-
ii. Trade Receivables	6(b)	538,453,127	553,928,753	553,381,104
iii. Cash And Cash Equivalents	6(d)	13,031,737	18,741,629	22,741,632
iv. Bank Balance other than(iii)above*		-	-	-
v. Loans	6(c)	58,841,776	55,825,713	52,733,302
vi. Other Financial Assets		-	-	-
Other Current Assets	8	60,531,124	54,349,609	50,386,205
Current tax assets (Net)	9	19,190,951	11,111,970	2,989,698
Assets classified as held for sale		-	-	-
Total Current Assets		697,062,503	756,960,385	757,137,869
Total Assets		4,220,671,725	4,275,345,935	4,343,548,753
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	10(a)	710,461,000	710,461,000	710,461,000
Other Equity		-	-	-
Equity component of compound financial Instruments		-	-	-
Reserves and Surplus	10(b)	2,084,291,893	2,085,698,672	2,085,686,284
Other Reserve	10(c)	520,041,837	515,145,082	551,954,028
Equity Attributable to owners of Chromatic India Ltd		3,314,794,730	3,311,304,754	3,348,101,312
Non-Controlling Interests		-	-	-
Total Equity		3,314,794,730	3,311,304,754	3,348,101,312
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
i. Borrowings		-	-	587,471
ii. Other Financial Liabilities		-	-	-
Provisions		-	-	-
Employee Benefit Obligations		-	-	-
Deferred Tax Liabilities	11	218,594,292	216,388,193	231,021,920
Government Grants		-	-	-
Other non-current Liabilities		-	-	-
Total non-Current Liabilities		218,594,292	216,388,193	231,609,391
Current Liabilities				
Financial liabilities				
i. Borrowings	12(a)	31,696,374	40,789,082	56,290,457
ii. Trade Payables	12(b)	644,004,569	697,454,114	691,872,310
iii. Other Financial Liabilities	12(c)	4,537,492	2,343,631	8,408,273
Provisions		-	-	-
Employee Benefit Obligations	13	930,768	976,161	1,219,010
Government Grants		-	-	-
Current Tax Liabilities		113,500	90,000	48,000
Other Current liabilities	14	6,000,000	6,000,000	6,000,000
Liabilities directly associated with assets classified as held for Sale		-	-	-
Total Current Liabilities		687,282,703	747,652,988	763,838,050
Total Liabilities		905,876,995	964,041,181	995,447,441
Total Equity And Liabilities		4,220,671,725	4,275,345,935	4,343,548,753

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For S. K. Badjatya & Co
Chartered Accountants
Firm Registration No. 004017C

For and on behalf of Board of Directors

CA Sudhir K. Jain
Partner
Membership No. 072282
Place: Mumbai
Date : 26 th May,2018

Mr.V. K. Kaushik
Wholetime Director
Din No : 02586479
Place: Mumbai
Date : 26 th May,2018

Mr. Mayank Kodatia
Director
Din No : 07484438



Consolidated Statement of Profit & Loss for the year ended 31st March 2018

(Amount in INR)

Particulars	Note No.	As on 31st March 2018	As on 31st March 2017
Continuing Operations			
Revenue from operations	15	430,251,122	356,543,067
Other income	16(a)	6,190,343	16,295,916
Other Gains	16(b)	-	2,263,559
Total Income		436,441,465	375,102,542
Expenses			
Cost of material consumed	17(a)	368,344,325	314,035,301
Changes in Inventories of work-in-progress & Finished Goods	17(b)	14,168,428	3,800,408
Employee benefits expense	18	17,685,224	14,053,602
Depreciation and Amortization expense	19	2,293,431	2,425,261
Other Expense	20	32,434,263	37,087,214
Financial Cost	21	2,711,534	3,329,882
Total Expenses		437,637,205	374,731,667
Profit before exceptional items and tax		(1,195,740)	370,875
Exceptional Items		-	-
Profit Before Tax from Continuing Operations		(1,195,740)	370,875
Income Tax Expense			
(a) Current tax		113,500	90,000
(b) Deferred tax		250,613	268,445
(c) Earlier Year		1,193,601	-
Total Tax Expense		1,557,714	358,445
Profit/(loss) from Continuing operation		(2,753,454)	12,430
Profit/(loss) from Discontinued operations		-	-
Profit for the period		(2,753,454)	12,430
Other comprehensive Income			
A. Item that may be reclassified to profit or loss			
a. Exchange difference on translation of foreign assets & Liabilities		6,805,401	(51,711,118)
B. Item that will not be reclassified to profit or loss			
a. Changes in fair value of FVOCI Equity Instruments		46,840	-
Total comprehensive income for the period		4,098,787	(51,698,688)
Earning per equity share(for Continuing operation)			
(1) Basic		(0.04)	0.00
(2) Diluted		(0.04)	0.00
Earning per equity share(for Discontinued operation)			
(1) Basic		-	-
(2) Diluted		-	-
Earning per share (for discontinued & continuing Operation)			
(1) Basic		(0.04)	0.00
(2) Diluted		(0.04)	0.00

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For S. K. Badjatya & Co
Chartered Accountants
Firm Registration No. 004017C

CA Sudhir K. Jain
Partner
Membership No. 072282

Place: Mumbai
Date : 26 th May,2018

For and on behalf of Board of Directors

Mr.V. K. Kaushik
Wholetime Director
Din No : 02586479

Mr. Mayank Kodatia
Director
Din No : 07484438

Place: Mumbai
Date : 26 th May,2018



31ST ANNUAL REPORT 2017-18

CONSOLIDATED CASH FLOW STATEMENT AS ON 31.03.2018

(Amount in Lacs)

PARTICULARS	YEAR ENDED 31.03.2018	YEAR ENDED 31.03.2017
I CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income tax including discontinued operations:	(11.96)	3.71
Adjustment for :		
Depreciation	22.93	24.25
Interest	21.66	25.54
Rental Income	(10.56)	(10.56)
Loss on sale of Fixed Assets	-	2.11
Interest earned	(0.84)	(5.49)
Loss/ expenses of previous year adjusted	(1.03)	-
	32.16	35.86
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	20.20	39.57
Changes in operating assets and liabilities :		
(Increase)/ Decrease in Trade and other Receivables including Loans & Advances	(30.30)	(21.05)
(Increase)/ Decrease in Inventories	559.89	119.03
Increase/(Decrease) in Trade & Other Payables	(516.69)	(7.74)
	12.89	90.24
CASH GENERATED FROM OPERATIONS	33.09	129.81
Income Tax Paid	-	-
	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES	33.09	129.81
II CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(6.29)	(0.75)
Proceeds from Sale of Fixed Assets		1.32
Rental Income	10.56	10.56
Interest Received	0.84	5.49
	5.11	16.62
NET CASH USED IN INVESTING ACTIVITIES	5.11	16.62
III CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) / increase in Long Term Borrowings	-	(5.87)
(Repayment) / increase in Short Term Borrowings	(90.93)	(155.01)
Interest Paid	(4.38)	(25.54)
	(95.30)	(186.43)
NET CASH USED IN FINANCING ACTIVITIES	(95.30)	(186.43)
IV NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(57.10)	(40.00)
ADD : Opening Balance as on 01.04.2017 (P.Y. As on 01.04.16)	187.42	227.42
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	130.32	187.42

Notes to the cash flow statement :

Cash and cash equivalent consist of cash on hand and balances with banks and investments in money market instruments.

