RED HERRING PROSPECTUS
Dated June 11, 2018
Please read Section 32 of the Companies Act, 2013
Book Building Offer

FINE ORGANIC INDUSTRIES LIMITED

Fine Organic Industries Limited ("**Company**") was incorporated as 'Fine Organic Industries (Mumbai) Private Limited' on May 24, 2002 in the state of Maharashtra at Mumbai as a private limited company under the Companies Act, 1956, as amended. Thereafter, the name of our Company was changed to 'Fine Organic Industries Private Limited' and a fresh certificate of incorporation consequent upon change of name dated February 16, 2009 was issued by the Registrar of Companies, Maharashtra situated at Mumbai ("**RoC**"). Subsequently, our Company was converted into a public limited company, the word 'private' was struck off from the name of our Company and consequently, a fresh certificate of incorporation dated November 2, 2017 was issued by the RoC recording the change of our Company's name to 'Fine Organic Industries Limited'. For details of change in the name of our Company, see "*History and Certain Corporate Matters*" on page 154.

Registered and corporate office: Fine House, Anandji Lane, Ghatkopar (East), Mumbai 400 077
Contact Person: Pooja Gaonkar, Company Secretary and Compliance Officer; **Tel**: (91 22) 2102 5000; **Fax**: (91 22) 2102 8899
E-mail: investors@fineorganics.com; **Website**: www.fineorganics.com
Corporate Identity Number: U24119MH2002PLC136003

PROMOTERS OF OUR COMPANY: PRAKASH DAMODAR KAMAT, MUKESH MAGANLAL SHAH, JYOTSNA RAMESH SHAH, JAYEN RAMESH SHAH, TUSHAR RAMESH SHAH AND BIMAL MUKESH SHAH

INITIAL PUBLIC OFFERING OF UP TO 7,664,994 EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE, THROUGH AN OFFER FOR SALE BY THE PROMOTER GROUP SELLING SHAREHOLDERS AS DEFINED HEREINAFTER (SUCH EQUITY SHARES OFFERED BY THE PROMOTER GROUP SELLING SHAREHOLDERS COLLECTIVELY REFERRED TO AS THE "OFFERED SHARES"), AGGREGATING UP TO ₹ [●] MILLION ("OFFER"). THE OFFER SHALL CONSTITUTE 25.00% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

THE FACE VALUE OF EQUITY SHARES IS ₹ 5 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE PROMOTER GROUP SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED IN ALL EDITIONS OF THE FINANCIAL EXPRESS, ALL EDITIONS OF JANSATTA, AND MUMBAI EDITION OF NAVSHAKTI (WHICH ARE WIDELY CIRCULATED ENGLISH, HINDI AND MARATHI NEWSPAPERS RESPECTIVELY, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST FIVE WORKING DAYS PRIOR TO THE BID / OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITES.

In case of any revision in the Price Band, the Bid / Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid / Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers and at the terminals of the Syndicate Members

The Offer is being made in terms of Rule 19(2)(b)(ii) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), read with Regulation 41 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("**SEBI ICDR Regulations**"), this is an Offer for such percentage of the post-Offer paid-up Equity Share capital of our Company that will be at least ₹ 4,000 million calculated at the Offer Price. The Offer is being made through the Book Building Process, in compliance with Regulation 26(1) of the SEBI ICDR Regulations, wherein 50% of the Offer shall be allocated on a proportionate basis to QIBs ("**QIB Portion**"), provided that our Company and the Promoter Group Selling Shareholders, in consultation with the Book Running Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("**Anchor Investor Portion**"), at the Anchor Investor Allocation Price. At least one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Offered Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Offered Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All Bidders, other than Anchor Investors, shall participate in the Offer through an Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective bank account which will be blocked by the Self Certified Syndicate Banks ("**SCSBs**"). Anchor Investors are not permitted to participate in the Offer through ASBA Process. For details, see "*Offer Procedure*" beginning on page 477.

RISK IN RELATION TO THE FIRST OFFER

This being the first public offer of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 5 each and the Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Offer Price (determined and justified by our Company and the Promoter Group Selling Shareholders, in consultation with the Book Running Lead Managers, as stated under "*Basis for Offer Price*" beginning on page 102) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares and / or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" beginning on page 15.

COMPANY'S AND THE PROMOTER GROUP SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Promoter Group Selling Shareholders, severally and not jointly, accept responsibility for and confirm only to the extent of the information in the statements specifically confirmed or undertaken by such Promoter Group Selling Shareholders and the respective proportion of the Offered Shares that such statements are true and correct in all material aspects and are not misleading in any material respect.

LISTING

The Equity Shares are proposed to be listed on BSE and NSE. Our Company has received an 'in-principle' approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated March 8, 2018 and March 9, 2018, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A signed copy of this Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 525.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
JM Financial Limited 7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Tel: (91 22) 6630 3030 Fax: (91 22) 6630 3330 E-mail: foil.ipo@jmfl.com Investor grievance e-mail: grievance.ibd@jmfl.com Website: www.jmfl.com Contact person: Prachee Dhuri SEBI registration number: INM000010361	**Edelweiss Financial Services Limited** 14th Floor, Edelweiss House Off. C.S.T. Road Kalina Mumbai 400 098 Tel: (91 22) 4009 4400 Fax: (91 22) 4086 3610 E-mail: foil.ipo@edelweissfin.com Investor grievance e-mail: customerservice.mb@edelweissfin.com Website: www.edelweissfin.com Contact person: Mohit Kapoor SEBI registration number: INM0000010650	**Karvy Computershare Private Limited** Karvy Selenium, Tower B Plot number 31 & 32 Gachibowli Financial District Nanakramguda Hyderabad 500 032 Tel: (91 40) 6716 2222 Fax: (91 40) 2343 1551 E-mail: einward.ris@karvy.com Investor grievance e-mail: foil.ipo@karvy.com Website: https://karisma.karvy.com Contact Person: M Murali Krishna SEBI registration no.: INR000000221

BID / OFFER PROGRAMME

BID / OFFER OPENS ON	June 20, 2018 [(1)]
BID / OFFER CLOSES ON	June 22, 2018

[(1)] *Our Company and the Promoter Group Selling Shareholders may, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid / Offer Period shall be one Working Day prior to the Bid / Offer Opening Date.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy as amended from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

General Terms

Term	Description
"our Company" / "the Company" / "the Issuer"	Fine Organic Industries Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered and corporate office at Fine House, Anandji Lane, Ghatkopar (East), Mumbai 400 077
"we" / "us" / "our"	Unless the context otherwise indicates or implies, refers to our Company together with the Subsidiaries and the Joint Venture

Company and Promoter Group Selling Shareholders Related Terms

Term	Description
Adcotec	Adcotec GmbH
Articles of Association / AoA	Articles of association of our Company as amended from time to time
Auditor / Statutory Auditor	Statutory auditor of our Company, namely, B.Y. & Associates
Board / Board of Directors	Board of Directors of our Company, including any duly constituted committee thereof
CSR Committee	Corporate Social Responsibility Committee of our Board
Director(s)	Director(s) of our Company
Equity Shares	Equity shares of our Company of face value of ₹ 5 each
FineAdd	FineAdd Ingredients GmbH
FineAdd Shareholders Agreement	Joint venture agreement dated January 17, 2018 between our Company and Adcotec to form FineAdd as a joint venture
Fine Organics Europe	Fine Organics Europe BVBA
Fine Organics US	Fine Organics USA Inc
Fine Zeelandia	Fine Zeelandia Private Limited
Group Companies	Companies as identified in *"Our Group Companies"* on page 183
Independent Directors	Independent directors of our Company namely, Prakash Krishnaji Apte, Kaushik Dwarkadas Shah, Mahesh Pansukhlal Sarda, Parthasarathi Thiruvengadam and Pratima Umarji. For details, see "*Our Management*" beginning on page 161
Joint Venture	Fine Zeelandia
Key Management Personnel	Key management / managerial personnel of our Company in terms of Regulation 2(1)(s) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as disclosed in "*Our Management*" on page 174
Managing Director	Mukesh Maganlal Shah, managing director of our Company
Memorandum of Association / MoA	Memorandum of association of our Company as amended from time to time
Promoters	Promoters of our Company, namely, Prakash Damodar Kamat, Mukesh Maganlal Shah, Jyotsna Ramesh Shah, Jayen Ramesh Shah, Tushar Ramesh Shah and Bimal Mukesh Shah. For details, see "*Our Promoters and Promoter Group*" beginning on page 176
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations. For details, see "*Our Promoters and Promoter Group*" beginning on page 176
Promoter Group Selling Shareholders	Selling shareholders of our Company namely, Prakash Damodar Kamat, Mukesh Maganlal Shah, Jyotsna Ramesh Shah, Jayen Ramesh Shah, Tushar Ramesh Shah, Bimal Mukesh Shah, Jayshree Mukesh Shah, Neeta Jayen Shah and Bina Tushar Shah

Term	Description
Registered Office / Corporate Office	Registered and corporate office of our Company situated at Fine House, Anandji Lane, Ghatkopar (East), Mumbai 400 077
Registrar of Companies / RoC	Registrar of Companies, Maharashtra situated at Mumbai
Restated Consolidated Financial Statements	Restated consolidated financial statements of our Company as at and for the nine months ended December 31, 2017 and as at and for the Fiscals 2017, 2016, 2015, prepared in accordance with Ind AS and as at and for the Fiscals 2014 and 2013 prepared in accordance with Indian GAAP and examined by the Auditor in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, and relevant provisions of the SEBI ICDR Regulations
Restated Financial Statements	Restated Consolidated Financial Statements and Restated Standalone Financial Statements
Restated Standalone Financial Statements	Restated standalone financial statements of our Company as at and for the nine months ended December 31, 2017 and as at and for the Fiscals 2017, 2016, and 2015, prepared in accordance with Ind AS and as at and for the Fiscals 2014 and 2013 prepared in accordance with Indian GAAP and examined by the Auditor in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, and relevant provisions of the SEBI ICDR Regulations
Scheme of Amalgamation	Scheme of amalgamation between our Company and Oleofine Organics (India) Private Limited, and the scheme of amalgamation among our Company, Fine Research and Development Centre Private Limited and Fine Speciality Surfactants Private Limited
Smoothex Chemicals	Smoothex Chemicals Private Limited
Shareholders	Shareholders of our Company from time to time
Subsidiaries	Fine Organics US and Fine Organics Europe
Zeelandia International	Zeelandia International Holding B.V.

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allot / Allotment / Allotted	The transfer of the Offered Shares offered by the Promoter Group Selling Shareholders pursuant to the Offer to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Offered Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Offered Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and this Red Herring Prospectus and who has Bid for an amount of atleast ₹100 million
Anchor Investor Allocation Price	The price at which Offered Shares will be allocated to the Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which will be decided by our Company and the Promoter Group Selling Shareholders, in consultation with the Book Running Lead Managers
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Anchor Investor Bid / Offer Period	One Working Day prior to the Bid / Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Offered Shares will be Allotted to the Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price The Anchor Investor Offer Price will be decided by our Company and the Promoter Group Selling Shareholders, in consultation with the Book Running Lead Managers

Term	Description
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Promoter Group Selling Shareholders, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the relevant ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Escrow Collection Bank, Refund Bank and Public Offer Bank
Basis of Allotment	The basis on which Offered Shares will be Allotted to successful Bidders under the Offer and which is described in "*Offer Procedure*" beginning on page 477
Bid	An indication to make an offer during the Bid / Offer Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid / Offer Period by the Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to purchase the Offered Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of this Red Herring Prospectus and Prospectus The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Anchor Investor or blocked in the ASBA Account of the ASBA Bidders, as the case may be, upon submission of the Bid
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Offered Shares and in multiples of [●] Offered Shares thereafter
Bid / Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being June 22, 2018. In case of any revision, the extended Bid / Offer Closing Date shall also be notified on the website of the BRLMs and at the terminals of the Syndicate Members
Bid / Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being June 20, 2018 and in case of any revision, the extended Bid / Offer Opening Date shall also be notified on the website of the BRLMs and at the terminals of the Syndicate Members
Bid / Offer Period	Except in relation to Anchor Investors, the period between the Bid / Offer Opening Date and the Bid / Offer Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof
Bidder	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	The centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers / BRLMs	The book running lead managers to the Offer namely, JM Financial Limited and Edelweiss Financial Services Limited

Term	Description
Broker Centres	The broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
CAN / Confirmation of Allocation Note	A notice or intimation of allocation of the Offered Shares sent to Anchor Investors, who have been allocated Offered Shares, after the Anchor Investor Bid / Offer Period
Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Cash Escrow Agreement	The cash escrow agreement dated June 8, 2018 entered into among our Company, the Promoter Group Selling Shareholders, the Book Running Lead Managers, the Registrar to the Offer, the Banker(s) to the Offer and the Syndicate Members for *inter alia,* collection of the Bid Amounts from the Anchor Investors and where applicable, refunds of the amounts collected from the Anchor Investors, on the terms and conditions thereof
CDP / Collecting Depository Participant	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Client ID	The client identification number maintained with one of the Depositories in relation to demat account
CRISIL	CRISIL Limited
Cut-off Price	The Offer Price finalised by our Company and the Promoter Group Selling Shareholders, in consultation with the Book Running Lead Managers Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIB Bidders and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' father / husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where ASBA Bidders can submit the ASBA Forms The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC following which the Equity Shares will be Allotted in the Offer
Designated Intermediaries	The members of the Syndicate, Sub-Syndicate members / Agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	BSE Limited
Draft Red Herring Prospectus or DRHP	The draft red herring prospectus dated February 7, 2018, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Offered Shares will be Allotted and the size of the Offer
Edelweiss	Edelweiss Financial Services Limited

Term	Description
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and this Red Herring Prospectus will constitute an invitation to purchase the Offered Shares
Escrow Account(s)	The account(s) opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NEFT / RTGS / direct credit / NACH / NECS in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	Bank(s) which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account will be opened, in this case being HDFC Bank Limited
First / Sole Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
General Information Document / GID	The General Information Document for investing in public issues, prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, suitably modified and updated pursuant to, among others, the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, and the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and the circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 included in "Offer Procedure" beginning on page 477
JM Financial	JM Financial Limited
Maximum RIB Allottees	The maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Offered Shares available for Allotment to RIBs by the minimum Bid Lot
Mutual Fund Portion	5% of the Net QIB Portion or 76,650 Offered Shares which shall be available for allocation to Mutual Funds only, on a proportionate basis subject to valid bids received at or above the Offer Price
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net QIB Portion	The portion of the QIB Portion less the number of Offered Shares Allotted to the Anchor Investors
Non-Institutional Bidders / NIBs	Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Offered Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer consisting of 1,149,750 Offered Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FVCIs and FPIs
Non-Resident Indians	A non-resident Indian as defined under the FEMA Regulations
Offer / Offer for Sale	The offer for sale of up to 7,664,994 Offered Shares by the Promoter Group Selling Shareholders at the Offer Price aggregating up to ₹ [●] million in terms of this Red Herring Prospectus
Offer Agreement	The offer agreement dated February 7, 2018 among our Company, the Promoter Group Selling Shareholders and the Book Running Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer Price	The final price at which Offered Shares will be Allotted to ASBA Bidders in terms of this Red Herring Prospectus and the Prospectus. Offered Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of this Red Herring Prospectus. The Offer Price will be decided by our Company and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Managers on the Pricing Date in accordance with the Book-building Process and this Red Herring Prospectus

Term	Description
Offered Shares	Up to 7,664,994 Equity Shares aggregating up to ₹[●] million offered by the Promoter Group Selling Shareholders in the Offer
Price Band	The price band of a minimum price of ₹[●] per Offered Shares (Floor Price) and the maximum price of ₹[●] per Offered Shares (Cap Price) including revision(s) thereof The price band and the minimum bid lot will be decided by our Company and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Managers and will be advertised at least five Working Days prior to the Bid / Offer Opening Date, in all editions of the English national newspaper the Financial Express, all editions of the Hindi national newspaper Jansatta and Mumbai edition of the Marathi newspaper Navshakti (Marathi being the regional language of Maharashtra, where the Registered Office is located), each with wide circulation
Pricing Date	The date on which our Company and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Managers, will finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda thereto
Public Offer Account	The account opened, in accordance with Section 40(3) of the Companies Act, 2013, with the Public Offer Bank to receive monies from the Escrow Account(s) and the ASBA Accounts on the Designated Date
Public Offer Bank	The bank with whom the Public Offer Account for collection of Bid Amounts from Escrow Accounts and ASBA Accounts will be opened, in this case being HDFC Bank Limited
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being 50% of the Offer or 3,832,496 Offered Shares which shall be allocated to QIBs (including Anchor Investors) Our Company and the Promoter Group Selling Shareholders, in consultation with the Book Running Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis
QIBs / Qualified Institutional Buyers	The qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
QIB Bidders	QIBs who Bid in the Offer
Red Herring Prospectus / RHP	This red herring prospectus dated June 11, 2018 issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Offered Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto
Refund Account	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank	HDFC Bank Limited
Registered Brokers	The stock brokers registered with the SEBI and stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	The registrar agreement dated February 7, 2018, entered into among our Company, the Promoter Group Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar to the Offer / Registrar	Karvy Computershare Private Limited
Retail Individual Bidder(s) / Retail Individual Investor(s) / RII(s) / RIB(s)	Resident Indian individual Bidders submitting Bids, who have Bid for the Offered Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta) and does not include Non-Resident Indians other than Eligible NRIs
Retail Portion	The portion of the Offer being not less than 35% of the Offer or 26,82,748 Offered Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	The form used by Bidders to modify the quantity of the Offered Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)