	31.03.2018	31.03.2017
Cash on hand	70.76	16.16
Balances with banks	59.55	171.25
	130.32	187.42

For S. K. Badjatya & Co
Chartered Accountants
Firm Registration No. 004017C

For and on behalf of Board of Directors

CA Sudhir K. Jain
Partner
Membership No. 072282

Mr.V. K. Kaushik
Wholetime Director
Din No : 02586479

Mr. Mayank Kodatia
Director
Din No : 07484438

Place: Mumbai
Date : 26 th May,2018

Place: Mumbai
Date : 26 th May,2018



Statement of changes in equity

Particulars	Equity share capital	Reserve & surplus				Other Reserves		Total Equity
		Capital Reserve	Security Premium Reserve	General Reserve	Retained Earning	FVOCI Equity Investment	Foreign Currency Translation Reserve	
Balance as at 1 April 2016	710,461,000	1,853,350	1,985,812,100	17,978,960	79,348,424	-	551,954,028	3,347,407,862
-								
Changes in equity Share Capital	-	-	-	-		-	-	-
Profit for the year	-	-	-	-	12,389	-	-	12,389
Other comprehensive income								
Changes in fair value of FVOCI equity instruments	-	-	-	-	-	-		-
Exchange Differences on Translation on foreign assets & liabilities	-	-	-	-	-	-	(49,673,906)	(49,673,906)
Deffered Tax Assets/(Liabilities)	-	-	-	-	-	-	14,902,172	14,902,172
-								
Balance as on 31st March 2017	710,461,000	1,853,350	1,985,812,100	17,978,960	79,360,812	-	517,182,294	3,312,648,516
Changes in equity Share Capital	-	-	-	-	-			
Profit for the year	-	-	-	-	(1,303,452)	-		(1,303,452)
Prior period items	-	-	-	-	(103,326)	-		(103,326)
Other comprehensive income	-	-	-	-	-	-		-
Changes in fair value of FVOCI equity instruments	-	-	-	-	-	46,840		46,840
Exchange Differences on Translation on foreign assets & liabilities	-	-	-	-	-	-	6,805,401	6,805,401
Deffered Tax Assets/(Liabilities)	-	-	-	-	-	-	(1,955,486)	(1,955,486)
Balance as on 31st March 2018	710,461,000	1,853,350	1,985,812,100	17,978,960	77,954,033	46,840	522,032,209	3,316,138,493



Notes forming part of the consolidated financial statements

Note-1: Company Overview

The Company is currently in the business of manufacturing, trading and export of Synthetic Organic Dyestuff and dyes intermediates. The Company concentrates on the Reactive Dyestuff mainly Vinyl Sulfone type, bi-functional, multi-functional and high exhaustion and the latest dyestuff to make liquid dyestuff. All the products are appreciated all over the world. At present, the Company is manufacturing only Reactive Dyes based on Vinyl Sulphone & Cyanuric Chloride. In future, the Company is planning to manufacture Disperse & Vat Dyes. The Company has also started trading activities in chemicals and building material and also has taken Power Trading license from Govt. of India.

Note-2: Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

- a) The financial statements of the Company have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments which have been measured at fair value. The accounting policies are consistently applied by the Company during the year and are consistent with those used in previous years except for the changes in accounting policies required to be made on adoption of Indian Accounting Standards notified under the Companies Act, 2013.
- b) In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. Previous period's and year's numbers in the financial statements have been restated to Ind AS.
- c) These financial statements have been prepared in accordance with Ind AS 34 Interim Financial Reporting as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.
- d) These financial statements are the Company's first Ind AS Consolidated financial statements.

f) Principles of Consolidation:

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvements with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

As prescribed in Indian Accounting standard (IndAS) 110, Consolidated Financial Statements, the Company combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

2.2 Use of Estimates

The preparation of the condensed financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of period /year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.3 Revenue Recognition

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

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.



Excise Duty, Sales Tax and VAT are deducted from turnover (gross).

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognised even if same are declared after the balance sheet date but pertains to period on or before the date of balance sheet.

Rentals

Revenue is recognised on accrual & time proportion basis.

2.4 Accounting for Export Incentive:

Export incentive are recognised on exports on accrual basis, and based on the estimated realizable value of such entitlements.

2.5 Property, plant and equipment:

Fixed Assets are stated at cost (net of Cenvat Credit) of acquisition/construction and includes amounts added on revaluation, less accumulated depreciation and impairment loss. Cost includes purchase price, borrowing costs and any direct expenses as well as clearly identifiable indirect expenses incurred to bring the assets to their working condition for its intended use.

Transition to Ind AS

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

Expenditure during Project Implementation Period:

All expenditure, including advances given during the project implementation period, is accumulated and disclosed as capital work-in progress until the assets are ready for commercial use.

2.6 Investment Property

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment Property. Investment property is measured initially at its cost, including related transaction costs and borrowing costs, where applicable. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and cost of the item can be measured reliably. All other repairs and maintenance cost are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property are depreciated using the straight line method over their estimated useful lives.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of its Investment properties recognised as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

2.7 Depreciation and Amortisation

Depreciation on Fixed Assets is provided to the extent of depreciable amount on 'Straight Line Method' as on 31.03.2014 on the remaining useful life of the Assets in the manner and at the rates specified in Schedule II of the Companies Act, 2013 except in the case of buildings where WDV as on 31.03.2014 has been depreciated in the remaining estimated life of the asset (as certified by the management in the absence of complete details of additions), which is different than those prescribed in schedule-II. Assets acquired under finance lease are depreciated over the period of lease. Leasehold land & and premium thereon are depreciated over the period of lease. Also individual capital items of upto a value of Rs.5,000/- have been fully depreciated.

2.8 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In



assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

2.9 Leased Assets

Finance leases, which effectively transfer to the Company, all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised. If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

2.10 Foreign Currency Transactions

i) Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. Equity Investment in foreign companies are recorded at the exchange rates prevailing on the date of making the investments, however, any advances to foreign company are reported using the closing rate.

(iii) Exchange Differences:

Exchange differences arising on a monetary item that, in substance, form part of the company's net investment (except investment in share capital) in a non-integral foreign operation is recognised in other comprehensive income and accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognised as income or as expenses.

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

iv) Forward Exchange Contracts not intended for trading or speculation purposes:

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or as expense for the year. None of the forward exchange contracts are taken for trading or speculation purpose.

2.11 Investment

Investments that are readily realisable 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. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the Investment.

2.12 Inventories

Inventories are valued as follows:

Raw materials, packing material, Work in progress, components, stores and spares:

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First in First out basis (FIFO).

**Finished goods:**

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the product saleable.

2.13 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 Income-tax Act, 1961 enacted in India. Deferred income tax reflects 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 and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised 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 realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are 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 realised. 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

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

2.14 Employee Benefits:

Retirement benefits in the form of Provident Fund and Government administered Employees Insurance and Pension Plans are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is a defined benefit obligations and are provided for on the basis of an actuarial valuation. The Company makes annual contributions to the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The Scheme provides for lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The Company has a scheme for compensated absences for employees, the liability of which is recognised on actual basis instead of accrual basis and charged to Profit and Loss Account in the year of payment.

Expenditure on Voluntary Retirement Scheme are amortised over the period of two years.

2.15 Borrowing Cost:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.



2.16 Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.17 Provision:

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.18 Cash and Cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.19 Segment:

In accordance with Notified Indian Accounting Standard (Ind AS-108) "Operating Segments", the Company's business constitutes only one reportable business segment being manufacturing & trading of S. O. Dyes & Chemicals and hence no separate disclosure to attributable Revenues, Profits, Assets, Liabilities, and Capital Employed are given. Geographical segments details i.e. the Domestic and the Overseas are provided in the notes to the accounts.

2.20 Contingent Liabilities:

Contingent Liabilities, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the approval of the accounts by the Board of Directors and which have material effect on the position stated in the Balance Sheet.

2.21 First-time adoption of Ind-AS:

These financial statements, for the year ended March 31, 2018 are the first financial statements the Company has prepared in accordance with Ind-AS. For periods up to and including the year ended March 31, 2017 the Company prepared its financial statements in accordance with statutory reporting requirements in India immediately before adopting Ind AS ('previous GAAP').

Accordingly, the Company has prepared condensed financial statements which comply with Ind-AS applicable for year ended March 31, 2018, together with the previous year ended March 31, 2017. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind-AS. There were no adjustments made by the Company in restating its Indian GAAP financial statements including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

Exemptions applied:

Ind AS 101 allows first-time adopters certain optional exemptions from the retrospective application of certain requirements under IndAS. The Company has applied the following optional exemptions:

- a) Deemed cost :The Company has elected to measure the carrying value for all of its Property, Plant & Equipment and Investment Properties as per the previous GAAP and used that as its deemed cost as at the date of transition to Ind AS i.e. April 1, 2016.
- b) Ind AS 101 allows a Company to measure investments in subsidiaries and associates at the deemed cost. The Company has considered the carrying amount as per previous GAAP at the previous reporting date as the deemed cost.
- c) Ind AS 101 allows a Company to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to IndAS. The Company has elected to apply this exemption for its investment in equity instruments.



Note No.3 : Property Plant & Equipment

	Lsmf Lease Hold	Building & Res. flat	Furniture & Fiture	Plant & Machinery	Office & Other Equipment	Vehicles	Total
Year Ended 31st March 2017							
Gross Carrying Amount							
Deemed Cost As AT 1st April 2016	11,702,920	29,338,599	2,781,217	55,605,751	6,145,138	6,148,529	111,722,154
Exchange Differences	-	-	-	-	-	-	-
Additions	-	-	-	-	74,797	-	74,797
Assets Included in a Disposal	-	-	-	-	-	-	-
Group Classified as held for sale	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	738,073	738,073
Closing gross carrying amount	11,702,920	29,338,599	2,781,217	55,605,751	6,219,935	5,410,456	111,058,878
Accumulated depreciation							
Depreciation charge during the year	156,712	976,323	866	622,275	173,772	477,513	2,407,461
Assets included in a disposal group classified as held for sale(Note 33)	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	394,782	394,782
Exchange Differences	-	-	-	-	-	-	-
Closing accumulated depreciation	1,172,037	17,614,296	2,777,710	46,479,196	5,836,669	2,966,011	76,845,919
Net carrying amount as on 31 March 2017	10,530,883	11,724,303	3,507	9,126,555	383,266	2,444,445	34,212,959
Year Ended 31st March 2018							
Gross Carrying Amount							
Opening gross carrying amount	11,702,920	29,338,599	2,781,217	55,605,751	6,219,935	5,410,456	111,058,878
Exchange Differences	-	-	-	-	-	-	-
Additions	-	-	-	-	28,988	-	28,988
Assets classified as held for sale(Note 11)	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Closing gross carrying amount	11,702,920	29,338,599	2,781,217	55,605,751	6,248,923	5,410,456	111,087,866
Accumulated depreciation and impairment							
Opening accumulated depreciation	1,172,037	17,614,296	2,777,710	46,479,196	5,836,669	2,966,011	76,845,919
Depreciation charge	156,713	976,323	866	622,277	139,145	380,306	2,275,630
Impairment loss (iii)(Note.1)	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-
Assets classified as held for sale(Note 11)	-	-	-	-	-	-	-
Closing accumulated depreciation and impairment	1,328,750	18,590,619	2,778,576	47,101,473	5,975,814	3,346,317	79,121,549
Net carrying amount as on 31 March 2018	10,374,170	10,747,980	2,641	8,504,278	273,109	2,064,139	31,966,310



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Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Note No.04 Capital Work in Progress			
Capital Work in Progress	1,057,800,000	1,057,200,000	1,057,200,000
Total	1,057,800,000	1,057,200,000	1,057,200,000

Note No.05 Investment Property

Particular	2017-18	2016-17	2015-16
Gross Carrying Amount			
Opening gross Carrying Amount/Deemed Cost	1,309,679	1,309,679	1,309,679
Additions	-	-	-
Closing Gross carrying amount	1,309,679	1,309,679	1,309,679
Accumulated depreciation			
Opening Accumulated Depreciation	1,184,970	1,167,169	-
Depreciation Charge	17,801	17,801	-
Closing Accumulated Depreciation	1,202,771	1,184,970	1,167,169
Net Carrying Amount	106,908	124,709	142,511
Amount recognised in Profit & Loss Account			
Rental Income	1,056,000	1,056,000	
Direct Op Expenses from property that generated rental income	-	(568,470)	
Profit from Investment property before Dep	1,056,000	487,530	
Depreciation	(17,801)	(17,801)	
Profit from Investment property	1,038,199	469,729	0



Note -6 (a) Non-Current Investment

Details of Non-Current Investment

Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	Quoted / Unquoted	No. of Shares			Partly paid/ Fully paid	Amount (Rs.)		
			2018	2017	2016		2018	2017	2016
Investment in Equity Instruments									
Long Term, Non - Trade Equity shares of Bank of India of Rs. 10 each at a premium of Rs. 35/- each	Others	Quoted	800	800	800	Fully paid	82,840	36,000	36,000
Total							82,840	36,000	36,000

Particular	2017-18	2016-17	2015-16
Aggregate amount of quoted investment	82,840	36,000	36,000
Total	82,840	36,000	36,000

Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Note -06(b) Trade receivable			
Trade receivables	538,835,389	554,311,015	553,763,367
Receivables from related parties	-	-	-
Less:Provision for doubtful trade receivables	382,263	382,263	382,263
Total receivables	538,453,127	553,928,753	553,381,104
Current Portion	538,453,127	553,928,753	553,381,104
Non-current portion	-	-	-
Break-up of security Details			
Secured considered goods	-	-	-
Unsecured considered goods	538,835,389	554,311,015	553,763,367
Doubtful	-	-	-
Total	538,835,389	554,311,015	553,763,367
Allowance for doubtful debts	382,263	382,263	382,263
Total trade receivables	538,453,127	553,928,753	553,381,104



Note -6 (c) Loans

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Current	Non current	Current	Non current	Current	Non current
Unsecured, considered good:						
Loans and advances to related parties						
- Arcoiris SA	-	-	-	-	-	13,603,915
- Chromatic International FZE	-	-	-	-	-	-
Loans and advances to employees	1,263,050	-	1,266,650	-	1,152,950	-
Other advances	57,578,726	-	54,559,063	-	51,580,352	-
Doubtful	-	-	-	-	-	-
Security Deposits	-	1,386,377	-	1,353,114.00	-	1,353,114
Loan & Advances(Consolidated)	-	2,432,266,787	-	2,425,458,768	-	2,477,186,432
Sub total (a)	58,841,776	2,433,653,164	55,825,713	2,426,811,882	52,733,302	2,492,143,461

Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
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Note -06(d)Cash and cash equivalents