Term	Description
	QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Offered Shares or the Bid Amount) at any stage, but can make upward revisions. Retail Individual Bidders can revise their Bids during the Bid / Offer Period and withdraw their Bids until Bid / Offer Closing Date
RTAs / Registrar and Share Transfer Agents	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Self Certified Syndicate Bank(s) or SCSB(s)	The Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or such other website as updated from time to time
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement namely Karvy Computershare Private Limited
Share Escrow Agreement	The share escrow agreement dated June 8, 2018 entered into among our Company, the Promoter Group Selling Shareholders and the Share Escrow Agent in connection with the transfer of Offered Shares under the Offer by the Promoter Group Selling Shareholders and credit of such Offered Shares to the demat accounts of the Allottees in accordance with the Basis of Allotment
Specified Locations	The Bidding centres where the Syndicate shall accept Bid cum Application Forms
Syndicate / Members of the Syndicate	The Book Running Lead Managers and the Syndicate Members
Syndicate Agreement	The syndicate agreement dated June 8, 2018 entered into among our Company, the Promoter Group Selling Shareholders, the Book Running Lead Managers and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	The intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, JM Financial Services Limited and Edelweiss Securities Limited
Underwriters	[●]
Underwriting Agreement	The underwriting agreement to be entered into among our Company, the Promoter Group Selling Shareholders and the Underwriters, on or after the Pricing Date, but prior to filing the Prospectus with the RoC
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(zn) of the SEBI ICDR Regulations
Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; (b) Bid / Offer Period, shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid / Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, it shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Technical / Industry Related Terms / Abbreviations

Term	Description
Badlapur Facility	Facility located in Badlapur (Maharashtra). For details, see "*Our Business*" on page 137
Dombivli Facility	Facility located in Dombivli (Maharashtra). For details, see "*Our Business*" on page 137
Fine Zeelandia Facility	New manufacturing facility set up by Fine Zeelandia in Patalganga. For details, see "*Our Business*" on page 137
First Ambernath Facility	Facility located in Ambernath (Maharashtra). For details, see "*Our Business*" on page 137
Fourth Ambernath Facility	Planned additional facility in Ambernath. For details, see "*Our Business*" on page 137
German Facility	New production facility planned to be set up in in Leipzig, Germany. For details, see "*Our Business*" on page 137

Term	Description
IAS Rules	The Companies (Indian Accounting Standards) Rules, 2015
Ind AS	Indian Accounting Standards
JHOSPA	Japan Hygienic Olefin and Styrene Plastics Association
MMT	Million Metric Tons
MT	Metric Tons
Olefine	Olefine Organics
Patalganga Facility	Planned additional facility in Patalganga. For details, see "*Our Business*" on page 137
RTC	ready-to-cook
RTE	ready-to-eat
Second Ambernath Facility	Facility at which the production is carried on by Olefine Organics. For details, see "*Our Business*" on page 137
Third Ambernath Facility	Additional production facility in Ambernath with a planned installed capacity of 32,000 tonnes per annum. For details, see "*Our Business*" on page 137

Conventional and General Terms / Abbreviations

Term	Description
₹ / Rs. / Rupees / INR	Indian Rupees
AGM	Annual general meeting
AIF	Alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
Air Act	Air (Prevention and Control of Pollution) Act, 1981
AML	Anti-money laundering
AS / Accounting Standards	Accounting standards issued by the Institute of Chartered Accountants of India
Bn / bn	Billion
Bombay Lift Rules	Bombay Lift Rules, 1958
BSE	BSE Limited
CAGR	Compounded annual growth rate
Category I foreign portfolio investors	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II foreign portfolio investors	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III foreign portfolio investors	FPIs who are registered as "Category III foreign portfolio investors" under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CENVAT	Central value added tax
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CIN	Corporate identity number
CIT	Commissioner of Income Tax
Civil Code	Code of Civil Procedure, 1908
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, along with the relevant rules made thereunder
Contract Labour Act	Contract Labour (Regulation and Abolition) Act, 1970
Depositories	NSDL and CDSL

Term	Description
Depositories Act	Depositories Act, 1996
DIN	Director identification number
DP ID	Depository participant's identification
DP / Depository Participant	A depository participant as defined under the Depositories Act
EBITDA	EBITDA is equal to our revenue from operations less cost of materials consumed, less purchase of stock in trade, less change in inventories of manufactured goods, less employee benefits and less other expenses
ECB	External commercial borrowing
EGM	Extraordinary general meeting
EPS	Earnings per share
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
Financial Year / Fiscal / Fiscal Year / FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations
FSSAI	Food Safety Standards Authority of India
FSS Act	Food Safety and Standards Act, 2006
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
GAAR	General anti-avoidance rules
Gazette	Gazette of India
GDP	Gross domestic product
GIR	General index register
GoI / Government	Government of India
GST	Goods and services tax
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling & Transboundary) Rules, 2008
ICAI	The Institute of Chartered Accountants of India
IEM	Industrial Entrepreneur Memorandum
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
Income Tax Act	Income-tax Act, 1961
Ind AS	Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015
India	Republic of India
Indian Accounting Standard Rules	Companies (Indian Accounting Standards) Rules of 2015
Indian GAAP	Generally Accepted Accounting Principles in India
IPC	Indian Penal Code, 1860
IPO	Initial public offering
IST	Indian Standard Time
IT	Information technology
IT Act	Information Technology Act, 2000
KYC	Know your customer
MCA	Ministry of Corporate Affairs, Government of India
MCI	Ministry of Commerce and Industry

Term	Description
Maharashtra Fire Prevention Act	Maharashtra Fire Prevention and Life Safety Measures Act, 2006
MIDC	Maharashtra Industrial Development Corporation
MIDC Water Supply Regulation	MIDC Water Supply Regulation, 1973
Mn / mn	Million
MPCB	Maharashtra Pollution Control Board
MoU	Memorandum of understanding
N.A. / NA	Not applicable
NAV	Net asset value
NEFT	National electronic fund transfer
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Ministry of Corporate Affairs, Government of India
NR	Non-resident
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
p.a.	Per annum
P / E Ratio	Price / earnings ratio
PAN	Permanent account number
PAT	Profit after tax
PESO	Petroleum & Explosives Safety Organisation
Petroleum Rules	Petroleum Rules, 2002
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RSPO	Roundtable on Sustainable Palm Oil
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

Term	Description
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI Portfolio Manager Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993
SEBI Stock Broker Regulations	Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
Securities Act	U.S. Securities Act of 1933
SICA	Erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
Stamp Act	Indian Stamp Act, 1899
State Government	The government of a state in India
Stock Exchanges	BSE and NSE
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax deduction account number
U.S. / USA / United States	United States of America
USD / US$	United States Dollars
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
Water Act	Water (Prevention and Control of Pollution) Act, 1974

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI ICDR Regulations, the Companies Act, the SEBI Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "*Statement of Tax Benefits*", "*Financial Statements*", "*Regulations and Policies*", "*Offer Procedure – Part B*", *"Basis for Offer Price", "Industry Overview"* and "*Main Provisions of Articles of Association*" beginning on pages 105, 189, 152, 486, 102, 108 and 518 respectively, shall have the meaning given to such terms in such sections.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references to "India" in this Red Herring Prospectus are to the Republic of India and all references to the "U.S.", "US", "USA" or "United States" are to the United States of America, all references to the "U.K." or "UK" are to the United Kingdom, all references to "China" are to the People's Republic of China, all references to "Germany" are to the Federal Republic of Germany, all references to "Malaysia" are to Federation of Malaysia, all references to "Belgium" are to the Kingdom of Belgium and all references to "Thailand" are to the Kingdom of Thailand.

Unless stated otherwise, all references to page numbers in this Red Herring Prospectus are to the page numbers of this Red Herring Prospectus.

Financial Data

Unless stated otherwise, the financial information in this Red Herring Prospectus is derived from our Restated Consolidated Financial Statements as at and as for the nine months ended December 31, 2017 and as at and for the Fiscals 2017, 2016, 2015, 2014 and 2013. These Restated Financial Statements for the financial years ended March 31, 2017, March 31, 2016, and March 31, 2015, and for the nine months period ended December 31, 2017, have been prepared in accordance with Ind AS, and for the financial years ended March 31, 2014 and March 31, 2013 have been prepared in accordance with Indian GAAP, the Companies Act and relevant rules framed thereunder and restated under the SEBI ICDR Regulations.

Our Company's financial year commences on April 1 and ends on March 31 of the next year; accordingly, all references in this Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended March 31 of such year, unless otherwise specified.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures, in decimals have been rounded off to the second decimal for all amounts in ₹ million and all percentage figures have been rounded off to two decimal places unless stated otherwise.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." or "Re" are to Indian Rupee, the official currency of the Republic of India;
- "USD" or "US$" are to United States Dollar, the official currency of the United States;
- "EUR" or "EURO" is to Euro, the official currency of the European Union;
- "MYR" is to Malaysian Ringgit, the official currency of Malaysia.
- "Baht" is to Thai Baht, the official currency of Thailand.

Except otherwise specified, our Company has presented certain numerical information in this Red Herring Prospectus in "million" and "billion" units. One million represents 1,000,000 and one billion represents 1,000,000,000.

Exchange Rates

This Red Herring Prospectus contains conversion of certain other currency amounts into Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Rupees, at any particular rate or at all.

The following table sets forth, as at the dates indicated, details with respect to the exchange rate between the Rupee and other currencies:

(in ₹)

Currency	As on December 31, 2017(3)	As on March 31, 2017	As on March 31, 2016	As on March 31, 2015	As on March 31, 2014(2)	As on March 31, 2013(1)
1 USD*	63.93	64.84	66.33	62.59	60.10	54.39
1 EUR*	76.39	69.25	75.10	67.51	82.58	69.54
1 MYR**	15.78	14.65	17.10	16.83	18.32	17.53
1 Baht**	1.96	1.89	1.89	1.91	1.84	1.85

Source:

* *RBI reference rate*

** *xe.com*

(1) *Exchange rate as on March 28, 2013, as RBI reference rate is not available for March 31, 2013, March 30, 2013 and March 29, 2013 being a Sunday, a Saturday and a public holiday, respectively.*

(2) *Exchange rate as on March 28, 2014, as RBI reference rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively.*

(3) *Exchange rate as on December 29, 2017, as RBI reference rate is not available for December 31, 2017 and December 30, 2017, a Sunday and a Saturday, respectively.*

Time: All references to time in this Red Herring Prospectus are to Indian Standard Time.

Industry and Market Data

Industry and market data used in this Red Herring Prospectus has been obtained or derived from publicly available information as well as various industry publications and sources including report titled "Report on Indian and global food emulsifiers and plastic additives industry" dated November 2017 by CRISIL Research.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Although we believe the industry and market data used in this Red Herring Prospectus is reliable, it has not been independently verified by us, our Directors, our Promoters, the Promoter Group Selling Shareholders or the Book Running Lead Managers or any of their respective affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors. Accordingly, investment decisions should not be based solely on such information.

Disclaimer of CRISIL

This Red Herring Prospectus contains data and statistics from certain reports and material prepared by CRISIL, which is subject to the following disclaimer:

CRISIL Research, a division of CRISIL Limited ("**CRISIL Research**") has taken due care and caution in preparing this report ("**Report**") based on the information obtained by CRISIL Research from sources which it considers reliable ("**Data**"). However, CRISIL Research does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of the Data / Report. The Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of the Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL Research especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of the Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL Research providing or intending to provide any services in jurisdictions where CRISIL Research does not have the necessary permission and/or registration to carry out its business activities in this regard. Fine Organic Industries Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division / CRISIL Risk and Infrastructure Solutions Ltd ("**CRIS**"), which may, in their regular operations, obtain information of a confidential nature. The views expressed in the Report are that of CRISIL Research and not of CRISIL's Ratings Division / CRIS. No part of the Report may be published/reproduced in any form without CRISIL's prior written approval.

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "goal", "expect", "estimate", "intend", "objective", "plan", "project", "will", "will continue", "will pursue", "seek to" or other words or phrases of similar import. Similarly, statements that describe our Company's strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- Increase in the cost of raw materials;
- Failure to compete effectively in the current market;
- Fluctuations of the Rupee against other currencies;
- If the costs of setting up new production facilities are higher than expected or our we are unable to secure sufficient term loans to finance the building of new production facilities or we do not receive required licenses or permits to operate such new production facilities or we are unable to procure possession of land on which certain additional production facilities are proposed to be developed;
- If we are unable to successfully develop, manufacture and sell new types of downstream products;
- Failure to protect our intellectual property and technical know-how against third party infringement or breaches of confidentiality;
- Our Company's shareholding in Fine Zeelandia and FineAdd is subject to certain restrictions and our Company is subject to certain non-compete obligations; and
- If we are unable to estimate demand for our products and thereby effectively manage our inventory.

For further discussion of factors that could cause the actual results to differ from the expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 15, 137 and 422, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoter Group Selling Shareholders, the Book Running Lead Managers nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with regulatory requirements, our Company will ensure that investors in India are informed of material developments from the date of this Red Herring Prospectus until the date of Allotment. The Promoter Group Selling Shareholders, severally and not jointly, will ensure that investors are informed of material developments in relation to the statements relating to and undertakings confirmed or undertaken by such Promoter Group Selling Shareholders in this Red Herring Prospectus and the Prospectus in relation to itself or their respective portion of the Offered Shares until the time of the date of Allotment.

SECTION II: RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. This section should be read in conjunction with "Industry Overview", "Our Business", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 108, 137, 189 and 422, respectively, before making an investment decision in relation to our Equity Shares.

The risks and uncertainties described in this section are not the only risks that are relevant to our Equity Shares or us. Additional risks and uncertainties not currently known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition. If any of the following risks or other risks that are not currently known or are now deemed immaterial actually occur, our business, results of operations and financial condition could be adversely affected and the trading price of our Equity Shares could decline and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors described below. However, there are certain risk factors where such implications are not quantifiable and hence any quantification of the underlying risks has not been disclosed in those risk factors.

In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer, including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

This section contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. For details, see "Forward-Looking Statements" on page 14. Unless otherwise stated, the financial information used in this section has been derived from the Restated Consolidated Financial Statements.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

1. ***Increases in the cost of raw materials as a percentage of our revenue from operations could have a material adverse effect on our results of operations and financial condition.***

Our largest expense, by far, is our cost of raw materials. Our primary raw materials are derived from vegetable oils, including rapeseed oil, palm oil, palm kernel oil, sunflower oil, castor oil, soybean oil, rice bran oil. Our cost of material consumed (raw material costs) represented 60.81%, 56.77%, 61.69% and 64.03% of our revenue from operations for Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, respectively.

We have not entered into supply contracts that are longer than six months, and therefore, we are subject to the risk of increases in the costs of raw materials. Our top five suppliers for Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017 accounted for 53.48%, 60.70%, 66.97% and 61.27% of the total amount in Rupee terms of the raw materials purchased by us, respectively.

We purchase domestic and imported raw materials. Our cost of domestic raw materials represented 77.89%, 76.62%, 79.77% and 74.53% for Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, respectively, of our total raw materials consumed. Domestic vegetable oil prices depend on global demand-supply dynamics as well as domestic output and import volumes of vegetable oils. Duty changes (by the Indian government and exporting countries) can result in price fluctuations, and hence volatility in demand. Climatic changes and a weak monsoon could impact production of oilseeds as well, and consequently supply. Further, base oleochemical manufacturers change vegetable oil type based on market prices. Hence, prices of vegetable oil are interlinked due to mutual substitutability. (*Source: CRISIL Research Report*). For a chart showing the trends in domestic vegetable oil prices, see "*Industry Overview–Overview of Other Additives and End–Use Sectors Growth Outlook*" on page 126.