Balance with banks			
i. In current accounts	5,233,972	16,446,480	18,518,741
ii. In EEFC accounts			
iii. In deposits accounts	85,406	80,310	74,603
iv. In earmarked accounts			
- Unpaid dividend accounts	1,769	1,769	1,769
- Unpaid matured deposits	-	-	-
- Unpaid matured debentures	-	-	-
- Share application money received for allotment of securities and due for refund	-	-	-
- Balances held as margin money or security against borrowings, guarantees and other commitments	633,457	596,136	3,145,520
- Other earmarked accounts (Gratuity Account)	638	638	638
Cash on hand	7,076,495	1,616,296	1,000,361
Total	13,031,737	18,741,629	22,741,632

**CHROMATIC INDIA LTD**

Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Note-7 Inventories			
(At lower of cost and net realisable value)			
Raw materials (including Goods in transit)	4,321,693	46,142,187	54,244,996
Finished Goods	-	-	-
Work-in-progress	2,692,096	16,860,524	20,660,932
Total	7,013,789	63,002,711	74,905,928
Note -8 Other current assets			
Prepaid Expenses	188,153	181,519	72,577
Balances with government authorities			
i Vat credit receivable	22,907,632	24,720,542	16,063,603
ii Service tax credit receivable	-	172,588	273,868
iii Export incentive receivable	4,680,534	16,820,690	22,440,622
iv Balance with central excise	-	12,454,270	11,535,535
v) Balance with GST	32,754,806	-	-
Total	60,531,124	54,349,609	50,386,205
Note-9 Current tax assets			
Advance income tax	19,190,951	11,111,970	2,989,698
Total	19,190,951	11,111,970	2,989,698



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Note - 10 (a) Share Capital

1

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	Amount	Number	Amount	Number	Amount
Authorised						
Equity Shares of Rs 10/- each	125000000	1,250,000,000	125000000	1,250,000,000	125000000	1,250,000,000
Issued						
Equity Shares of Rs 10/- each	71046100	710,461,000	71046100	710,461,000	71046100	710,461,000
Subscribed & Paid up						
Equity Shares of Rs 10/- each fully paid	71046100	710,461,000	71046100	710,461,000	71046100	710,461,000
Total	71046100	710,461,000	71046100	710,461,000	71046100	710,461,000

2

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	Amount (Rs.)	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares outstanding at the beginning of the year	71046100	710,461,000	71046100	710,461,000	71046100	710,461,000
Shares issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	71046100	710,461,000	71046100	710,461,000	71046100	710,461,000

3 Details of Shares held by the Holding Company, the ultimate Holding Company their subsidiaries and associates

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	Amount	Number	Amount	Number	Amount
M/s Cheetah Multitrade Private Limited, Holding Company of Chromatic India Limited	20273305	202,733,050	20273305	202,733,050	20273305	202,733,050

4 Details of shares held by each shareholder holding more than 5 percent shares

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Shares held	% of holding	Shares held	% of holding	Shares held	% of holding
The Bank Of New York Mellon, DR	-	-	-	-	-	-
M/s. Cheetah Multitrade Pvt. Ltd.	20273305	28.54%	20273305	28.54%	20273305	28.54%



CHROMATIC INDIA LTD

Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Note - 10 (b) Reserve & Surplus			
Capital reserve	1,853,350	1,853,350	1,853,350
Securities premium reserve	1,985,812,100	1,985,812,100	1,985,812,100
General reserve	17,978,960	17,978,960	17,978,960
Statutory Reserve(Subsidiary Company)	693,450	693,450	693,450
Other reserve	520,041,837	515,145,082	551,954,028
Retained earnings	77,954,033	79,360,812	79,348,424
Total	2,604,333,730	2,600,843,754	2,637,640,312
Capital reserve			
Opening balance	1,853,350	1,853,350	1,853,350
Add: Additions during the year (give details)	-	-	-
Less: Utilised / transferred during the year (give details)	-	-	-
Closing balance	1,853,350	1,853,350	1,853,350
Securities premium account			
Opening balance	1,985,812,100	1,985,812,100	1,985,812,100
Add : Premium on shares issued during the year	-	-	-
Less : Utilised during the year for: Issuing bonus shares	-	-	-
Closing balance	1,985,812,100	1,985,812,100	1,985,812,100
General reserve			
Opening balance	17,978,960	17,978,960	17,978,960
Add: Transferred from surplus in Statement of Profit and Loss	-	-	-
Less: Utilised / transferred during the year for: Issuing bonus shares Others (give details)	-	-	-
Closing balance	17,978,960	17,978,960	17,978,960
Statutory Reserve(Subsidiary Company)			
Opening Balance	693,450	693,450	693,450
Add:For the year	-	-	-
Closing balance	693,450	693,450	693,450
Retained earnings			
Opening balance	79,360,812	79,348,424	80,454,517
Add: Profit / (Loss) for the year	(1,303,452)	12,389	(1,106,093)
Add: Adjustment Relating to Fixed Assets*	-	-	-
TOTAL	78,057,359	79,360,812	79,348,424
Add/ (Less): Prior Period Expenses	(103,326)	-	-
Profit after Tax and Prior Period Adjustments	77,954,033	79,360,812	79,348,424
Less: Provision for dividend (including Dividend Tax)	-	-	-
Closing balance	77,954,033	79,360,812	79,348,424
	2,084,291,893	2,085,698,672	2,085,686,284



Ref. No.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Note - 10 (c) Other Reserve			
Foreign currency translation reserve			
Opening balance	515,145,082	551,954,028	778,979,728
Add / (Less): Effect of foreign exchange rate variations during the year	6,805,401	(51,711,118)	
Add/(Less): Deffered Tax Assets/(Liabilities)	(1,955,486)	14,902,172	(227,025,700)
Add / (Less): Transferred to Statement of Profit and Loss on disposal of the net investment in non-integral foreign operations	-	-	-
Closing balance	<u>519,994,997</u>	<u>515,145,082</u>	<u>551,954,028</u>
FVOCI equity investments reserve			
Opening balance	-	-	-
Changes in fair value of FVOCI equity instruments	46,840	-	-
Closing balance	<u>46,840</u>	<u>-</u>	<u>-</u>
Toatl	<u>520,041,837</u>	<u>515,145,082</u>	<u>551,954,028</u>

Notes:

"Foreign currency translation reserve"

Exchange differences arising on translation of the foreign operations are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off."

"FVOCI Equity Instruments"

The Company has elected to recognize changes in the fair value of investments in quoted equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserves within equity. The Company transfers amount from this reserve to retained earnings when the relevant equity securities are derecognized."



CHROMATIC INDIA LTD

Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Note - 11 Deferred Tax Liabilities			
Deferred tax Liabilities	216,388,193	231,021,920	3,996,220
Deferred tax Liabilities/assets for current year	250,613	268,445	
Changes in Foreign currency Translation reserve	1,955,486	(14,902,172)	227,025,700
	-	-	-
Total	218,594,292	216,388,193	231,021,920
Note - 12 (a) Non current borrowings			
Term loans			
From banks			
Secured	-	-	-
Unsecured	-	-	-
Total	-	-	-
From other parties			
Secured*(Interest@11.50%)	-	-	587,471
Unsecured	-	-	-
	-	-	587,471
Total	-	-	587,471
* Secured by Hypothecation of underlying assets purchased.			
Note - 12 (a) Current Borrowings			
Loan repayable on demand			
From bank			
Secured#			
i Cash credit lilit from bank of india (interest @13%)	4,016,034	2,258,849	16,044,419
ii Export packing credit from bank of india(Interest @9.00%)	7,649,999	20,501,762	4,132,023
Unsecured	-	-	-
Total(a)	11,666,033	22,760,611	20,176,442
From Other parties			
Secured @	-	-	15,785,672
Unsecured	19,430,427	17,430,427	19,930,427
Advances from Customer	599,913	598,044	397,916
Total(b)	20,030,340	18,028,472	36,114,015
Total(a+b)	31,696,374	40,789,082	56,290,457

Secured by exclusive charge on the underlying plant & machineries i.e. Hot Air Generator, Hypoyhecation of Stocks, Collateral Security of Equitable Mortgage of Land & Buildings situated at B-12/2, Lote Parshuram Indl. Area, Taluka-Khed, Distt. Ratnagiri and simple deposit of title deeds of office premises situated at Vikhroli, Mumbai.