We primarily import raw materials derived from palm and palm kernel oil. The cost of these raw materials to us is affected by fluctuations in market prices and import duties. Over the years, the Indian government has gradually increased the import duty on crude palm oil from 0% in April 2008 to 12.5% in September 2015. However, in September 2016, it reduced the import duty on crude palm oil to 7.73% and refined palm oil to 15.5% to boost supply and curb food inflation. (*Source: CRISIL Research Report*). On August 11, 2017, the Government increased the import tax on crude palm oil to 15% from 7.5%, and increased import tax duty on refined palm oil imports to 25% from 15%. *(Source: Government of India, Ministry Of Finance (Department of Revenue) Notification No. 71/2017-Customs, dated August 11, 2017).* On November 17, 2017, the Government increased the import tax on crude palm oil to 30% from 15%, and increased import tax duty on refined palm oil imports to 40% from 25%. *(Source: Government of India, Ministry Of Finance (Department of Revenue) Notification No. 87 /2017-Customs, dated November 17, 2017)*

The cost of our imported raw materials is also affected by fluctuations in the rate of exchange of the currency in which we purchase these raw materials (primarily USD) and the Rupee. For a chart showing the trends in global vegetable oil prices, see "*Industry Overview–Overview of Other Additives and End-Use Sectors Growth Outlook*" on page 126.

If we cannot fully offset increases in the cost of raw materials with increases in the prices for our products, we will experience lower margins, which will have a material adverse effect on our results of operations and financial condition.

2. ***If our products fail to meet our customers' quality standards, it could result in our removal from our end-user customers' 'approved supplier' lists, which would have a material adverse effect our business, financial condition and results of operations.***

Our customers are in the plastic industry, food industry and the cosmetics, printing inks, coated papers, lube additives, wires and cables, coatings and other specialty applications industries. These industries are characterised by intense competition. Our products make up a small proportion of the finished products manufactured by our customers (typically, under 1% by weight in plastics and under 2% by weight in foods). As such, any defect in our products would result in a disproportionately large amount of finished products being defective. Furthermore, our end-user customers typically take three to five years to approve additives before the additive manufacturer is approved as a supplier (*Source: CRISIL Research Report*). Therefore, any lapse in the quality of our products could result in us being removed from our end-user customers' 'approved supplier' lists. For instance, Schulman Plastics cancelled an order for "Finawax SE", a chemical used in the production of plastic pellets, from our Company for alleged breach of the quality assurance agreement executed between it and our Company. Although our Company was found not to have breached the agreement with Schulman Plastics in a case brought by AIG Europe Ltd, Schulman Plastics' insurer, in the sixth chamber of the Court of Commerce, Antwerp, Belgium, we nonetheless lost that customer's order. As such, we must ensure that our products and manufacturing facilities continue to meet our customers' standards and maintain our inclusion on our customers' core lists of suppliers. If we are unable to do so, it would have a material adverse effect on our business, financial condition and results of operations.

3. ***Our commercial success also depends to a large extent on the success of our customers' products with end consumers. If the demand for the products in which our products are used declines, this could have a material adverse effect on our business, financial condition and results of operations.***

Our products are used by our customers as additives in the production of plastic and food, cosmetics, paint and coatings and other specialty applications. Our commercial success also depends to a large extent on the success of our customers' products with end consumers. The success of the end products manufactured by our customers depends on our and our customers' ability to identify early on, and correctly assess consumer market preferences. We cannot assure you that our customers will correctly assess consumer preferences in a timely manner or that demand for goods in which our products are used will not decline. If the demand for the products in which our products are used declines, it could have a material adverse effect on our business, financial condition and results of operations.

4. ***We do not have long-term agreements with most of our customers.***

We do not have long-term agreements with most of our customers. Customers with whom we do not have long-term agreements may choose to cease sourcing our products. In the event a customer ceases to use us as its preferred supplier for products that were specifically created for them, we cannot assure you that we will be successful in marketing those products to another customer. This could lead to a surplus of those products in our inventory. Further, we cannot assure you that we will be able to enter into new agreements or renew our existing agreements with customers on terms acceptable to us, or at all, which could have an adverse effect on our business, financial condition and results of operations.

5. ***Some of our long-term agreements for the sale of our products are for fixed prices, do not contractually stipulate minimum purchases and/or contain 'meet or release' provisions, which may have a material adverse effect on our profit margins.***

Some long-term agreements for the sale of our products contain a 'meet or release' provision, i.e., a provision pursuant to which a purchaser may terminate the agreement if we do not agree to meet any lower offers that the purchaser receives from other suppliers. Some of our long-term agreements stipulate fixed prices for our products. Some of our long-term agreements stipulate that there are no minimum purchase obligations on our customer(s), and/or do not contain any express provision stipulating a minimum purchase obligation. The aforementioned provisions (or absence of provisions) in our long-term contracts may adversely affect our profit margins, and therefore, our business, financial condition and/or results of operations.

6. ***Fluctuations of the Rupee against other currencies could adversely affect our financial condition and results of operations.***

We prepare our financial statements in Rupees. Most of our sales to overseas customers are denominated in foreign currency, predominantly USD. For Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, our revenue from operations net off excise duty from sales to foreign customers was ₹ 3,588.68 million, ₹ 3,509.64 million, ₹ 4,817.67 million and ₹ 3,245.12 million, respectively, representing 59.14%, 53.79%, 61.91% and 55.86%, respectively, of our revenue from operations net off excise duty/GST. An appreciation of the Rupee decreases the Rupee amount of revenue from sales made in foreign currency.

We import goods, primarily raw materials. For Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, we imported ₹ 891.33 million, ₹ 877.83 million, ₹ 1,085.07 million and ₹ 935.89 million worth of goods, respectively, representing 14.02%, 12.80%, 13.31% and 15.85% of our revenue from operations, respectively. A depreciation of the Rupee would result in an increase in the prices of imported goods.

For details of our accounting policies with respect to foreign currency transactions, see Note 2.2(d) of "*Annexure A.V– Significant Accounting Policies and Notes Forming Integral Part of the Consolidated Financial Information*".

We generally hedge some of our net foreign currency exposure. For Fiscal 2017 and the nine months ended December 31, 2017, our finance costs included premium/discount on forward contract of ₹ 1.78 million and ₹ 5.56 million, respectively

For Fiscals 2016 and 2017, we had a net gain on foreign currency fluctuations of ₹ 73.74 million and ₹ 25.24 million, respectively. For Fiscal 2015, we had a net gain on foreign currency transaction and translation of ₹ 8.37 million, For Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017 our net foreign exchange gain/(loss) on foreign currency term loan and Exchange Earners Foreign Currency (EEFC) account was ₹ (0.33) million, ₹ (16.00) million, ₹ 0.24 million and ₹ 67.95 million, respectively.

Fluctuations in the value of the Rupee against such foreign currencies, to the extent that it is not hedged, would result in gains or losses, which in the case of losses could have a material adverse effect on our business, financial condition and results of operations. On a net basis, an appreciation of the Rupee would be negative for our business, financial condition and results of operations.

7. ***If the costs of setting up new manufacturing facilities are higher than expected, or if we are unable to secure sufficient term loans to finance the building of these new production facilities, it could have a material adverse effect on our business, financial condition, results of operations and growth prospects.***

We plan to set up three new production facilities in the next two years. For details, see "*Our Business–Manufacturing–Planned Facilities*" on page 144. We are also in the preliminary stages of planning to set up two additional production facilities. For details, see "*Our Business–Manufacturing–Additional Production Facilities–Preliminary Stages of Planning*" on page 145.

The estimated costs for setting up these planned facilities are based on management estimates and have not been appraised by any bank or financial institution. The estimated costs are based on current conditions and are subject to change in light of changes in external circumstances, costs, and other financial conditions. As a consequence of any increased costs or delays in implementation, the actual costs to set up these new facilities may be higher than our management's estimates, as a result of which, our financial condition, results of operations and cash flows could be materially and adversely impacted. Further, there could be delays in setting up the new facilities as a result of, among other things, contractors' failure to perform, unforeseen engineering problems, disputes with workers or force majeure events, any of which could give rise to cost overruns and delays in our implementation schedules.

We plan to partly finance the costs of setting up these proposed new facilities using borrowings. However, except for the Fine Zeelandia Facility, we have not obtained committed debt financing for these proposed new facilities. There can be no assurance that we will be able to secure adequate debt financing on commercially acceptable terms for the capital expenditures required for the establishment of these planned new facilities, which may delay work on constructing the planned new facilities until we are able to do so, or that we will be able to secure such debt financing at all. In the event we are unable to secure adequate debt financing on commercially acceptable terms, we may decide to issue equity securities to raise the required funds, which could result in a then-current shareholder being diluted. However, we cannot assure you that we would be able to raise the adequate funds through the issuance of equity securities.

8. ***We have yet to obtain possession of the land on which we are in the preliminary stages of planning to set up the Fourth Ambernath Facility. If we are unable to obtain possession of the land, we may have to find alternative plot of land, which may be more expensive and/or less favourably located.***

In December 2013, we paid ₹ 242 million (which was the full purchase price) for a plot of land on which we plan to build the Fourth Ambernath Facility. Although we have received the allotment letter, we have not yet received possession of the land from the MIDC authorities and we are unsure as to when this will occur.

If we are unable to obtain possession of the plot of land for the Fourth Ambernath Facilities, or if we have not received possession in time for us to adequately plan the construction of the new facility on it as per the needs of our business at that time, we would need to look for an alternative plot of land on which to build new facility, which may be materially more expensive than the land we have currently purchased. Furthermore, there is a possibility that we may not be able to obtain a refund of the amount that we paid for the land if we are unable to obtain possession of the plot of land for the Fourth Ambernath Facility.

9. ***An increasingly stringent regulatory environment with regard to foods, cosmetic ingredients and other specialty additives could result in stricter standards being applied to our products, which could cause us to incur substantial costs and may therefore have an adverse effect on our business and results of operations.***

Food products and their ingredients and cosmetic substances are subject to high regulatory standards to protect consumers from health hazards in all countries in which we manufacture or distribute our products. Similar regulations also apply to plastics additives used in manufacturing packaging materials used for food packaging and medical products. In addition to Indian laws, rules and regulations, we must also comply with the laws, rules and regulations in each country where we sell our products, including the European Union and the United States. The most important regulatory frameworks for our business are that of India, the European Union and the United States. The European Commission, in particular, regulates safety assessments, approval and distribution of aromas and food additives across the European Union with the aim of strengthening consumer protection. This can lead to restrictions on the use of certain ingredients and the tightening of regulations on substances subject to labelling requirements. For our products that are sold in the USA, we are required to comply with the applicable standards promulgated by the Food and Drug Administration ("**FDA**").

If we were to breach these regulations, we could face substantial legal sanctions, including fines. Regulations are supplemented by strict standards imposed by self-regulating associations and certain of our key customers. Gaps in our operational processes, improper handling, storage or processing of raw materials and any real or perceived contamination could adversely affect the quality of our products and result in regulatory non-compliance. If product non-compliance were to go undetected by us, it could subject us to customer claims and adverse publicity, recalls, penalties, litigation costs and settlements, remediation costs or loss of sales. As our products are used as ingredients in many products meant for human consumption, these consequences would be exacerbated if our customers did not identify the defect and there was a resulting impact at the consumer level. Such a result could lead to potentially large-scale adverse publicity, recalls and potential consumer litigation. Furthermore, adverse publicity about our products, including concerns about product safety or similar issues, whether real or perceived, could harm our reputation and result in an immediate adverse effect on our sales, as well as require us to utilize significant resources to rebuild our reputation. A violation could result in the loss of customers and could have an adverse effect on our business, results of operations and financial condition.

This could also increase demand for certain products not containing these ingredients or limit the marketability of products containing certain ingredients. This could result in the need to develop alternative products and, in connection with that, lead to considerable development costs and increased production costs, and could result in a loss of our market share in the event that we are unable to adapt to changing conditions as well as our competitors are able to. Any loss of customers to our competitors could have an adverse effect on our business, results of operations and financial condition.

10. ***Our Company and certain of our Directors are involved in certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, financial condition and results of operations***

Our Company and certain of our Directors are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation matters above the materiality threshold of ₹ 7.82 million against our Company and our Directors is set out below.

- Litigation against our Company:

Nature of Case	Number of outstanding cases	Amount involved
Direct tax*	3	₹ 34.15 million**
Indirect Tax	9	₹ 8.18 million

* *As regards fringe benefit tax and securities transaction tax, although the number of cases is not accounted in the table but as the time for filing appeal by the income tax department has not expired, the contingent tax claim has been considered.*

** *In respect of one of the tax litigation between our Company and the Pr. Commissioner of Income Tax, the High Court of Bombay has passed an order dated January 17, 2018 ("**Order**") against our Company in respect of the assessment year 2009-10. Our Company is in the process of evaluating the Order and filing an appeal / petition against the Order before the appropriate authority in due course.*

- Litigation against our Directors:

Nature of Case	Number of outstanding cases	Amount involved (in ₹ million)
Criminal	2	N.A.
Direct tax	1	3.55

For further details, see "*Outstanding Litigation and Material Developments*" on page 444.

Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, results of operations and financial condition. If the courts or tribunals rule against our Company or our Directors, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

11. ***We are dependent on two of our suppliers for our key raw materials, and any disruption in supply could have a material adverse effect on our results of operations and financial condition.***

In Fiscals 2015, 2016 and 2017 and in the nine months ended December 31, 2017, our purchases of raw materials from our top two suppliers constituted 46.22%, 47.18%, 51.61% and 39.44% of our total purchases made from all suppliers, respectively. We do not enter into supply contracts of durations of more than six months. If the suppliers do not supply us, there can be no assurance that we will be able to identify alternative suppliers in future at similar cost. Any disruption in the supply of the raw materials could disrupt our manufacturing operations, which could have a material adverse effect on our business, results of operations and financial condition.

12. ***We do not currently manufacture premixes for bakery and confectionary products and there can be no assurance that Fine Zeelandia's business will be profitable.***

Fine Zeelandia Private Limited ("**Fine Zeelandia**"), a joint-venture company in which we have a 50.00% equity interest, currently acts as an exclusive distributor for Zeelandia International Holdings B.V.'s, a company incorporated under the laws of the Netherlands ("**Zeelandia International**"), range of premixes for bakery and confectionary products and pan release agents in India, Sri Lanka, Bangladesh and Nepal, but does not currently manufacture these products. The Fine Zeelandia Facility will produce premixes for bakery and confectionary products and pan release agents. The Fine Zeelandia Facility's initial installed production capacity will be 10,000 tonnes per annum. Fine Zeelandia sold 133.36 tonnes and 152.97 tonnes of Zeelandia International's products in Fiscal 2017 and the nine months ended December 31, 2017, respectively. However, there can be no assurance that Fine Zeelandia will be able to sell sufficient quantities of products at the prices required for it to be profitable. If Fine Zeelandia is not profitable, our Company may need to make additional investments in the business to support it. If Fine Zeelandia fails to be profitable, our Company may lose the money that our Company invested in this business, which could have a material adverse effect on our reputation, business, financial condition and results of operations.

13. ***We are required to obtain, renew or maintain certain critical statutory and regulatory permits and approvals required to operate our business, and if we fail to do so in a timely manner or at all, we may be unable to fully or partially operate our business and our results of operations may be adversely affected.***

Our operations are subject to extensive government regulation and we are required to obtain and maintain several critical statutory and regulatory permits and approvals under central, state and local government rules for operating our business generally, for each of our manufacturing facilities and proposed manufacturing facilities, proposed joint venture in Germany (which we plan to name FineAdd Ingredients GmbH, in which we will have 50% equity interest) and our proposed subsidiary and sales office in China. We are also required to obtain environmental clearances for the manufacture and sale of certain products. For details of the approvals relating to our business and operations, see "*Government and other Approvals*" on page 459.

A majority of these approvals are granted for a limited duration. Some of these approvals have expired and we have either made or are in the process of making an application for obtaining the approval or its renewal. For details of pending approvals, see "*Government and Other Approvals*" on page 459. Further, while we have applied for some of these approvals, we cannot assure you that such approvals will be issued or granted to us in a timely manner, or at all. If we do not receive such approvals or are not able to renew the approvals in a timely manner, our business and operations may be adversely affected.

The approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of accidental non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us, through a failure of our employees, Directors or Promoters, to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business.

14. ***If we are unable to estimate demand for our products and thereby effectively manage our inventory, it could have an adverse effect on our business, results of operations and financial condition.***

We evaluate our inventory balances of materials based on the shelf-life of our products (typically one year), expected sourcing levels, known uses and anticipated demand based on forecasted customer order activity and changes in our product sales mix. Efficient inventory management is a key component of our results of operations. To be successful, we must maintain sufficient inventory levels and an appropriate product mix to meet our customers' demands, without allowing those levels to increase to such an extent that the costs associated with storing and holding other inventory adversely affects our results of operations. If our raw materials purchase decisions do not accurately predict sourcing levels, customer trends or our expectations about customer needs are inaccurate, we may have to take unanticipated markdowns or impairment charges to dispose of the excess or obsolete inventory and may have to procure additional inventory, including inventory space and associated costs, which could adversely affect our results of operations.

15. ***We are subject to strict customer specification requirements in terms of our manufacturing processes and products and any failure by us or our suppliers to comply with the applicable customer specifications may lead to cancellation of existing and future orders, recalls or warranty claims, or civil claims.***

A significant number of our products are made in accordance with customers' specifications. If we are unable to meet those specifications, this may lead to cancellation of existing and future orders, recalls or warranty claims, or civil claims, which may have a material adverse impact on our business, financial condition and results of operations. For example, in some of our long-term contracts with our customers we provide a warranty for our products for a period of 12 months and also offer suitable indemnification to our customers. For instance, Schulman Plastics cancelled an order for "Finawax SE", a chemical used in the production of plastic pellets, from our Company for alleged breach of the quality assurance agreement executed between it and our Company. Although our Company was found not to have breached the agreement with Schulman Plastics in a case brought by AIG Europe Ltd, Schulman Plastics' insurer, in the sixth chamber of the Court of Commerce, Antwerp, Belgium, we nonetheless lost that customer's order.

16. ***We are subject to safety, health, environmental, labour, workplace and related laws and regulations and any failure to comply with any current or future laws or regulations could have a material adverse effect on our business, financial condition and results of operations.***

We are subject to a broad range of safety, health, environmental, labour, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on the disposal and storage of raw materials, air and water discharges; on the storage, handling, discharge and disposal of chemicals, employee exposure to hazardous substances and other aspects of our operations. For example, Indian law limits the amount of hazardous and polluting discharge that our manufacturing facilities may release into the air. For more details, see *"Government and other Approvals*" on page 459.

Manufacturing sites by nature may be hazardous. Our sites often put our employees and others in close proximity with moving vehicles and chemical and manufacturing processes. As a result, we are subject to a variety of health and safety laws and regulations dealing with occupational health and safety. Unsafe work sites have the potential to increase employee turnover and raise our operating costs. Further, any accidents at our facilities may result in personal injury or loss of life, substantial damage to or destruction of property and equipment that could result in the suspension of operations. Any of the foregoing could subject us to litigation, which may subject us to penalties, increase our expenses in the event we are found liable, and could adversely affect our reputation. Additionally, the government or the relevant regulatory bodies may require us to shut down our facilities, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers.

If we fail to maintain safe work sites or violate applicable laws, it could expose us to civil and criminal liabilities and harm our reputation, any of which could have a material adverse effect on our business, financial condition and results of operations.

17. ***Our Company's shareholding in Fine Zeelandia and FineAdd is subject to certain restrictions and our Company is subject to certain non-compete obligations.***

Our Company entered into a shareholders' agreement dated May 21, 2014 (the "**Shareholders' Agreement**") with Zeelandia International to form Fine Zeelandia and a FineAdd Shareholders' Agreement with Adcotec to form FineAdd. Our Company owns a 50% equity interest in Fine Zeelandia and will own 50% equity interest in FineAdd. Accordingly, the risk of deadlock (a situation where no progress can be made because of fundamental disagreement between opposing parties) is high. To mitigate this risk, both the Shareholders' Agreement and the FineAdd Shareholders' Agreement contain a buy-out right, which allows the opposing shareholder to either sell all of its shares, or purchase all of the other shareholder's shares. Unless otherwise agreed between our Company and our joint venture partner, a shareholder is prohibited from transferring or disposing any of its equity interest in Fine Zeelandia and FineAdd during a period of five years after the signing of the Shareholders' Agreement or FineAdd Shareholders' Agreement, as the case may be. In addition, no transfer of shares in Fine Zeelandia and FineAdd by our Company or our respective joint venture partner shall take place without following the mechanism (i.e., a right of first refusal). To the extent that such mechanism cannot be followed or necessary waiver consent cannot be obtained, there is a risk that our Company will be unable to exit Fine Zeelandia or FineAdd, despite our Company's desire to do so.

Our Company is also subject to non-compete obligations, which prohibit our Company from (directly or indirectly), in India, Sri Lanka, Bangladesh and Nepal, engaging in any of the following with respect to the products manufactured by Fine Zeelandia or currently sold in India by Zeelandia International:

Activities that are directly or indirectly competitive with Fine Zeelandia's activities, including business dealings with Fine Zeelandia's customers, and the solicitation of Fine Zeelandia's employees; or

Providing any third party whose business is in direct or indirect competition with Fine Zeelandia's activities, with a licence to use any trade name, trademark, know-how or any other of its intellectual property right.

Similar non-compete obligations are also imposed on us pursuant to the FineAdd Shareholders' Agreement.

18. ***FineAdd may not be profitable or may not achieve the profitability that justifies our Company's investment. Our proposed investment is also subject to reputational, financial and/or legal risks.***

Entering into the FineAdd Shareholders Agreement may subject our Company to the risk of changes in economic and political conditions in Germany. It will also require a detailed understanding of the German commercial market, and relevant laws and regulations. In this respect, our Company may be dependent on Adcotec for product distribution, local market knowledge or other resources. Other risks include, but are not limited to: disputes between joint venture partners in connection with the performance of each party's obligations and the scope of each party's responsibilities under the shareholders' agreement; Adcotec having economic or business interests or goals that are inconsistent with or opposed to our Company's goals; Adcotec exercising its veto rights, pre-emptive rights and/or block actions in a way that is not in our Company's or FineAdd's best interests; Adcotec's unwillingness to fulfill its obligations under the shareholders' agreement or other agreements; or Adcotec refusing to provide capital contributions to, or funding their portion of, FineAdd.

There can also be no assurance that FineAdd will be able to sell sufficient quantities of products at the prices required for it to be profitable. If FineAdd is not profitable, our Company may need to make additional investments in the business to support it. If FineAdd fails to be profitable, our Company may lose the money that our Company invested in this business, which could have a material adverse effect on our reputation business, financial condition and results of operations.

19. ***One of our strategies is to increase our sales of higher margin downstream and other specialty products. However, there can be no assurance that we will be able to successfully develop, manufacture and sell new types of downstream products and if we fail to do so it could have an adverse effect on our growth prospects.***

One of our strategies is to increase our sales of higher margin downstream and other specialty products. For instance, we plan to manufacture specialty feed nutrition additives, which we currently manufacture only in limited quantities for export. There can be no assurance that our specialty feed nutrition additives will be accepted in the market or that our competitors will not be able to produce similar products at a lower price than we can, which would have an adverse effect on our products' competitive position. If we are unable to increase our sales of higher margin downstream and other specialty products, it could have an adverse effect on our growth prospects.

20. ***If we are unable to protect our intellectual property and technical know-how against third party infringement or breaches of confidentiality, or are found to infringe on the intellectual property rights of others, it could have a material adverse effect on our business, results of operations and financial condition.***

Our success depends on our ability to protect our intellectual property, which comprises patented applications and processes. Furthermore, non-patentable trade secrets and confidential know-how are important for our business success. For details, see "*Our Business–Intellectual Property*" on page 148.

As part of our strategy, we often rely on trade secrets to protect proprietary formulations, which do not require us to publicly file information regarding such trade secrets. Consequently, disputes may arise from time to time concerning the ownership of intellectual property rights or the enforceability of confidentiality agreements. Furthermore, our trade secrets may become known or independently developed by our competitors, and in such cases, we may no longer enjoy the exclusive use of some of our formulations or maintain the confidentiality of information relating to our products.

We also rely on technical knowledge, product information, industry data, manufacturing expertise and market "know-how" that cannot be registered and is not subject to any confidentiality or nondisclosure clauses or agreements. If such know-how is leaked to third parties, this could erode our competitive advantage.

We cannot guarantee that any of our registered or unregistered intellectual property rights or our know-how, or claims thereto, will now or in the future successfully protect what we consider to be the intellectual property underlying our products and business, or that our rights will not be successfully opposed or otherwise challenged. We also cannot guarantee that each application filed with respect to our brand names or any new products or inventions will be approved. To the extent that our innovations, products and name are not protected by intellectual property rights, third parties, including competitors, may be able to commercialise our innovations or products or use our know-how.

Additionally, we may face claims that we are infringing the intellectual property rights of others. If we are subject to any adverse rulings or decisions, our manufacture and sale of such products could be significantly restricted or prohibited and we may be required to pay substantial damages or on-going licensing fees.

Further, our Company has entered into an assignment agreement with Fine Organic Industries dated December 13, 2017 in relation to assignment of certain trademarks together with the goodwill of the business in the goods in respect of which the said trademarks are used. For further details, see "*Our Business – Intellectual Property*" on page 148. The assignment agreement is pending registration with the jurisdictional Registrar of Trademarks and Patents. We cannot assure you that we will be able to apply for registration of the assignment agreement in a timely manner or at all and that the assignment agreement will be registered, failing which, it may impact our ability to enforce our rights in relation to the trademarks which have been assigned to us. Failure to enforce our rights in relation to such trademarks could adversely affect our business, financial condition and results of operations.

21. ***The financial statements of the foreign Subsidiaries have not been audited or subject to any review by an auditor.***

The financial statements of Fine Organics (USA), Inc. and Fine Organics Europe BVBA have not been audited or subjected to any review by an auditor. The financial statements of overseas subsidiaries are not required to be audited under the applicable regulations, and therefore, these financial statements have been certified by our management. For details, please see "*Financial Statements–Restated Consolidated Financial Statements*" on page 306.

22. ***Credit and non-payment risks of our customers could have a material adverse effect on our business, financial condition and results of operations.***

The majority of our sales are to customers on an open credit basis, with standard payment terms of generally between 30 to 90 days. While we generally monitor the ability of our customers to pay these open credit arrangements and limit the credit we extend to what we believe is reasonable based on an evaluation of each customer's financial condition and payment history, we may still experience losses because of a customer being unable to pay. As a result, while we maintain what we believe to be a reasonable allowance for doubtful receivables for potential credit losses based upon our historical trends and other available information, there is a risk that our estimates may not be accurate. As at December 31, 2017, our total trade receivables amounted to ₹ 1,172.09 million, or 24.74% of our total assets. If we are unable to collect customer receivables or if the provisions for doubtful receivables are inadequate, it could have a material adverse effect on our business, financial condition and results of operations.

In Fiscals 2015, 2016 and 2017 and in the nine months ended December 31, 2017 we wrote off nil in bad debt.

23. ***We rely, in part, on distributors for the sale of our products. Any disruption in such arrangements will adversely affect our results of operations.***

In the 12 months ended March 31, 2018, we had 631 direct customers and 127 distributors (who sold our products to more than 5,000 customers). We do not have written contracts with distributors. We have no control over the amount of time and resources these distributors devote to selling our products. We also cannot assure you that such distributors are not in financial difficulty or in violation of any anti-corruption laws, international sanctions or other agreements. Any disruptions in our relationship with such distributors could have an adverse effect on our business, results of operations and financial condition.

24. ***Newly developed products may replace our existing products and our research and development efforts may not yield new products, processes and solutions consistently to enable us to remain competitive.***

New specialty additives for the plastics, foods, and cosmetics, coatings and other specialty applications industries may be developed, which may replace our existing products and/or render our existing products obsolete. While we conduct research and development to develop innovative and cost effective products, and to broaden our product range, we may not be able to develop new products consistently.

25. ***Some of our Group Companies are in the same line of business as us. In the event our Promoters choose to concentrate or channel their efforts and resources through any of these Group Companies, the value of the Equity Shares may be adversely affected.***

Oleofine Organics Sdn Bhd-Malaysia and Oleofine Organics (Thailand) Co. Ltd are engaged in the same line of business as us. There may be conflicts of interest in addressing business opportunities and strategies between such

Group Companies and us. We have not entered into any arrangement to mitigate the conflict of interests. In the event our Promoters choose to concentrate or channel their efforts and resources through any of these Group Companies, the value of our Equity Shares may be adversely affected.

26. ***Our performance depends to a large extent on the efforts and abilities of our Promoters and Key Management Personnel. The loss of or diminution in the services of one or more of our Promoters and Key Management Personnel could have a material adverse effect on our business, financial condition and results of operations.***

Our performance depends to a large extent on the efforts and abilities of our Promoters and Key Management Personnel. For details in relation to the experience of our Promoters and Key Management Personnel, see "*Our Promoters and Promoter Group*" and "*Our Management*" on pages 176 and 161, respectively. Our future success will to a large extent depend on our ability to retain our Key Management Personnel. We do not have any key man insurance. The loss of or diminution in the services of one or more of our Key Management Personnel could have a material adverse effect on our business, financial condition and results of operations.

Our Promoters, Executive Directors and six out of nine of our Key Management Personnel are part of the Shah and Kamat families. Although the relationship between these families has been and continues to be cordial, there can be no assurance that personal or professional disagreements between members of these families will not arise, which may lead to a rift amongst our Promoters, Board and/or other Key Management Personnel, that could have a material adverse effect on our business, financial condition and results of operations.

27. ***If we fail to retain and attract additional skilled employees, particularly science and technical personnel, it could have a material adverse effect on our business, financial condition and results of operations.***

Our success depends in part on our ability to retain and attract additional skilled employees, particularly our scientists and skilled equipment operators. Without a sufficient number of skilled employees, our operations and manufacturing quality could suffer. Our ability to successfully carry out research and development depends on our ability to attract and retain skilled scientists and equipment operators. Our experienced sales team has also developed a number of meaningful customer relationships that would be difficult to replace.

Competition for qualified technical personnel and operators as well as sales personnel with established customer relationships is intense, both in retaining our existing employees and when replacing or finding additional suitable employees. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting suitable employees. Any failure to retain and attract additional skilled scientists, equipment operators or sales personnel could have a material adverse effect on our business, financial condition and results of operations.

28. ***Delays or outages in our information technology ("IT") systems and computer networks could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

Our operations depend on the efficient and uninterrupted operation of complex and sophisticated IT systems and computer networks, which are subject to failure and disruption. Our dependence upon automated IT systems to record and process transactions may further increase the risk that technical system flaws will result in losses that are difficult to detect. As a result, we face the risk that the design of our controls and procedures may prove inadequate thereby causing delays in detection or errors in information.

We may also be subject to disruptions, failures or infiltrations of our IT systems arising from events that are wholly or partially beyond our control (including, for example, damage or incapacitation by human error, natural disasters, electrical or telecommunication outages, sabotage, computer viruses, hacking, cyber-attacks or similar events, or loss of support services from third parties such as internet backbone providers), for which we may be held liable. In the event we experience interruptions or infiltrations of our IT systems, this may give rise to deterioration in customer service and to loss or liability to us, which may materially and adversely affect our business, financial condition and results of operations. Although we have taken a business interruption insurance policy, the amount of the loss may exceed our coverage for the loss.

In addition, an infiltration of our IT systems may compromise information stored on our systems and may result in significant data losses or theft of our or our customer's proprietary business or personally identifiable information, which could result in other negative consequences, including liabilities, remediation costs, disruption of internal operations, increased cybersecurity protection costs, damage to our reputation and loss of customer confidence, any of which could materially and adversely affect our business, financial condition and results of operations.

Further, we are dependent on various external vendors for certain elements of our operations and are exposed to the risk that external vendors or service providers may be unable to fulfil their contractual obligations to us (or will be subject to the same risk of operational errors by their respective employees) and the risk that their (or their vendors') business continuity and data security systems prove to be inadequate. Failure to perform any of these functions by our external vendors or service providers could materially and adversely affect our business, results of operations and cash flows.

29. ***We do not own the entire building in which our Registered and Corporate Office is situated. Further, we do not have any written arrangement for the use of the office space owned by some of the members of the Promoter Group.***

Our Registered and Corporate Office is situated at 'Fine House', Anandji Lane, Ghatkopar (East), Mumbai 400 077. 'Fine House' consists of six floors, having various units that are owned by either the Company or some of the members of the Promoter Group or the original builder. In this regard, we own the portions of the first floor (partially) and we currently do not have any written arrangement with the relevant members of the Promoter Group for the use of the portions owned by them, i.e., on the 1st floor (partially) and on 2nd to 4th floor. Further, the portions on the 5th and the 6th floor of Fine House are owned by the original builder and are not occupied or used by us. We cannot assure you that we will be able to continue with the uninterrupted use of the portions owned by the relevant members of the Promoter Group. If they require us to vacate any of the portions owned by them, we may need to find another premises, which may be more expensive and/or less conveniently located and/or on terms and conditions unfavourable to us, and we may suffer a disruption in our operations or increased costs, or both, which may adversely affect our business, results of operations and financial condition. For further details, see "*Our Business–Properties*" on page 150.