@ Secured by shares held by the Promoters



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Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Note - 12 (b) Trade Payable			
Trade payable	644,004,569	697,454,114	691,872,310
Trade payable to related parties	-	-	-
Total	644,004,569	697,454,114	691,872,310
Note - 12 (c) Other financial liabilities			
Current maturities of long-term debt (Refer Note (i) below)	-	-	-
Current maturities of finance lease obligations	-	-	381,573
Interest Payable	1,728,327	-	-
Other payables			
i Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	361,302	171,587	317,573
ii Others: Salary & Wages	1,403,548	680,367	779,610
iii Other Liabilities	1,044,315	1,491,677	6,929,517
Total	4,537,492	2,343,631	8,408,273
Note - 13 Employee benefit obligations			
Provision for bonus	633,750	375,200	403,200
Provision for other employee benefits - Exgratia	-	158,400	172,800
Provision for Gratuity employee benefits	297,018	442,561	643,010
Total	930,768	976,161	1,219,010
Note - 14 Other Current liabilities			
Other Current liabilities	6,000,000	6,000,000	6,000,000
Total	6,000,000	6,000,000	6,000,000



CHROMATIC INDIA LTD

Particulars	For the year ended 31st March, 2018 Rs.	For the year ended 31st March, 2017 Rs.
15. Revenue from Operations		
Sale of products	334,620,304	335,201,367
Sales of traded goods	95,630,81	21,341,700
Total	430,251,122	356,543,067
16. (a) Other Income		
Interest Received	84,089	548,708
Dividend-others from Long Term Investments	-	-
Rent Recd	1,056,000	1,056,000
Conversion Charges	-	736,864
Duty Drawback	5,017,277	5,836,299
Misc & other income	32,977	8,118,045
Total	6,190,343	16,295,916
16. (b) Other gain		
Foreign Exchange Gain	-	2,263,559
Total	-	2,263,559
17. (a) Cost of material consumed		
Raw Material consumed		
Opg Stock of Raw Material	46,142,187	54,244,996
Add : Raw Material Purchase	320,787,562	299,759,937
Packing Material	3,509,254	3,867,017
Freight Inward	2,227,014	2,305,539
	372,666,018	360,177,488
Less : Closing stock	4,321,693	46,142,187
Total	368,344,325	314,035,301
17. (b) Changes in inventories of work-in-progress		
Inventory at the beginning of the year		
Finished Goods		
Work in Progress	16,860,524	20,660,932
	16,860,524	20,660,932
Inventory at the end of the year		
Finished Goods		
Work in Progress	2,692,096	16,860,524
	2,692,096	16,860,524
Changes in Inventories of Capital WIP	14,168,428	3,800,408



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Particulars	For the year ended 31st March, 2018 Rs.	For the year ended 31st March, 2017 Rs.
18. Employee Benefit Expenses		
Salary, Wages and Bonus Etc.	16,000,186	12,293,683
Company's Contribution to Provident Fund, ESIC & Gratuity	784,930	828,470
Staff welfare Expenses & other Amenities	900,108	931,449
Leave Encashment	-	-
Total	17,685,224	14,053,602
19. Depreciation and Amortization Expenses		
Depreciation of property, Plant & equipment	2,275,630	2,407,461
Depreciation on investment property	17,801	17,801
Total	2,293,431	2,425,262
20. Other Expenses		
Rates & Taxes	259,372	284,982
Power & Water	4,165,362	4,159,271
Stores & Spares	1,148,965	1,342,155
Repairs and Maintenance :	-	-
- Repairs to Building	870,101	788,725
- Repairs to Machinery	836,933	390,406
- Repairs to Others	134,241	107,335
Advertisement & Sales Promotion	217,896	108,971
Freight & Forwarding Charges	3,668,132	2,805,346
Travelling Expenses	1,985,708	669,570
Auditor's Remuneration	490,128	485,596
Insurance	244,596	216,599
Telephone Charges	311,787	264,631
Car Expenses	850,926	819,038
Labour Charges	3,374,374	4,369,594
General Expenses	3,699,126	2,372,989
Annual Listing Exps	507,524	457,275
Professional Charges	976,344	1,248,952
Printing & Stationery	212,152	243,720
Balance Written Off	5,625,114	15,952,058
Foreign Exchange Loss	2,855,483	-
Total	32,434,263	37,087,214
21. Financial Cost		
Interest expense		
Bank Interest	2,164,168	2,536,783
Other Interest	1,782	17,215
Bank Charges	545,584	775,884
Total	2,711,534	3,329,882

**Notes forming part of the financial statements****OTHER NOTES TO ACCOUNTS**

22 Contingent liabilities not provided for:	As at 31-03-18 (Rs. In Lacs)	As at 31-03-17 (Rs. In Lacs)
Income Tax Demand for which company has gone into appeal	2108.28	70.85
Bank Guarantees (secured by fixed deposit receipts)	7.19	5.65
23 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.		
24 In the opinion of the Board, current assets, loans and advances shall have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provision for all known liabilities have been made and contingent liabilities disclosed properly. Balances of sundry debtors, sundry creditors, loans and advances and other personal accounts are subject to confirmation and reconciliation. Consequential impact, if any, will be considered as and when determined. Sundry Debtors and Loans & Advances (other than advances to subsidiaries) includes amount of Rs 38.61 crore and Rs 1.06 crore respectively for a period of more than 3 years.		
25 The Company has written off the entire amount of Rs. 14.49 Lacs during the year, related to investments in subsidiary namely Chromatic Ferro Alloys Limited, net worth of which is completely eroded and the company has started process of winding up of same.		
26 On transition to Ind AS, Company has classified one of its Building which has been given on rent, as Investment Property as per Ind AS 40 (Investment Property) and elected to continue with the carrying value recognised as at 1 April 2016 measured as per previous GAAP. Further, as prescribed in IAS 40, Company has not measured the Investment property at Fair value as on 31.03.2018.		
27 Due to adverse market conditions, company has defaulted in the financial obligations to Bank and accordingly, in compliance with the extant RBI guidelines, Bank has degraded the status of the account from Standard to Non Performing Asset and issued a notice under The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002. Company's management is already under discussion with the Bank for the extended repayment plan and also started repaying the debt gradually. The total outstanding amount of financial obligation of the Bank is Rs. 116.66 lacs as on March 31, 2018.		
28 The company has made Advances for capital work in progress amounting to Rs. 105.72 Crores during previous accounting years for setting up of power plant. The procurement has not been done for pending clearances from the Govt. The Company had also made advances of Rs 243.23 crores for project activities through its subsidiary namely Chromatic International FZE. These advances are subject to confirmation and reconciliation.		
29 No events or transactions have occurred since the date of Balance Sheet or are pending that would have a material effect on the financial statements at the date or for the period then ended, other than those reflected or fully disclosed in the Notes on Accounts.		
30 Net amount of exchange differences	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
The net amount of exchange differences debited / (credited) 'to profit & loss account	2,855,483	(2,263,559)
31 Provision for Gratuity payable to employees has been covered by the Group Gratuity Policy taken by the company with LIC of India and premium of the policy has been duly accounted for as advised by LIC of India as per communication dated 08.05.2018 on estimated basis. However, no provision has been made for leave encashment as required by Ind AS-19		



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(Employee Benefits) notified by Companies (Indian Accounting Standard) Rules 2015 and the same shall be accounted for as and when paid.

A. Defined Contribution Plans – Employers contribution to Provident Fund :

During the year the company has recognized the following amounts in the statement of Profit & Loss

Employers Contribution to Provident fund	2017-18	2016-17
	830,164.00	740,165.00

B. State Plans – Employers contribution to Employee State Insurance:

During the year the company has recognized the following amounts in the Statement of Profit & Loss

Employers Contributions to Employee State Insurance	2017-18	2016-17
	3,454.00	4,052.00

Present value of gratuity obligation based on actuarial valuation using the projected unit credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to built up the final obligation:

I. Change in present value of obligations:	Gratuity 2017-18	Gratuity 2016-17
Present value of obligation at the beginning	4,718,947.00	4,823,336.00
Current service costs	201,763.00	187,944.00
Benefits paid	-	-
Actuarial (Gain)/Loss on obligation	25,538.00	(292,333.00)
Present value of obligation at the end	4,946,248.00	4,718,947.00
II. Amount to be recognized in the Balance Sheet:	2017-18	2016-17
Present value of obligation at the end of the current year	4,946,248.00	4,718,947.00
Fair value of plan assets at the end of the I.V.P	-	-
Funded status	4,863,669.00	4,872,341.00
Unrecognized Actuarial (Gain)/Loss at the end	-	-
Net (Assets)/Liability Recognized in the Balance Sheet	82,579.00	(153,394.00)
III. Expenses recognized in the Statement of Profit & Loss:	2017-18	2016-17
Current service cost	201,763.00	-
Net Actuarial (Gain)/Loss recognized in the I.V.P	-	-
Expenses recognized in the Statement of Profit & Loss	12,676.00	12,001.00
IV. Actuarial Assumptions:	LIC 2006-08 (Ultimate) 2017-18	LIC 2006-08 (Ultimate) 2016-17
Discounting Rate	7.50%	8.00%
Salary Rise	5.00%	5.00%
Withdrawal Rate	1% - 3%	1% - 3%
Average Past Service	22.15	21.60



32 Segment reporting

The Company operates in one business segment, namely manufacturing & trading of S.O.Dyes & Chemicals and geographic segments i.e. the Domestic and the Overseas. They are summarised as follows. :

Particulars	Domestic	Overseas	Total
Sales	95,630,818	334,620,304	430,251,122
	(21,341,700)	(335,201,367)	(356,543,067)
Total Sales	95,630,818	334,620,304	430,251,122
	(21,341,700)	(335,201,367)	(356,543,067)

Figures in bracket represent previous year figures.

The following table shows the distribution of sales in India and outside India

Name of the country	2017-18 (Rupees)	2016-17 (Rupees)
India	95,630,818	21,341,700
Switzerland	212,884,437	238,849,404
Austria	6,534,360	16,896,854
Italy	1,278,108	1,417,742
Singapore	113,923,399	77,611,738
Hungary	-	425,629
Total	430,251,122	356,543,067

Disclosure of Segment-wise Liabilities and Profitability has not been possible, as the company has only one manufacturing plant and a unified marketing and administrative set-up.

Segment assets	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
Export Debtors	109,156,404	121,132,980
Total	109,156,404	121,132,980

33 Related Party Disclosures

As per the Accounting Standard 18, disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

(i) List of related parties and relationships:

Name of the Related Party	Nature of Relationship
(a) Cheetah Multitrade Pvt. Ltd.	Holding Company
(b) Chromatic International FZE	100% Subsidiary
(c) Chromatic Ferro Alloys Ltd	100% Subsidiary
(d) Mr.V.K.Kaushik	Key Managerial Personnel
(e) Mr.Ajay Sethi (Resigned on 11/08/2017)	Independent Director
(f) Ms. Diana Mahesh Joshi	Independent Director
(g) Mr.Mayank Kotadia	Independent Director
(h) Mr Sandeep Baban Pawar (27/09/2017 to 12/01/2018)	Independent Director
(i) Ms Suruchi Pednekar	Company Secretary



(ii) Entities in which any director or his relative is a partner , director or member		
(a) Healthy Choice Agro India Limited	Company	
(b) Chromatic Sponge Iron Limited	Company	
(c) Chromatic Ferro Alloys Ltd.	Company	
(d) Inshape Lifestyle Centre	Proprietorship	
(iii) Remuneration to Whole Time Directors: (Includes benefits which are debited to respective expenses)	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
a Remuneration	1,056,000	1,056,000
b Provident Fund Contribution	126,720	126,720
c Other Perquisites (LTA & Medical Allowance)	-	25,000
Total	1,182,720	1,207,720
(iv) Transactions during the year with related parties (excluding reimbursements)	2017-18 (Rupees)	2016-17 (Rupees)
With Holding Company: Cheetah Multitrade Pvt. Ltd.		
Unsecured loan taken	-	-
With Key Managerial Personnel :		
Mr.V.K.Kaushik-Remuneration	1,182,720	1,207,720
Mr.Ajay Sethi - Director Sitting Fees	-	5,000
Ms. Diana Mahesh Joshi - Director Sitting Fees	-	5,000
Mr.Mayank Kotadia - Director Sitting Fees	-	2,000
Mr Sandeep Baban Pawar - Director Sitting Fees	-	-
Ms.Suruchi Pednekar - Remuneration	297,600	297,600
(v) Closing balance as on 31st March:		
With Holding Company: Cheetah Multitrade Pvt. Ltd.		
Unsecured loan taken	8,182,402	8,182,402

34 Calculation of Earning Per Shares

(i) Basic EPS	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
Net Profit / (Loss) after tax available for equity shareholders (Rupees) used as numerator	(2,753,454)	112,030
Weighted average no. of Equity Shares used as denominator	71,046,100	71,046,100
Basic Earning Per Share (In Rupees)	(0.04)	0.002
(ii) Diluted EPS	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
Net Profit / (Loss) after tax available for equity shareholders (Rupees) used as numerator	(2,753,454)	112,030
Weighted average no. of Equity Shares used as denominator	71,046,100	71,046,100
Diluted Earning Per Share (In Rupees)	(0.04)	0.002



35 Deferred Tax

Particulars	Opening Balance as at 01.04.2017	During the year 2017-18	Closing Balance as at 31.03.2018
Deferred Tax Assets			
Ex-Gratia	48,946	(48,946)	-
Bonus	115,937	79,892	195,829
Unpaid Interest	-	534,053	534,053
	164,883	564,999	729,882
Deferred Tax Liability			
Depreciation	4,429,547	815,613	5,245,160
Change in Foreign currency translation reserve	212,123,529	1,955,486	214,079,014
Net Deferred Tax Liability	216,388,193	2,206,099	218,594,292

36 Earnings in foreign currency	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
F.O.B. Value of Exports (on accrual basis)	334,620,304	335,201,367

37 Value of import on CIF basis	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
Raw Materials & Packing Material Purchased	-	4,332,219
Stores and Spares Purchased	-	17,127

38 Expenditure in foreign currency	As at 31-03-18 (Rupees)	As at 31-03-17 (Rupees)
Travelling Expenses	1,599,432	405,996

39 Particulars of unhedged foreign currency exposure as at balance sheet date

Particulars	Currency	As at 31-03-18		As at 31-03-17	
		USD	Rupees	USD/EURO	Rupees
Debtors (net of advances)	USD	1,678,296.51	109,156,406	1,866,301.00	121,008,334
	EURO	-	-	1,800.00	124,646

40 Pursuant to Indian Accounting Standard (AS)-36 on "Impairment of Asset" issued by The Institute of Chartered Accountants of India, the company assessed its fixed assets for impairment as at 31st March 2018, and concluded that there have been no significant impaired fixed assets that need to be recognized in the books of accounts.