30. ***Some of our business operations are being conducted on leased premises. If we are unable to renew or extend such leases, it could have a material adverse effect on our business.***

The Dombivli Facility is situated on a plot of land which is held under a lease that expires on July 17, 2020. The Second Ambernath Facility is situated on a plot of land that MIDC currently leases to Olefine Organics, a partnership firm and a Promoter Group entity. Our Company has entered into a leave and license agreement for the land with Olefine Organics for a term of three years effective March 26, 2018. There can be no assurance that the leave and license agreement with respect to the Second Ambernath Facility or the short-term lease for the Dombivli Facility will be renewed when their terms expire.

Additionally, some of our manufacturing facilities are operated on industrial land allotted to us by industrial development corporations, subject to various compliance requirements and approvals to be obtained from the industrial development corporations. Failure to comply with the conditions of use of such land could result in an adverse impact on our business and financial condition. For further details, see "*Our Business–Properties*" on page 150.

31. ***One of the two plots of land on which the Badlapur Facility is located is held on the basis of an agreement to lease. Any termination of an agreement to lease or our failure to enter into a lease agreement could adversely affect our business, financial condition and results of operations.***

One of the two plots of land on which the Badlapur facility is located is held on the basis of an agreement to lease. The acquisition of leasehold rights over this plot is subject to execution of a lease deed. There can be no assurance that we will be able to execute a lease deed in a timely manner or at all. If we fail to get an executed lease deed, we may be required to vacate the land and relocate the manufacturing facility, which would expend time and money. Also, we may be unable to relocate the manufacturing facility to an appropriate location in a timely manner, or at all. This could adversely affect our business, financial condition and results of operations.

32. ***Most of the plots of land on which our facilities are located are held on long-term leases, the terms of which may adversely impact our business operations***

Most of the plots of land on which our facilities located are held on long-term leases. These lease agreements contain certain restrictive covenants, such as an obligation to procure labour locally, to provide an indemnity in favour of MIDC for damage, if any, restrictions on assignment of the land, and MIDC's right to resume land, which may adversely affect our business. We may also enter into such transactions with third parties in the future. Any adverse impact on the title, ownership rights, development rights of the owners from whose premises we operate, breach of the contractual terms of any lease, leave and license agreements, or any inability to renew such agreements on acceptable terms may materially affect our business.

33. ***If our competitors are able to improve the efficiency of their manufacturing processes and thereby offer their products at lower prices, our revenues and profitability may decline.***

If our competitors harness better process technology or improved process yield, or manufacture their products more efficiently, and are therefore able to offer their products at lower prices than we can, our revenues and profitability may decline. Some of our competitors are global companies that have greater technical and financial resources and broad customer bases needed to bring competitive products to the market. They may also develop new products to compete with our current products and respond more quickly and effectively than we do to new or changing opportunities, applications, technologies, standards, or client requirements. There can be no assurance that we can continue to compete effectively with our competitors in the future, and failure to compete effectively may have an adverse effect on our business, financial condition and results of operations. For details concerning our competition, see "*Our Business–Competition*" on page 149.

34. ***If a new way of manufacturing oleochemical-based additives is discovered that results in the cost of production decreasing, in order to compete effectively we may be required to replace our existing plant and machinery with these new types of plant and machinery and thereby incur additional capital expenditure, which could have a material adverse effect on our financial condition and results of operations.***

While we are unaware of any significant new developments in this area, if a new way of manufacturing oleochemical-based additives is discovered that results in the cost of production decreasing, in order to compete effectively we may be required to replace our existing plant and machinery with these new types of plant and machinery and thereby incur additional capital expenditure, which could have a material adverse effect on our financial condition and results of operations.

35. ***We are dependent on third party transportation and logistics providers. Any increase in the charges of these entities could adversely affect our business, results of operations and financial conditions. Disruptions of logistics could impair our ability to procure raw materials and/or deliver our products on time, which could materially and adversely affect our business, financial condition and results of operations.***

Under the terms of some of our sales contracts, we are required to pay the freight costs for the products we sell. In addition, under the term of some of the purchase agreements, we have to pay for transportation costs in relation to the delivery of some of the goods to our facilities. We do not own any trucks or ships; we therefore rely on third party transportation and logistics providers for delivery of our raw materials and products. Freight and forwarding charges represented 2.07%, 1.94%, 1.78% and 1.96% of our revenue from operations for Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, respectively. We are subject to the risk of increases in freight costs. If we cannot fully-offset any increases in freight costs, through increases in the prices for our products, we would experience lower margins. Furthermore, in the event that our selected transporters are unable to perform their services, there is no guarantee that suitable alternative transportation services will be secured at favourable rates. This would have an adverse effect on our financial condition and results of operations.

We lease our three overseas warehouses and a logistics company manages each of them. We do not have formal lease agreements for these warehouses and our arrangements with the entities that operate these warehouses are renewed from month to month. Any failure to reach a mutual agreement with the operators of the warehouse could result in the disruption of our logistics chain. Any increase in the amount the logistics company charges us could adversely affect our results of operations and financial condition.

Further, disruptions in logistics, including in transportation services, could impair our ability to procure raw materials and/or deliver manufactured products on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

36. ***A material disruption at one or more of our manufacturing facilities could have a material adverse effect on our business, results of operations and financial condition.***

We currently operate three manufacturing facilities. Our manufacturing facilities could unexpectedly stop operating because of events unrelated to us or beyond our control, including fires, floods and other natural disasters, utility and transportation infrastructure disruptions, shortages of raw materials, and acts of war or terrorism. On May 26, 2016, there was a major fire at one of our facilities located in Dombivli (Maharashtra), gutting the entire building. The fire began at a neighbouring facility and spread to our facility. The facility was unsalvageable. However, the facility was insured and we believe that the cost to rebuild the facility will be covered by the insurance company, subject to the deductions set forth in the insurance policy. Any material disruption at one or more of our facilities could have a material adverse effect on our business, results of operations and financial condition. We have, however, taken out a business interruption insurance policy that covers a maximum gross profit of ₹ 3,600 million.

37. ***If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our financial condition, results of operations and cash flows.***

We have taken out insurance within a range of coverage that we believe is consistent with industry practice in India to cover certain risks associated with our business. We have taken insurance policies that cover fixed assets accounting for 99.26% of the total book value of our insurable fixed assets (i.e., total fixed assets less the book value of land) as at December 31, 2017. For details on our insurance policies, see "*Our Business–Insurance*" on page 149. We do not have any key man insurance policy in place and are not insured against consequential damages, environmental damages, terrorist acts and war-related events. We cannot assure you that our current insurance policies will insure us fully against all risks and losses that may arise in future. Even if we have insurance for the incident giving rise to the loss, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, or at all. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our financial condition, results of operations and cash flows.

38. ***We have had negative cash flows in the past and it is possible that we may experience negative cash flows in the future.***

The table below sets forth selected information from our statements of cash flows in the periods indicated below.

(in ₹ million)

Particulars	**Nine months ended December 31, 2017 (Ind AS)**	**Fiscal**		
		2017 (Ind AS)	**2016 (Proforma Ind AS)**	**2015 (Proforma Ind AS)**
Net cash flows generated from /(used in) operating activities	743.62	462.53	1,091.46	497.69
Net cash flows generated from /(used in) investing activities	(284.88)	(164.16)	(278.53)	(425.21)
Net cash flows generated from/ (used in) financing activities	(345.05)	(553.08)	(529.52)	(104.28)
Net increase/ (decrease) in cash and cash equivalents	**113.69**	**(254.71)**	**283.41**	**(31.81)**

For further details, see "*Financial Statements–Restated Consolidated Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 306 and 422, respectively.

39. ***A shortage or non-availability of electricity, natural gas and other similar utilities could affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.***

Our manufacturing operations require a continuous and supply of electricity. Our facilities require the power voltage to be the same at all times to achieve a standard quality of product. A shortage or non-availability of electricity could adversely affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition. To maintain a steady flow of electrical power and to protect against power surges, our facilities are equipped with uninterruptible power supply ("**UPS**") devices. In the event of a power failure, our facilities are equipped with diesel generators that will automatically begin to run. We store sufficient diesel fuel to run these generators.

The First Ambernath Facility and the Badlapur Facility uses piped natural gas and furnace oil, respectively, to power their machines. If the supply of piped natural gas and/or furnace oil is interrupted, we would be unable to operate these facilities, and as such, an interruption of the supply of piped natural gas and/or furnace oil at these facilities could have an adverse effect on our business, financial condition and results of operations.

40. ***Our ability to invest in our overseas subsidiaries and joint venture entities might be constrained by Indian or foreign laws, which could affect our growth strategy and business prospects.***

We currently have subsidiaries incorporated in the United States and Belgium and we plan to set up a new subsidiary in the People's Republic of China. We have agreed to set up a joint venture company in Germany, i.e., FineAdd. Under Indian foreign investment laws, an Indian company is permitted to invest in, or provide financial commitment to overseas joint ventures or wholly owned subsidiaries, not exceeding 400% of the Indian company's net worth as at the date of its last audited balance sheet (subject to certain exceptions), and any financial commitment exceeding USD 1.00 billion (or its equivalent) in a Fiscal Year will require prior approval of the RBI. This limitation also applies to any other form of financial commitment by the Indian company, including in terms of any loan, guarantee or counter guarantee issued by such Indian company. Further, there may be limitations stipulated in the host country for foreign investment.

An investment or financial commitment not complying with the stipulated requirements is permitted with the RBI's prior approval. Additionally, there are also further requirements specified under the Companies Act and Indian foreign exchange laws in relation to any acquisition that we may propose to undertake in the future. These limitations on overseas direct investment could constrain our ability to invest in our existing overseas entities or acquire overseas entities to provide other forms of financial assistance or support to such entities, which may adversely affect our growth strategy and business prospects.

41. ***If we are subject to any frauds, theft, or embezzlement by our employees, contractors or customers, it could adversely affect our reputation, results of operations and financial condition.***

Our operations may be subject to incidents of theft. We may also encounter some inventory loss on account of employee/contractor/vendor fraud, theft, or embezzlement. Although we have set up various security measures in our manufacturing facilities such as deployment of security guards and operational processes such as periodic stock taking, there can be no assurance that we will not experience any fraud, theft, employee negligence, loss in transit or similar incidents in the future, which could adversely affect our reputation, results of operations and financial condition.

On August 16, 2017, we filed a criminal complaint against Ravindra Limaye, a former employee of our Company, for criminal breach of trust, theft and criminal misappropriation. The matter relates to, amongst other things, (a)certain defamatory and malicious letters addressed by Ravindra Limaye to the Chairman, employees, customers, distributors and the general public that could tarnish the reputation of our Company, and (b) misusing of contacts and confidential information of the Company, thereby breaching the non-disclosure and non-compete agreement executed with the Company. On May 3, 2017, we also filed a civil suit against Ravindra Limaye in the High Court of Bombay for breach of his employment contract, in relation to the aforementioned acts. We claimed damages amounting to ₹ 150.00 million for the loss of reputation and profits; and (ii) a permanent injunction against Ravindran Limaye. The High Court of Bombay passed an ad-interim order on May 4, 2017 in our favour granting us a temporary injunction against the defendant. Both the criminal and civil actions are currently pending. For further details, see "*Legal and Other Information–Outstanding Litigation and Material Developments*" on page 444.

42. ***We are subject to risks associated with expansion into new geographic regions.***

We have two subsidiaries in Europe and North America that sell directly to selected large direct customers, as well as to distributors in Europe and North America who then sell to smaller or medium-sized customers. Additionally, we plan to establish a wholly owned subsidiary in China and are in the process of opening sales office in Shanghai to sell directly to selected large direct customers.

Operating in foreign countries subjects us to various risks, including those relating to our lack of familiarity with the culture, legal regulations and language barriers. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including:

- compliance with a wide range of laws, regulations and practices, including uncertainties associated with changes in laws, regulations and practices and their interpretation;
- foreign ownership constraints and uncertainties with new local business partners;
- exposure to expropriation or other government actions; and
- political, economic and social instability.

We could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

43. ***Our Subsidiaries, Fine Zeelandia and FineAdd may not pay cash dividends on shares that our Company holds in them. Consequently, our Company may not receive any return on investments in our Subsidiaries, Fine Zeelandia and FineAdd.***

Our Subsidiaries, Fine Zeelandia and FineAdd (when incorporated) are separate and distinct legal entities, having no obligation to pay dividends and may be restricted from doing so by law or contract, including applicable laws, foreign exchange regulations, charter provisions and the terms of their financing arrangements. The Shareholders' Agreement for Fine Zeelandia provides that Fine Zeelandia may not pay dividends for five years from the date of Fine Zeelandia's incorporation. Further, dividends received from our foreign Subsidiaries and FineAdd are liable to be taxed in India. If the dividend paying company is resident of a country with which India has signed an agreement for avoidance of double taxation, the taxability of dividend income will be determined by the provisions of such agreement. We are entitled to certain benefits pursuant to double taxation avoidance agreements entered into between India and Belgium, the United States, China and Germany. For instance, Belgium does not impose any withholding tax on dividends, paid by a Belgium company to a non-resident company. Upon distribution of this income to India, underlying tax credit would be given in India for 'taxes payable' in Belgium. Should these tax treaties be suspended or revoked or adversely modified, our financial position could be adversely affected. We cannot assure you that our Subsidiaries, Fine Zeelandia and FineAdd will generate sufficient profits and cash flows to be able to pay dividends, or if they do, they will not be restricted from doing so (which is the case with Fine Zeelandia).

44. ***The Promoters and Promoter Group will continue to have the ability to control or influence the outcome of matters submitted to Shareholders for approval and their interests may differ from those of other Shareholders.***

The Promoters and Promoter Group currently own 100% of the outstanding Equity Shares. Immediately upon the closing of the Offer, the Promoters and Promoter Group will hold 75% of the outstanding Equity Shares (assuming all the Offered Shares are purchased in the Offer). As long as the Promoters and Promoter Group continues to hold a significant ownership stake in us, the Promoters and Promoter Group have the ability to control or influence the outcome of any matter submitted to shareholders for approval, including matters relating to sale of all or part of our business, mergers, or acquisitions or disposal of assets; the distribution of dividends; appointment or removal of our directors or officers; and our capital structure or financing. This control could delay, defer or prevent a change in control of us, impede a merger, consolidation, takeover or other business combination involving us, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us, even if it is in the best interests of other shareholders. The Promoters and Promoter Group may have interests that are adverse to the interests of our Company's shareholders and may take positions with which our Company's other shareholders do not agree.

45. ***Information relating to the historical capacity and estimated installed capacities of our manufacturing facilities and the planned estimated installed capacities of our planned manufacturing facilities is based on various assumptions and estimates, and actual production may differ significantly from such estimated capacities.***

Information relating to the historical capacity and the estimated installed capacities of our existing manufacturing facilities and the planned estimated installed capacities of our planned manufacturing facilities are based on certain technical assumptions used by the engineer for the purpose of estimating such capacities, including for arriving at production capacity assumptions like number of shifts, duration of each shift and considering different products which the plant is capable of manufacturing and is already manufacturing. Actual production levels and capacity utilization rates may differ significantly from the estimated installed capacities due to, among other things, the type of products being manufactured. Prospective investors should not place undue reliance on the historical capacity information and estimated installed capacity for our existing manufacturing facilities, and the estimated installed capacities of our planned manufacturing facilities.

46. ***Our Company's ability to pay dividends in the future will depend on a number of factors, including but not limited to our Company's earnings, capital requirements, contractual obligations, applicable legal restrictions and overall financial position.***

Our Company's ability to pay dividends in the future will depend on number of factors, including but not limited to our Company's earnings, capital requirements, contractual obligations, applicable legal restrictions and overall financial position. In addition, our Company's ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements that our Company is currently availing itself of or may enter into in the future. For further details, see "*Financial Indebtedness*" on page 442.

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and subsequent approval of shareholders and will depend on factors that our Board and shareholders deem relevant. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future. We cannot assure you that we will be able to pay dividends at any point and in the future. For details of dividends that we paid in the past, see "*Dividend Policy*" on page 188.

47. ***We rely on contractors for the recruitment of contract labourers for non-core tasks and are therefore exposed to execution risks and liability towards labourers under applicable Indian laws.***

We enter into arrangements with contractors for recruitment of contract labourers only for non-core tasks such as loading and unloading of goods and housekeeping as per our requirements for a fixed period of time. There is no assurance that we may be able to renew these arrangements on a timely basis or at all. We do not have direct control over the timing or quality of the services and supplies provided by such third parties. Contractors hired by us may be unable to provide the requisite manpower on a timely basis or at all or may be subjected to disputes with their personnel, which, in turn, may affect production at our facilities and timely delivery of our products to our customers. Although we do not engage contract labourers directly, we may be held responsible under applicable Indian laws for wage payments to such labourers should our contractors default on wage payments**.**

48. ***We have entered into and may continue to enter into related party transactions. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.***

We have entered into certain related party transactions with our Promoter Group and Key Managerial Personnel. For Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, the amount of such transactions was ₹

620.31 million, ₹ 782.06 million, ₹ 606.19 million and ₹ 591.26 million, respectively, representing 9.75%, 11.40%, 7.44% and 10.01% of our revenue from operations, respectively. The following table sets forth a summary of related party transactions by type for the periods indicated:

(₹ in millions)

Particulars	Nine months ended December 31, 2017 (Ind AS)	Fiscal		
		2017 (Ind AS)	2016 (Proforma Ind AS)	2015 (Proforma Ind AS)
Remuneration to Directors	87.54	316.66	274.31	239.32
Purchase of Goods / Samples	93.38	22.32	29.93	26.21
Sale of Goods	83.73	115.76	113.35	207.84
Sale of Components / Assets			0.44	-
Processing Charges Paid	31.38	28.53	27.51	23.95
Purchase of Components / Assets	22.58	-	-	-
Processing Charges Received	-	0.19	0.77	0.29
Purchase of License		0.02		
Sale of License	14.57	10.55	14.87	15.30
Corporate Social Responsibility Expenses	-	13.10	9.50	6.50
Interest on Unsecured Loan	5.99	26.73	26.89	44.46
Dividend paid/Proposed	229.95		223.35	-
Salary	4.69	0.91	2.61	2.11
Research & Development Expenses	-	0.36	0.66	50.30
Export Commission	0.08	0.32	0.52	0.89
Rent (Office Usage Charges)/ Deposits	1.96	2.52	2.52	2.74
Leave & License Agreement and Deposit	2.40	-	-	-
Reimbursement of Expenses	13.01	6.63	0.51	0.41
Sharing of cost (ERP)	-	1.59	1.49	-
Investments in equity instruments	-	60.00	52.84	-

For further details, Note 37 in "*Financial Statements–Restated Consolidated Financial Statements–Annexure A.VII*" on page 369. Since December 31, 2017, we have continued to enter into related party transactions. For example, we entered into a leave and license agreement with Olefine, a Promoter Group entity, for the land on which the Second Ambernath Facility is located effective March 26, 2018 for a period of three years.

Our Promoters may be deemed to be interested in the benefits derived by them from their directorship in our Company and other benefits arising from transactions entered into between us and themselves or their relatives as well as between us and our Group Companies. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, our Company expects to enter into related party transactions in the future.

49. ***Statistical and industry data in this Red Herring Prospectus is derived from the CRISIL Research Report, and CRISIL Research does not guarantee the accuracy, adequacy or completeness of the information.***

This Red Herring Prospectus includes information that is derived from the CRISIL Research Report, which was prepared by CRISIL Research, pursuant to an engagement with us. CRISIL is not in any manner related to our Company, our Directors or our Promoters. We have not independently verified data obtained from industry publications and other sources referred to in this Red Herring Prospectus. CRISIL Research has advised that while it has taken due care and caution in preparing the CRISIL Research Report, which is based on information obtained from sources that it considers reliable ("**Information**"), it does not guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. The CRISIL Research Report also highlights certain industry and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that CRISIL Research's assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Red

Herring Prospectus. Further, the CRISIL Research Report is not a recommendation to invest or disinvest in our Company. CRISIL Research has disclaimed all financial liability towards the subscribers, users, transmitters or distributors of the commissioned report. Prospective investors are advised not to unduly rely on the CRISIL Research Report or extracts thereof as included in this Red Herring Prospectus, when making their investment decisions.

50. ***Our operations could be adversely affected by strikes, work stoppages, demands for increased wages or any other kind of employee dispute.***

As at March 31, 2018, we had 608 full-time employees. We have never had a labour strike and none of our full-time employees are in a union. While we believe we enjoy a good relationship with our workforce, there can be no assurance that we may not experience disruptions in our operations due to disputes or other problems with our work force such as work stoppages, labour strikes, increased wage demands or any other kind of employee dispute that could adversely affect our business and results of operations. These actions are impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

51. ***If we do not comply with covenants and conditions under our borrowing arrangements it could lead to termination of our credit facilities, accelerated repayment of all amounts due thereunder, enforcement of any security provided and the trigger of cross default provisions. Any of the above actions taken by the relevant lender could have a material adverse effect on our credit ratings, financial condition, results of operations and cash flows.***

Our debt facilities contain a number of significant restrictions and covenants that generally restrict our business and limit our ability to among other things:

- alteration of our capital structure in any manner;
- making changes to our management set-up;
- effecting any amalgamation, merger, reconstruction or consolidation;
- amending the documents in relation to our constitution;
- effecting any change in ownership or shareholding pattern;
- creation of further charge, lien or encumbrance on assets hypothecated with our lenders;
- undertaking new projects or implementing any scheme of expansion/diversification, or incurring capital expenditure, except as provided for in the funds flow statement submitted by us to the lender;
- investment by way of share capital in or lend or advance to or place deposits with any other entity;
- undertaking guarantee obligations on behalf of any other lender or any third party;
- declaring dividends; and
- declaring dividends except out of profits relating to that year after making all due and necessary provision.

See "*Financial Indebtedness*" on page 442 for additional information regarding the covenants and other terms of our debt facilities. These and other similar provisions in these and other documents could have adverse consequences on our business because they limit our ability to take these actions even if we believe that a specific transaction would contribute to our future growth or improve our results of operations. For example, these restrictions could limit our flexibility in planning for or reacting to changes in our business and our industry, thereby inhibiting our ability to react to markets and potentially making us more vulnerable to downturns. These restrictions could also require that, based on our level of indebtedness, a significant portion of our cash flow from operations be used to make interest payments, thereby reducing the cash flow available for working capital, to fund capital expenditures or other corporate purposes and to generally grow our business. Furthermore, these restrictions could prevent us from pursuing a strategic transaction that we believe is in our best interests.

Our ability to comply with these provisions may be affected by events beyond our control. A failure to observe the covenants under our financing arrangements or to obtain necessary consents or serve the required notices of intimation may lead to the termination of our credit facilities, acceleration of all amounts due under such facilities and the enforcement of any security provided. Any acceleration of amounts due under such facilities may also trigger cross default provisions under our other financing agreements. If the obligations under any of our financing documents are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. Any of these circumstances could adversely affect our business, credit ratings, financial condition, results of operations and cash flows.

52. ***Our contingent liabilities could adversely affect our financial condition.***

As at December 31, 2017, we had certain contingent liabilities not provided for amounting to ₹ 34.15 million. The contingent liability amounts disclosed in our Restated Consolidated Financial Statements represent estimates and assumptions of our management based on advice received. If, for any reason, these contingent liabilities materialize, it may adversely affect our financial condition and results of operations. For more details, see Note 35 of "*Financial Statements–Restated Consolidated Financial Statements–Annexure A.VII*" on page 363.

53. ***Any downward revision of our credit ratings could result in an increase in the interest rates we would pay on any new borrowings and could decrease our ability to borrow as much money as we require to finance our business.***

Our credit ratings are ICRA A+ for long-term bank facilities and ICRA A1 for short-term bank facilities. Any downward revision of our credit ratings could result in an increase in the interest rates we would pay on any new debt and could decrease our ability to borrow as much money as we require to finance our business.

54. ***Certain of our corporate records are not traceable.***

Certain corporate records made by us in relation to certain share transfer forms, with respect to transactions entered by our Promoters, are not traceable. Additionally, we and our Promoters have been unable to trace a significant number of share transfer forms pertaining to transfer of Equity Shares by and to our Promoters since our incorporation till 2014. Despite having conducted an extensive search of our internal records, we have not been able to retrieve the aforementioned documents. Accordingly, we have relied on other documents, including minutes of the meeting of our Board, our statutory registers of members and annual returns for such matters. We cannot assure you that the abovementioned forms will be available in the future.

55. ***If we fail to pay material dues to our creditors in a timely manner, it could have an adverse effect on our reputation and business.***

We, in its ordinary course of business, may have material dues to creditors from time to time. If we fail to pay the dues to such creditors in a timely manner, it could have an adverse effect on our reputation and business.

EXTERNAL RISKS

1. ***We are subject to numerous political, economic, legal, tax, operational and other risks as a result of our international operations that could adversely impact our businesses in many ways.***

We are subject to political, economic, legal, tax, operational and other risks that are inherent in operating in many countries, including risks of possible nationalization, expropriation, price controls, capital controls, exchange controls, increased taxes and levies, and other restrictive governmental actions, as well as the outbreak of hostilities or political and governmental instability. In many countries, the laws and regulations applicable to the specialty plastics and foods additives industry are uncertain and evolving, and it may be difficult for us to determine the exact requirements of local laws in every market. Crime and corruption, as well as issues of security and personal safety, also exist in certain of these countries. Our inability to remain in compliance with local laws in a particular market could have a significant and negative effect not only on our business in that market but also on our reputation generally.

Some emerging markets to which we export our products have experienced severe political, economic or financial disruptions, including significant devaluations of their currencies, defaults or potential defaults on sovereign debt, capital and currency exchange controls, high rates of inflation and low or negative growth rates in their economies. These conditions could adversely impact our business, financial condition and operations.

2. ***Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition and results of operations.***

Our revenue from operations net off excise duty/GST from sales to customers in India represented 40.86%, 46.21%, 38.09% and 44.14% of our revenue from operations net off excise duty/GST for Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, respectively. Therefore, any slowdown in economic growth in India could adversely affect our business, financial condition and results of operations. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and our business, financial condition and results of operations.

3. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.***

Our business is subject to various laws and regulations, which are evolving and subject to change. For details, see "*Regulations and Policies*" on page 152. We are also subject to corporate, taxation and other laws in effect in India, Belgium and the United States, which require continued monitoring and compliance. These laws and regulations and the way in which they are implemented and enforced may change. There can be no assurance that future legislative or regulatory changes will not have any adverse effect on our business, results of operations and financial condition.

RISKS RELATING TO OUR EQUITY SHARES AND THE OFFER

1. ***Our Company has issued Equity Shares during the last 12 months from the date of filing of this Red Herring Prospectus at a price that may be below the Offer Price.***

During the last 12 months from the date of filing of this Red Herring Prospectus, we have issued Equity Shares at a price that is lower than the Offer Price as detailed in the following table.

Date of allotment	Name of Allottees	No. of equity shares allotted	Face value (₹)	Issue price (₹)	Reason for allotment
July 5, 2017	Allotment to the shareholders of Fine Speciality Surfactants Private Limited and Fine Research and Development Centre Private Limited	280,000	10	Other than cash	Scheme of amalgamation of Fine Speciality Surfactants Private Limited and Fine Research and Development Centre Private Limited with our Company. For further details, see "*History and Certain Corporate Matters–Details regarding acquisition of business/ undertakings, mergers, amalgamations and revaluation of assets*" on page 157.
October 16, 2017	Allotment to our Shareholders as of the record date, being August 10, 2017	10,219,992	10	Other than cash	Bonus issue of two equity shares for every one Equity Share held on the record date.

For further details, see "*Capital Structure–Notes to Capital Structure-Issue of Equity Shares through bonus issue or for consideration other than cash*" on page 86.

2. ***The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchanges. Further, the current market price of some securities listed pursuant to certain previous issues managed by the BRLMs is below their respective issue prices.***

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company and the Promoter Group Selling Shareholders in consultation with the BRLMs. Furthermore, the Offer Price of the Equity Shares will be determined by our Company and the Promoter Group Selling Shareholders in consultation with the BRLMs through the Book Building Process. These will be based on numerous factors, including factors as described under "Basis for Offer Price" on page 102 and may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchanges. The price of our Equity Shares upon listing on the Stock Exchanges will be determined by the market and may be influenced by many factors outside of our control. For further details, see "-Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for our Equity Shares will develop following the listing of our Equity Shares on the Stock Exchange" on page 33. Further, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLMs is below their respective issue price. For further details, see "Other Regulatory and Statutory Disclosures-Price information of past issues handled by the Book Running Lead Managers" on page 463.

3. ***Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for our Equity Shares will develop following the listing of our Equity Shares on the Stock Exchanges.***

There has been no public market for our Equity Shares prior to the Offer. The purchase price of our Equity Shares in the Offer will be determined by us and the Selling Shareholders, in consultation with the BRLMs, pursuant to the Book Building Process. This price will be based on numerous factors, as described under in "*Basis for Offer Price*" on page 102 . This price may not necessarily be indicative of the market price of our Equity Shares after the Offer is completed. You may not be able to re-sell your Equity Shares at or above the Offer price and may as a result lose all or part of your investment.

Our Equity Shares are expected to trade on the NSE and the BSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

The price at which our Equity Shares will trade at after the Offer will be determined by the marketplace and may be influenced by many factors, including:

- Our financial condition and results of operations;
- The history of and prospects for our business;
- An assessment of our management, our past and present operations and the prospects for as well as timing of our future revenues and cost structures; and
- The valuation of publicly traded companies that are engaged in business activities similar to ours.
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or government entities of significant claims or proceedings against us;
- new laws and government regulations that directly or indirectly affect our business;
- additions or departures of key management personnel;
- changes in interest rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in our Equity Shares may experience a decrease in the value of our Equity Shares regardless of our operating performance or prospects.

4. ***We will not receive any proceeds from the Offer. Our Selling Shareholders will receive the entire proceeds from the Offer.***

This Offer comprises an offer for sale of up to 7,664,994 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders. The entire proceeds from the Offer will be paid to the Selling Shareholders (which includes our Promoters and certain of our Directors). We will not receive any proceeds from the Offer. For details, see "*Objects of the Offer*" on page 102.

5. ***Any future issuance of Equity Shares by us or sales of Equity Shares by the Promoters could adversely affect the trading price of our Equity Shares and in the case of the issuance of Equity Shares by us result in the dilution of our then current shareholders.***

As disclosed in "*Capital Structure*" on page 84, an aggregate of 20% of our fully diluted post-Offer capital held by our Promoters shall be considered as minimum Promoters' contribution and locked in for a period of three years, and balance Equity Shares held by the Promoters following the Offer (assuming all of the Offered Shares are sold in the Offer) will be locked-in for one year from the date of Allotment. Except for the customary lock-in on our ability to issue equity or equity-linked securities discussed in "*Capital Structure*" on page 84, there is no restriction on our ability to issue Equity Shares. As such, there can be no assurance that we will not issue additional Equity Shares after the lock-in period expires or that the Promoters will not sell, pledge or encumber our Equity Shares after the lock-in periods expire. Future issuances of Equity Shares or convertible securities and sale of the underlying Equity Shares could dilute the holdings of our shareholders and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the then trading price of our Equity Shares or the Offer Price. Sales of Equity Shares by the Promoters could also adversely affect the trading price of our Equity Shares.

6. ***You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.***

Under the Income Tax Act 1961 ("**Act**"), capital gains arising from the sale of equity shares in an Indian company within 12 months of purchase are generally taxable in India at 15% if the securities transaction tax ("**STT**") is paid on acquisition and the shares are sold on recognized stock exchange. In respect of shares held for more than 12 months, the Finance Act, 2018 has withdrawn the exemption under clause (38) of section 10 of the Act and has introduced a new section 112A in the Act, to provide that long-term capital gains arising from transfer of a long-term capital asset being an equity share in a company shall be taxed at 10% of such capital gains exceeding one lakh rupees. The said section, inter alia, provides that the provisions of the section shall apply to the capital gains arising from a transfer of long-term capital asset being an equity share in a company, only if securities STT has been paid on acquisition. However, to provide the applicability of the tax regime under section 112A of the Act to genuine cases where the STT could not have been paid, it has also been provided in sub-section (4) of section 112A of the Act that the central Government may specify, by notification, the nature of acquisitions in respect of which the requirement of payment of STT shall not apply in the case of acquisition of equity share in a company. The Government has issued a draft notification dated April 24, 2018, listing out certain modes of acquisition where the benefit of section 112A will not be applicable, subject to certain exceptions. The final notification is awaited. In the absence of the final notification, it is not possible to quantify the impact of income tax on capital gain on the sale of our equity shares. As such, there is no certainty of what impact the Finance Act, 2018 may have on the price of our Equity Shares post-listing of the Equity Shares on the Stock Exchanges.

Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief that may be available under the applicable tax treaty or under the laws of their own jurisdiction.

7. ***QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Offer within six Working Days from the Bid/ Offer Closing Date, events affecting the Bidders' decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading of our Equity Shares even if such events occur, and such events may limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Offer or may cause the trading price of our Equity Shares to decline on listing.