41 Additional quantitative information

A	Details of licensed and installed capacity and actual production	As at 31-03-18 in KG	As at 31-03-17 in KG
	Licensed capacity	1,200,000	1,200,000
	Installed capacity	1,200,000	1,200,000
	Actual production	1,072,184	1,002,224

B Details of finished goods / WIP as on 31-03-18 **All Quantities are in KG**

Particulars	Opening Stock		Production	Turnover		Closing Stock	
	Quantity	Value (Rs.)	Quantity	Quantity	Value (Rs.)	Quantity	Value (Rs.)
S.O. Dyestuffs (Reactive dyes)	40,593	16,860,524	1,072,184	1,103,136	43,025,121	9,641	2,692,096
Total	40,593	16,860,524	1,072,184	1,103,136	43,025,121	9,641	2,692,096
Previous Year	(49,748)	(20,660,932)	(1,002,224)	(1,011,379)	(356,543,067)	(40,593)	(16,860,524)

Figures in bracket represent previous year figures.

C Raw material consumed/ sales

Particulars	For the year ended 31-03-18		For the year ended 31-03-17	
	Quantity	Value (Rs.)	Quantity	Value (Rs.)
H. Acid	24532	8,861,999	24959	9,811,598
J. Acid	15340	7,585,401	14569	9,394,201
Vinyl Sulphone	58560	15,045,682	75683	19,030,185
F.Oil	39129	1,203,134	27460	736,007
Coal	557510	4,061,496	567623	4,087,681
Other raw materials		331,586,613		270,975,628
		368,344,325		314,035,300

D Raw material/Packing material & stores & spares imported/ indigenous:

Particulars	For the year ended 31.03.2018		For the year ended 31.03.2017	
	Value (Rs.)	%	Value (Rs.)	%
A) Raw Material & Packing Material				
Imported	-	0.00	4,332,219	1.43
Indigenous	324,296,816	100.00	299,294,734	98.57
	324,296,816	100.00	303,626,953	100.00
B) Stores & Spares				
Imported	-	0.00	17,127	1.28
Indigenous	1,148,865	100.00	1,325,028	98.72
	1,148,865	100.00	1,342,155	100.00

42 Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires the Company to reconcile equity and total comprehensive income for prior periods. The following table represent the reconciliations from previous GAAP to Ind AS



42.1 Reconciliation of Equity (Consolidated Balance Sheet) as at date of transition (1st April 2016)

(Rs.In Lakhs)

PARTICULARS	Prevoius GAAP	Adjustments	Ind AS
ASSETS			
Non-current assets			
Property, plant and equipment	370.31	(1.43)	368.89
Capital work-in-progress	10,572.00	-	10,572.00
Investment Property	-	1.43	1.43
Financial assets	-	-	-
- Non-Current investments	0.36	-	0.36
- Loans	24,951.33	(29.90)	24,921.43
Total Non-Current Assets (A)	35,894.01	(29.90)	35,864.11
Current assets			
Inventories	749.06	-	749.06
Financial assets			
- Current investments	-	-	-
- Trade and other receivables	5,533.81	-	5,533.81
- Cash and cash equivalents	227.42	-	227.42
- Bank Balances (other than above)	-	-	-
- Loans	1,031.20	(503.86)	527.33
Other current assets		503.86	503.86
Current Tax Assets	-	29.90	29.90
Total Current Assets (B)	7,514.48	29.90	7,571.38
TOTAL ASSETS (A+B)	43,435.49	0.00	43,435.49
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	7,104.61	-	7,104.61
Other equity	-		
- Reserves and Surplus	28,646.66	(7,789.80)	20,856.86
- Other Reserves	-	5,519.54	5,519.54
Equity attributable to owners	35,751.27	(2,270.26)	33,481.01
Share application money pending allotment	-	-	-
Total Equity (C)	35,751.27	(2,270.26)	33,481.01
Liabilities			
Non-current liabilities			
Financial liabilities			
- Long term borrowings	5.87	-	5.87
Employee benefit obligation	-	-	-
Deferred tax liabilities (Net)	39.96	2,270.26	2,310.22
Long term provisions	-	-	-
Total Non-Current Liabilities (D)	45.83	2,270.26	2,316.09



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Current liabilities			
Financial liabilities			
- Short term borrowings	562.90	-	562.90
- Trade and other payables	6,918.72	-	6,918.72
- Other financial liabilities		84.08	84.08
Other current liabilities	144.56	(84.56)	60.00
Liabilities for current tax (net)	-	0.48	0.48
Short-term provisions /Employee benefits	12.19	-	12.19
Total Current Liabilities (E)	7,638.38	-	7,638.38
Total Liabilities (F) (D+E)	7,684.22	2,270.26	9,954.47
TOTAL EQUITY AND LIABILITIES (C + F)	43,435.49	0.00	43,435.49

42.2 Reconciliation of Equity (Consolidated Balance Sheet) as on 31st March 2017

(Rs.In Lakhs)

PARTICULARS	Prevoius GAAP	Adjustments	Ind AS
ASSETS			
Non-current assets			
Property, plant and equipment	343.38	(1.25)	342.13
Capital work-in-progress	10,572.00	-	10,572.00
Investment Property	-	1.25	1.25
Financial assets			
- Non-Current investments	0.36	-	0.36
- Loans	24,507.97	(111.12)	24,396.85
Total Non-Current Assets (A)	35,423.71	(111.12)	35,312.59
Current assets			
Inventories	630.03	-	630.03
Financial assets	-		
- Current investments	-		
- Trade and other receivables	5,539.29	-	5,539.29
- Cash and cash equivalents	187.42	-	187.42
- Bank Balances (other than above)	-	-	-
- Loans	-	558.26	558.26
Other current assets	1,101.75	(558.26)	543.50
Current Tax Assets	-	111.12	111.12
Total Current Assets (B)	7,458.48	111.12	7,569.60
TOTAL ASSETS (A+B)	42,753.46	0.00	42,753.46
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	7,104.61	-	7,104.61
Other equity			
- Reserves and Surplus	28,129.67	(7,272.68)	20,856.99
- Other Reserves	-	5,151.45	5,151.45
Equity attributable to owners	35,234.28	(2,121.23)	33,113.05
Share application money pending allotment	-	-	-
Total Equity (C)	35,234.28	(2,121.23)	33,113.05