8. ***Public companies in India, including us, are required to compute income tax under the ICDS. The transition to ICDS in India is very recent and we may be negatively affected by this transition.***

The Ministry of Finance had issued a notification dated March 31, 2015 presenting the ICDS which creates a new framework for the computation of taxable income. The ICDS was to take effect from April 1, 2015. However, in view of the representations from stakeholders, the Central Board of Direct Taxes ("**CBDT**"), Ministry of Finance, according to its press release dated July 6, 2016, has deferred the applicability of the ICDS with Fiscal 2017 being the first assessment year. The ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. For example, where ICDS-based calculations of taxable income differ from Indian GAAP or Ind AS-based concepts, the ICDS-based calculations have the effect of requiring taxable income to be recognised earlier, increasing overall levels of taxation or both. There can be no assurance that the adoption of the ICDS will not adversely affect our business, results of operation and financial condition.

Prominent Notes:

1. Except as disclosed below, we have not changed our name in the last three years:

   Our Company was converted into a public limited company and the word 'private' was struck off from its name and its Memorandum of Association was amended to reflect the change in name on October 14, 2017. Consequently, a fresh certificate of incorporation dated November 2, 2017 was issued by the RoC consequent upon conversion, recording the change of our name to 'Fine Organic Industries Limited. After the change of our name, there was no variation to the activities being undertaken by our Company. Accordingly, the objects clause of our Memorandum of Association was not required to be altered.

2. Offer of up to 7,664,994 Equity Shares by the Selling Shareholders aggregating up to ₹ 38.32 million at face value. The Offer shall constitute 25.00% of our post-Offer paid-up Equity Share capital.

3. As of December 31, 2017, our net worth was ₹ 3,619.22 million and ₹ 3,515.03 million as per the Restated Standalone Financial Statements and Restated Consolidated Financial Statements, respectively.

4. As of December 31, 2017, the net asset value per Equity Share was ₹ 118.04 million and ₹ 114.65 million, as per the Restated Standalone Financial Statements and Restated Consolidated Financial Statements, respectively.

5. For details of related party transactions entered into by our Company with our Group Companies and with Subsidiaries in the last Financial Year, including the nature and value of the transactions, see Note 37 in "*Financial Statements–Restated Consolidated Financial Statements–Annexure A.VII*" on page 369.

6. There has been no financing arrangement whereby our Promoter Group, our Directors and their relatives (as defined in the Companies Act, 2013) have financed the purchase by any other person of our securities other than in normal course of the business of the financing entity during the period of six months immediately preceding the date of this Red Herring Prospectus.

7. Except as disclosed in "*Our Group Companies*" and Note 37 in "*Financial Statements–Restated Consolidated Financial Statements–Annexure A.VII*" beginning on pages 183 and 369, respectively, our Group Companies do not have business interests or other interests in us.

8. For any complaints, information or clarifications pertaining to the Offer, investors may contact the registrar to the Offer, our Company or the BRLMs (both of whom have submitted the due diligence certificate to SEBI).

9. The details of average cost of acquisition of Equity Shares acquired by our Promoters is set out below. For details, see "*Capital Structure–History of the Equity Share Capital held by our Promoters*" on page 87.

Name of our Promoters	Average cost of acquisition per Equity Share (in ₹)
Prakash Damodar Kamat	1.53
Mukesh Maganlal Shah	0.83
Jyotsna Ramesh Shah	0.79
Jayen Ramesh Shah	0.76
Tushar Ramesh Shah	0.69
Bimal Mukesh Shah	0.74

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

The following is a summary of the Industry Overview section. For a more detailed description of the oleochemicals industry, see the "Industry Overview" section beginning on page 98.

Except as noted, all information in this section is sourced from the CRISIL Research Report. The CRISIL Research Report is subject to the disclaimer set out in "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Disclaimer of CRISIL" on page 13. All forward-looking statements, estimates and projections in this section are CRISIL Research's forward looking statements, estimates and projections. While we have taken reasonable action to ensure that information from the CRISIL Research Report has been reproduced in its proper form and context, none of our Company, the Book Running Lead Managers and our respective directors, employees, agents and professional advisors have conducted an independent review of the content or independently verified the accuracy thereof. Accordingly, prospective investors should not place undue reliance on the information contained in this section.

OVERVIEW AND EVOLUTION OF OLEOCHEMICALS-BASED GREEN ADDITIVES INDUSTRY

Oleochemicals are chemicals derived from natural oils and fats of plant origins. Oleochemicals can be categorised into basic oleochemicals such as fatty acids, fatty methyl esters, fatty alcohols, fatty amines and glycerol, and their downstream derivatives obtained from further chemical modifications of these basic oleochemicals. These oleochemicals exhibit special properties such as excellent emolliency, surface activity, emulsifying properties, as well as beneficial biological properties.

Since the 1950s, oleochemistry has grown in diversity thanks to technological developments due to research in various institutions and industries. New and niche oleochemicals have been developed for utilisation in industries such as cosmetics and polymers. Thus, these oleochemicals have become essential to a variety of industries such as coatings, surfactants, plasticisers, lubricant additives (slip and anti-block additives), cosmetics, soaps, detergents, textiles, plastics and organic pesticides. In polymer applications, derivatives of oils and fats are used as plastic additives. In recent years, there has been rapid increase in natural fatty acid derivatives usage as additive materials in several industries by replacing potentially harmful petrochemicals. Being derivatives of vegetable fats and oils, these products are also consumer- and environmentally-friendly.

Comparison of oleochemical-based additives with petrochemicals based additives

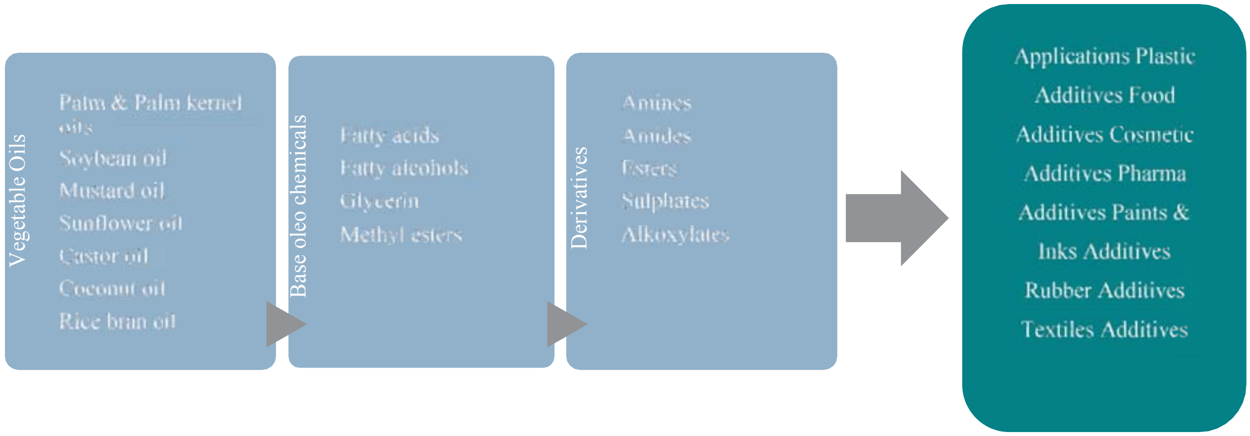
Parameter	Oleochemical based additives	Petrochemical based additives
Type	Natural	Synthetic
Raw material sources	Vegetable oil derivatives	Crude oil derivatives
Sustainability	Yes, as raw materials are from sustainable sources	No, as raw materials are derivatives of fossil fuels
Biodegradable	Yes	No
Environment	Friendly, as raw materials are vegetable sources	May cause pollution as raw materials are derivatives of fossil fuels

Only a Few Successful Players Globally

Base oleochemicals such as fatty acids, fatty alcohols and methyl esters are produced from vegetable oils through splitting, distillation and fraction process. This step in the oleochemical value chain is a simple process with many players globally. The technology is also easily available. Hence, this sub-segment of the value chain is non-specialised and base oleochemicals are commoditised products.

However, manufacturing of green additives from base oleochemicals is a highly specialised process. Hence, green additives are specialty products, and this industry enjoys premium margins with only a few players dominating the industry globally. The proprietary technology to manufacture these specialty additives is available with only a few global players.

Oleochemicals-based additives value chain



FOOD EMULSIFIERS AND PLASTIC ADDITIVES - OVERVIEW AND OUTLOOK

Food Additives' Overview and Demand Outlook

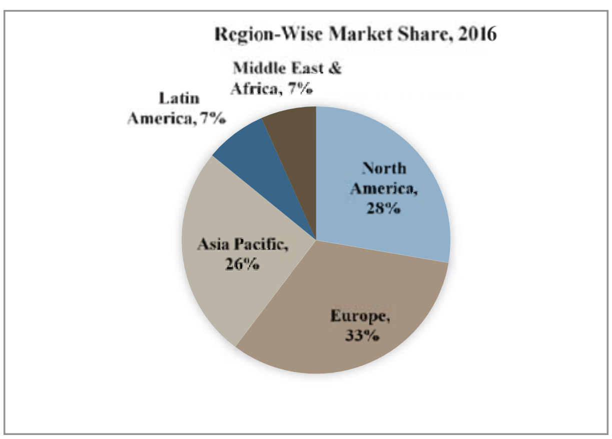
Any substance added to food can be termed broadly as food additive. In a stricter sense, any substance that is intended to affect the characteristics of food is a food additive. This includes any substance used in production, processing, treatment, packaging, transportation and storage of food. Food additives are used to preserve, flavour, blend, thicken and colour foods. Food additives are strictly regulated and monitored by Government to ensure safe health of people.

Food additives can be categorised into direct and indirect additives. Direct food additives are substances that are added to a food for a specific purpose in that food. For example, xanthan gum is a direct food additive that adds texture to foods such as salad dressings, chocolate milk, bakery fillings, and puddings. Most direct additives used in foods are mentioned in the ingredient list label of foods. Indirect food additives are substances that can be part of the food in trace amounts owing to packaging, storage or other handling.

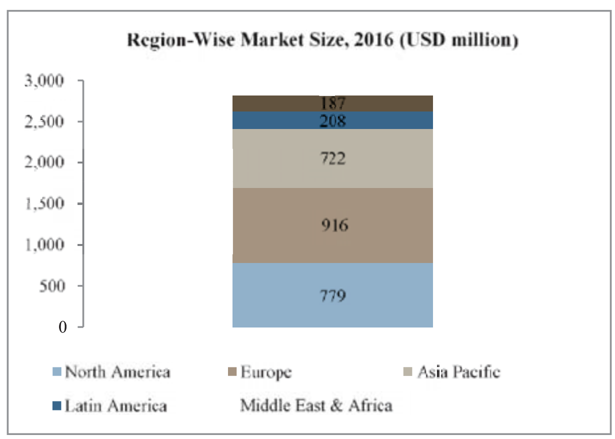
Global Food Emulsifiers Market is estimated to be US$ 2.8 billion in CY 2016

In CY 2016, overall global food emulsifiers market size was estimated to be US$ 2.8 billion. Europe is the largest consuming region with 33% share of global market. Among product categories, mono- and di-glycerides and natural emulsifiers were the largest product categories.

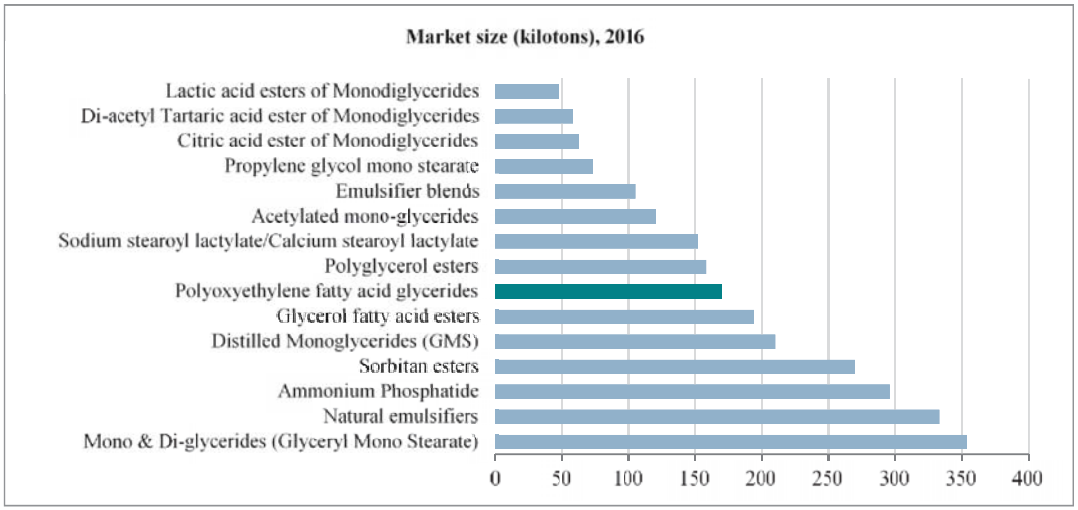
Snapshot of global emulsifiers market (2016)



- *Source: CRISIL Research, Credence Research (as cited in the CRISIL Research Report)*



- *Source: CRISIL Research, Credence Research (as cited in the CRISIL Research Report)*

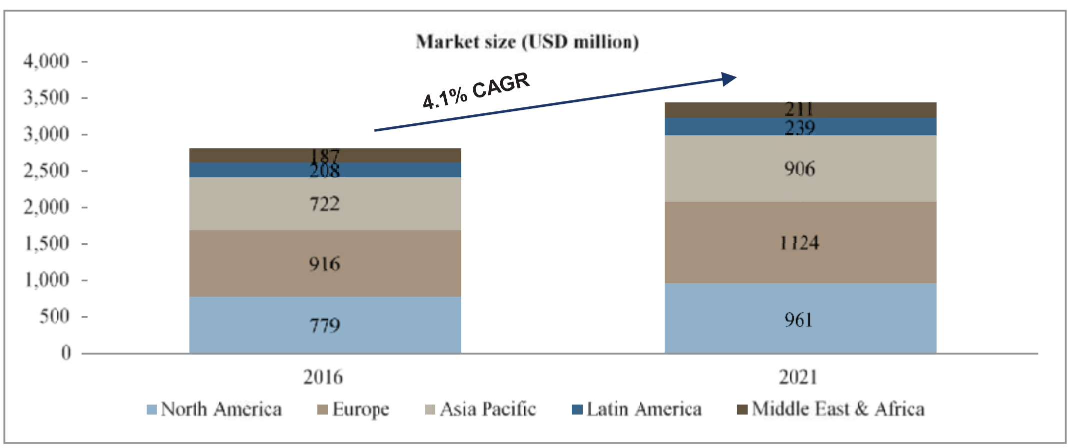


*Products not manufactured by Fine Organic Industries Limited ("**Fine Organics**")*
Source: CRISIL Research, Credence Research (as cited in the CRISIL Research Report)

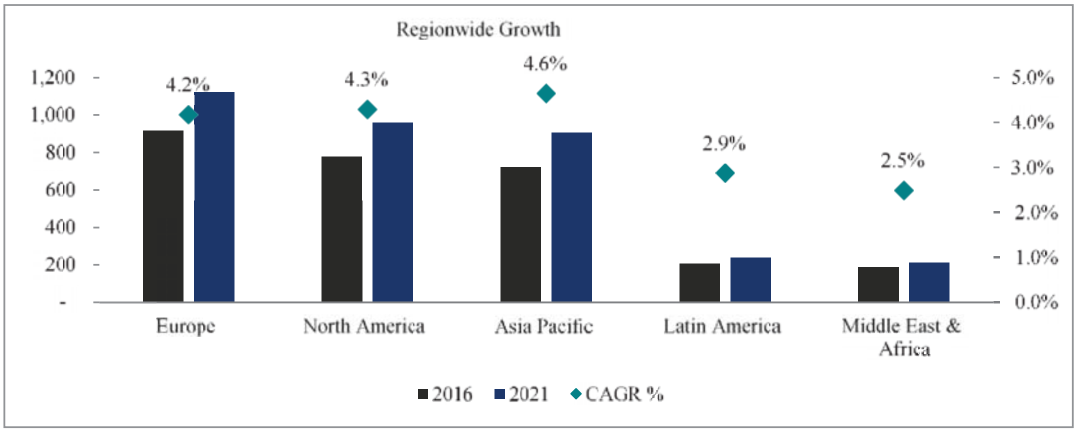
Global Food Emulsifiers Industry to reach US$ 3.4 billion by CY 2021

The global food emulsifiers market size is expected by Credence Research *(*as cited in the CRISIL Research Report*)* to reach US$ 3.4 billion by CY 2021 by growing at CAGR of 4.1% over CY 2016- CY 2021, driven by higher growth in the Asia Pacific region (accounts for 26% global share), which is expected to record 4.6% CAGR. Within the Asia Pacific region, emerging economies such as China and India to record higher growth. Europe (which accounts for 33% global share) is expected to also propel demand by growing at 4.2% CAGR. Within Europe, key markets Germany and France will continue to grow at steady CAGR over the next five years. Among product categories, mono and di-glycerides and natural emulsifiers are expected to drive demand.