Liabilities		-	
Non-current liabilities		-	
Financial liabilities		-	
- Long term borrowings	-	-	-
Employee benefit obligation	-	-	-
Deferred tax liabilities (Net)	42.65	2,121.23	2,163.88
Long term provisions	-	-	-
Total Non-Current Liabilities (D)	42.65	2,121.23	2,163.88
Current liabilities		-	
Financial liabilities		-	
- Short term borrowings	407.89	-	407.89
- Trade and other payables	6,974.54	-	6,974.54
- Other financial liabilities	-	23.44	23.44
Other current liabilities	84.34	(24.34)	60.00
Liabilities for current tax (net)	-	0.90	0.90
Short-term provisions /Employee benefits	9.76	-	9.76
Total Current Liabilities (E)	7,476.53	-	7,476.53
Total Liabilities (F) (D+E)	7,519.18	2,121.23	9,640.41
TOTAL EQUITY AND LIABILITIES (C + F)	42,753.46	(0.00)	42,753.46

42.3 Reconciliation of total comprehensive income (Consolidated Profit and Loss) for the period ended 31st March 2017

(Rs. In Lakhs)

PARTICULARS	Prevoius GAAP	Adjustments	Ind AS
Continuing Operation			
Income			
Revenue from operations	3,565.43	-	3,565.43
Other income	162.96	-	162.96
Other Gain /Loss	-	(22.64)	22.64
Total Income	3,728.39	(22.64)	3,842.76
Expenses			
Cost of materials consumed	3,140.35	-	3,140.35
Changes in inventories of finished goods, WIP	38.00	-	38.00
Employee benefit expense	140.54	-	140.54
Finance cost	33.30	-	33.30
Depreciation and amortisation expense	24.25	-	24.25
Other expense	348.24	(22.64)	370.87
Total expenses	3,724.68	(22.64)	3,747.32
Profit/ (loss) before exceptional items, share of net profits of investments accounted for using equity method and tax	3.71	(0.00)	3.71
Profit/ (loss) before exceptional items and tax	3.71	(0.00)	3.71
Exceptional items	-	-	-
Profit/ (loss) before tax	3.71	(0.00)	3.71
Tax expense	-	-	-
a) Current tax	0.90	-	0.90
b) Deferred tax	2.68	-	2.68
Total Tax Expense	3.58	-	3.58



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Profit/ (loss) for the period from continuing operations	0.12	(0.00)	0.12
Discontinued operation		-	
Profit/ (loss) from discontinued operations	-	-	-
Tax expense of discontinued operations	-	-	-
Profit/ (loss) from discounting operations (after tax)	-	-	-
Profit/ (loss) for the year	0.12	(0.00)	0.12
Other comprehensive income	-	-	-
Items that may be reclassified to profit or loss	-	-	-
- (Profit)/ loss on exchange differences on translation of foreign operations	-	517.11	(517.11)
Other comprehensive income for the year, net of tax	-	517.11	(517.11)
Total comprehensive income for the year	0.12	517.11	(516.99)
Total comprehensive income attributable to owners	-	-	-
Continuing operations	0.12	517.11	(516.99)
Discontinued operations	-	-	-

- 43 The company is operating in single line of product i.e. manufacturing of Dyes & Chemicals on the specific orders received from its customers. In view of this, the management is of the opinion that the company is not exposed to any significant risk related to Credit, Market, liquidity etc. Accordingly, Company has not made any risk analysis as prescribed in Ind AS 107 (Financial Instruments - Disclosures)
- 44 Previous year figures have been regrouped, rearranged, reclassified and reworked wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

AUDITORS' REPORT

As per our report of even date attached
For S. K. Badjatya & Co.
 Chartered Accountants
 (Firm Regn. No. 004017C)

CA. Sudhir K. Jain
 Partner
 Membership No.: 072282

Place : Mumbai
 Date : 26th May, 2018

For and on behalf of Board of Directors

Mr.V. K. Kaushik
 Wholetime Director
 Din No : 02586479

Mr. Mayank Kotadia
 Director
 Din No : 07484438

Suruchi Wadher
 Company Secretary
 Membership No. ACS 43002

Place: Mumbai
 Date : 26th May, 2018



CHROMATIC INDIA LTD

CHROMATIC INDIA LTD.

Registered Office: 207, Vardhaman Complex Premises Co. op. Society Ltd., L.B.S. Marg, Vikhroli (West), Mumbai – 400083
CIN: L99999MH1987PLC044447 Phone No. 022 61369800 Fax 022 25793973 Email ID: chromatic@mtnl.net.in
Website www.chromatic.in

ATTENDANCE SLIP

31st Annual General Meeting at 11.00 A.M. on Wednesday, September 26, 2018

Full name of Member (IN BLOCK LETTERS) _____

Reg. Folio No./ Demat ID _____

No. of shares held _____

Full name of Proxy / Authorized representative (IN BLOCK LETTERS) _____

I hereby record my presence at the 31st Annual General Meeting of the Chromatic India Limited at the Registered Office of the Company on Wednesday, 26th day of September, 2018 at 11.00 a.m

Member's or Proxy's Signature

Note:

1. Shareholder / Proxy must bring the Admission Slip, duly signed, to the Meeting and hand it over at the entrance of the meeting hall.



CHROMATIC INDIA LTD

CHROMATIC INDIA LIMITED

Registered Office: 207, Vardhaman Complex Premises Co. op. Society Ltd., L.B.S. Marg, Vikhroli (West), Mumbai – 400083
CIN: L99999MH1987PLC044447 Phone No: 022 61369800 Fax: 022 25793973 Email ID: chromatic@mtnl.net.in
Website: www.chromatic.in

**Form MGT -11
PROXY FORM**

Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014.
31st Annual General Meeting at 11.00 A.M. on Wednesday, September 26, 2018

Name of the Member (s)		
Registered Address		
Registered Folio No. :	DPID	
No. of Shares held:	Client ID:	
Email ID		

I/We, being the Member (s) ofshares of the above named Company, hereby appoint

1. Name
Address.....
Email :.....
Signatureor failing him/her

2. Name
Address.....
Email
Signature or failing him/her

3. Name
Address.....
Email
Signature

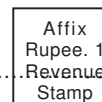
As my / our proxy to attend and Vote, in case of a poll, for me/ us and on my/our behalf at the Thirty-first (31st)Annual General Meeting of the Company to be held on Wednesday, the 26th day of September, 2018 at 11.00 a.m. at the Registered Office of the Company, 207, Vardhaman Complex Premises Co. op. Society Ltd., L.B.S. Marg, Vikhroli (West), Mumbai – 400083 and at any adjournment thereof in respect of such Resolutions as are indicated below :

Resolution Number	Resolution	For	Against
Ordinary Business			
Ordinary Resolution:			
1.	Adoption of Financial Statements for the year ended March 31, 2018		
Ordinary Resolution:			
2.	To appoint a Director in place of Mr. Vinod Kumar Kaushik (DIN No. 02586479), who retires by rotation and being eligible, offers himself for reappointment.		
Ordinary Resolution:			
3.	Ratification of Appointment of Statutory Auditors		
Special Business			
4	Appointment of Mr. _____ (DIN: _____) as an Independent Director		

Signed this.....day of.....2018

Signature of shareholder:.....

Signature of Proxy Holder(s):



Note:

- The form of proxy in order to be effective should be duly completed and deposited in the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- The Proxy need not be a member of the company.

To

If undelivered, please return to :

Chromatic India Limited
207, Vardhaman Complex Premises Co-op Soc Ltd,
L. B. S. Marg, Vikhroli (W),
Mumbai – 400083