Market outlook on global food emulsifiers



Source: CRISIL Research, Credence Research (as cited in the CRISIL Research Report)



Source: CRISIL Research, Credence Research (as cited in the CRISIL Research Report)

Key Global Drivers of Growth

- Increasing awareness among food processors about advantages and applications of food emulsifiers in various applications like bakery and confectionary industry and dairy, as well as high consumption of ice creams, biscuits, mayonnaise, chocolates, bread, coffee, soft drinks, etc.

- Growing population, higher economic growth and disposable income, and changing lifestyles of emerging nations in Asia such as India, China and Vietnam, leading to high growth of packaged and convenience foods, which require food emulsifiers to sustain quality for longer hours and for enhanced taste, colour and appearance.

- Rise in health awareness and quality consciousness of consumers in developed nations

    - Modern lifestyles have increased the demand for healthy packaged and convenience foods. This has led to high consumer demand for trans-fat products, which is driving food processors to use emulsifiers to reduce calories and fat content.

    - Growing population and rising concerns regarding food quality and safety. Emulsifiers can aid in the decrease of salt and sugar content without changing texture and taste of food and associated products.

Indian Food Emulsifiers Market Size to Reach ₹ 9 billion by CY 2021

Indian food emulsifiers market size is estimated to be ₹ 5-6 billion in 2016. Going forward, between CY 2016 and CY 2021, CRISIL Research expects the Indian food emulsifiers market size to reach ₹ 9 billion by CY 2021 by growing at 10-12% CAGR driven by healthy growth in convenience and packaged food segments, especially the premium food segments. Changing lifestyles and hectic work schedules are widening the market for processed and packaged convenience foods. The booming organised retail sector further extends the reach of processed foods. Change in eating habits and frequent introduction of new products and product lines, particularly in the functional food and beverage market for low-fat, low-calorie products, necessitates usage of food emulsifiers.

Plastic Additives' Overview and Demand Outlook

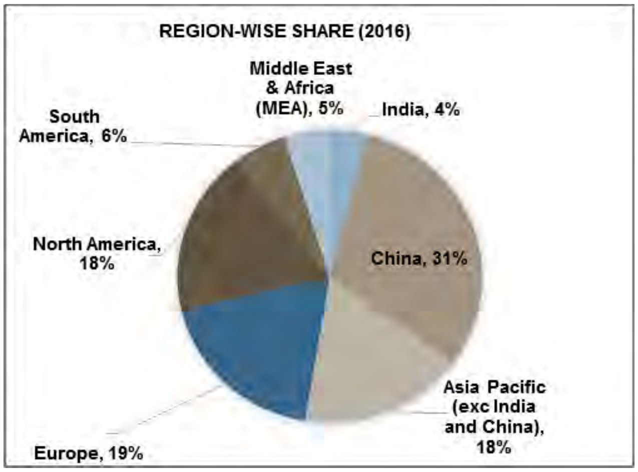
Overview and Applications

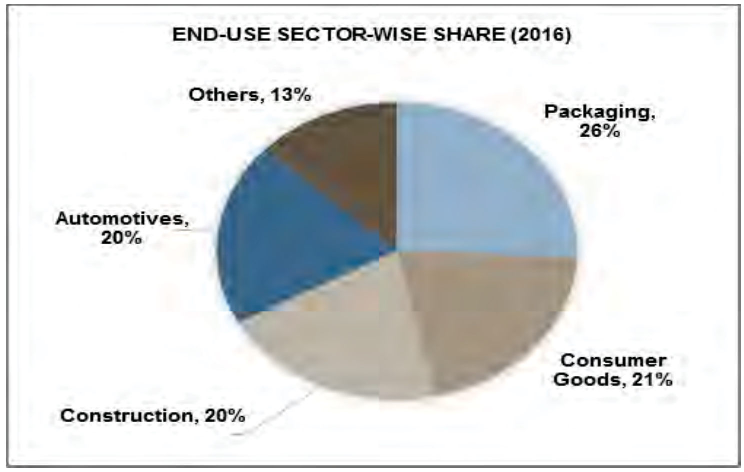
Plastics products are essentially made from polymers. However, basic polymer material is mixed with a complex blend of materials collectively called as plastic additives. Plastic additives impart key properties to plastics that are critical from functional perspective such as ease the plastic processing, improve aesthetics of plastics, save money by improving efficiency of plastic function, make plastics safe, make plastics clean and healthy, increase plastics life and make plastics environment friendly.

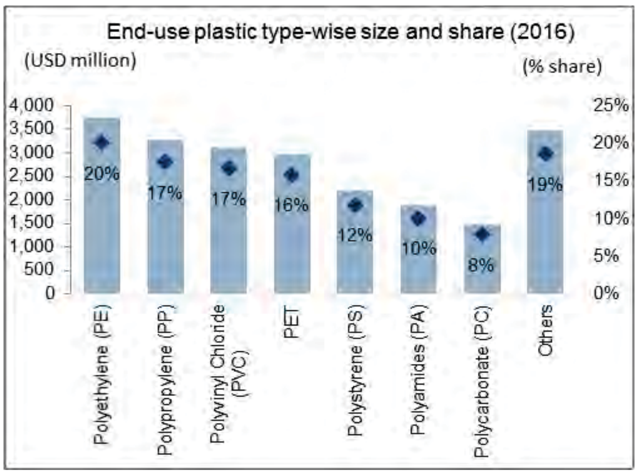
Global Plastic Additives Market Estimated to be US$22 billion in CY 2016

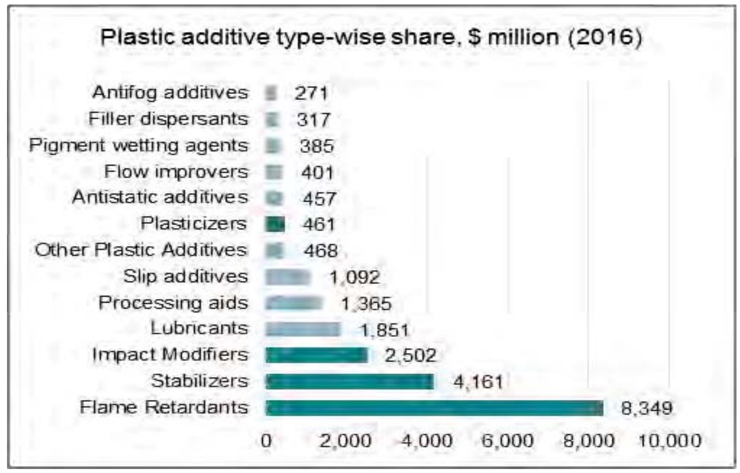
In CY 2016, the overall global plastic additives market size was estimated to be US$22 billion. Asia Pacific is the largest consuming region with a 53% share of global market. Among end-use sectors, the packaging sector dominated plastic additives offtake with a 25% share of global market. Among the end use plastic types, polyethylene category was the largest with a 16% share.

Snapshot of global plastic additives market









Source: CRISIL Research, Mordor Intelligence

Coloured products not manufactured by Fine Organics

Cosmetic and pharmaceutical Additives Overview and End-Use Sector Growth Outlook

Cosmetic and pharmaceutical additives are ingredients added in cosmetic and related pharmaceutical products to achieve certain specific properties. They have various functions such as enabling the manufacturing of cosmetic and pharmaceutical products with different structures like creams, gels, pastes, lotions, solutions, varnishes, sticks, powders and aerosols. They aid cosmetic products in achieving long-term physical stability for transport and storage; inhibit germination through moulds, yeast and bacteria; increase chemical stability of sensitive active agents towards atmospheric oxygen; and influence sensory perception like consistency, dispersion on the skin, scent (fragrance) and colour.

Outlook for Indian Cosmetics Sector

Cosmetic additive demand growth in India will depend on growth prospects for end-use cosmetics sector. CRISIL Research expects cosmetics industry revenues that are estimated to be ₹ 24-25 billion in 2016-17 to grow at 10-12% CAGR over 2016-17 to 2021-22 vis-à-vis 8-10% CAGR over 2011-12 to 2016-17 with volume growth coming largely from rural areas through increasing penetration and marketing initiatives. Monsoons, however, remain a crucial factor that will influence extent of recovery in rural spending. The roll-out of Seventh Pay Commission will help demand growth. Growth in demand for relatively under-penetrated products like shampoos, hair dyes, and hair colours is being driven by better availability, increase in per capita consumption. Strong growth has been witnessed in emerging categories across various product lines. Market trends like spread of organized retail to Tier II cities, development of non-traditional segments like men's cosmetics (with products like hair gels and fairness creams) and development of a wide range of products at different price points could contribute to growth of domestic cosmetics sector.

At a global level, CRISIL Research expects the cosmetics industry to grow at 4-4.5% CAGR over 2017-2022. Growth will be driven by a rise in disposable incomes, changing lifestyles, rising demands of skin and sun care products due to varying climatic conditions. A shift of preference towards natural and organic beauty products, particularly in the United States and European countries, is also driving the growth of the cosmetics market.

Rubber Additives Overview and End Use Sector Growth Outlook

An elastomer without additives is normally not strong. It would not be able to maintain its shape after deformation, is very sticky, has less resistance to solvents and is vulnerable to attack by oxygen and ozone. So, elastomers need to be modified to make useful articles out of it. Additives are added to elastomers to make them meet the performance parameters of specific applications. Compounded rubber (rubbed added with other ingredients) has many unique characteristics that are not present in other traditional materials, such as dampening properties, high elasticity and abrasion resistance. Consequently, rubber is used in applications such as tyres, conveyor belts, dock fenders, building foundations, automotive engine components, hoses, shoe soles and a wide range of domestic appliances.

Outlook for end-use sectors of rubber additives

Demand growth for rubber additives in India will depend on the growth prospects for the end-use elastomers sector. CRISIL Research expects both Styrene-butadiene Rubber ("**SBR**") and Poly-butadiene Rubber ("**PBR**"*)* SBR and PBR domestic demand to grow at a CAGR of 6-7% between 2016-17 and 2021-22. Recovery in automobile sales will drive the offtake in SBR. Growth in auto sales would be aided by the improving industrial activity, steady agricultural output, and the Government's focus on infrastructure. Consequently, tyre sales are also projected to record a 6-8% CAGR, backed by higher auto sales. Demand from the non-tyre or other general rubber goods segment is estimated by CRISIL Research to grow at a 7-8% CAGR over this period.

At the global level, CRISIL Research expects SBR and PBR demand to grow at a 3-4% CAGR over the next five years, driven by healthy growth in automobile production in the Asia region.

Paint and coating additives overview and end-use sector growth outlook

The main components present in coating materials, such as paints, are binders, pigments and extenders, solvents and additives. Other than these key ingredients, the additives in a paint composition also have a major influence on the various paint properties. Additives can also significantly modify the properties of the main ingredients of paint such as binder, pigments/extenders and solvents. The typical proportion of a single additive in a formulation is generally around 1.5% of the total quantity of the coating formulation. Although used in very small quantities, additives have a significant impact on application properties and performance of coatings and inks. Additives used in the correct order, at appropriate time, and at right levels, are capable of improving the appearance and durability of a coating, the flow of paints and inks, the efficiency of the manufacturing process, and the sustainability of formulations.

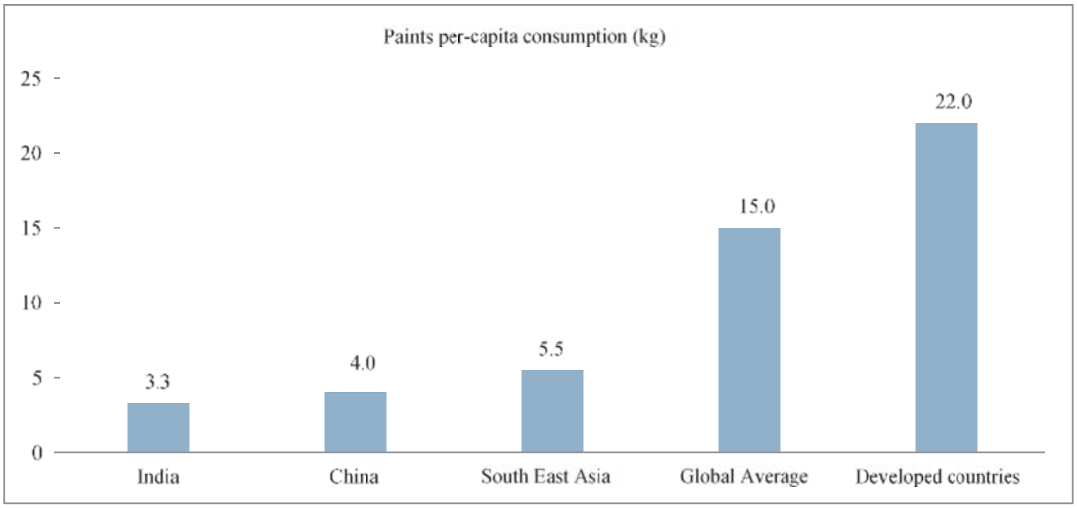
There are many varieties of coating additives, if classified based on their functions.

Outlook for the Indian paints and coatings sector

Paints and coatings additives demand growth in India will depend on the growth prospects for end-use paints and coatings sector. CRISIL Research forecasts the paints and coatings industry to grow at an 8-10% CAGR between 2016-17 and 2021-22. Apart from macroeconomic drivers such as a rise in population, income, Government initiatives, urbanisation, number of nuclear families, and the availability of retail financing options, demand for the paints industry to be guided by the following factors:

A pick-up in the economy: Despite the steady climb, per-capita paint demand in India is still very low at 3.4 kg per year, compared with 4.0 kg in China, 20.0 kg in developed countries, and the global average of 15.0 kg. As the economy picks up pace, disposal income, housing supply and industrial activity will rise resulting in increased consumption of paints. Consequently, India's per-capita paints consumption is bound to increase.

Paints per-capita consumption comparison



Source: CRISIL Research

Increase in the penetration of paints in rural and non-metro cities: In rural and non-metro cities, distemper is the primary product. With the rising household incomes in rural and non-metro cities, CRISIL Research expects the preference for superior aesthetics to increase and, with it, demand for paints. Also, the augmentation of distribution networks in these regions to tap the rising paint demand will contribute to the sector's growth.

At a global level, CRISIL Research expects the paints industry to be driven by factors such as increasing construction spending, rapid urbanization, increasing household consumption expenditure and accelerating economic growth. In addition, CRISIL Research believes the growing popularity for waterborne paints and coatings to offer potential growth opportunities. Niche products such as nano-coatings and green coatings will also gain momentum in the coming years.

OUTLOOK ON RAW MATERIAL VEGETABLE OILS

As discussed in earlier sections, oleochemical-based additives are manufactured from base oleochemicals, that are produced from vegetable oils. Hence additive player's procurement costs are linked to vegetable oil prices. Base oleochemicals are not exchange traded and prices are negotiated between parties.

Global vegetable oils demand and price outlook

Global demand for vegetable oils to slow down over the next five years, because of the decline in biofuel consumption

Vegetable oil demand grew at a 5-6% CAGR over 2011 to 2016, mainly driven by the biodiesel consumption in the past five years, as per CRISIL Research. However, over 2016 to 2021, CRISIL Research expects vegetable oils demand to grow at only 2-3% CAGR, mainly due to a slowdown in biofuel consumption growth.

Supported by the policies to stimulate biofuel production in the second half of 2000s, world ethanol and biodiesel production increased strongly, leading to a rapid growth in the share of global vegetable oil production for biodiesel consumption. For vegetable oils consumption, the share of biofuels grew from less than 1% in CY 2000 to 13% in CY 2016, as per the FAO. However, CRISIL Research does not expect much policy support for biodiesel production, thereby resulting in a decline in the offtake of vegetable oils.

Indonesia and Malaysia will continue to be the major producers of vegetable oils for global consumption in the next five years

Indonesia and Malaysia account for 21% and 12% share of global vegetable oils production, respectively, in CY 2016. About two-thirds of Indonesian and more than 80% of Malaysian vegetable oil production is exported. CRISIL Research believes vegetable oil exports will continue to be dominated by these two countries. CRISIL Research expects the expansion of soybean and palm oil production will depend on the availability of additional new land, which could be constrained by new legislation seeking to protect the environment. This concerns notably oil palm plantations. Biofuel policies in the United States, the EU and Indonesia are also major sources of uncertainty, as they account for a considerable share of vegetable oil demand in these countries.

Despite a slowdown in the expansion of the mature oil palm area, production growth in Indonesia and Malaysia over the next five years, i.e., 2016 to 2021, will be able to meet the incremental demand.

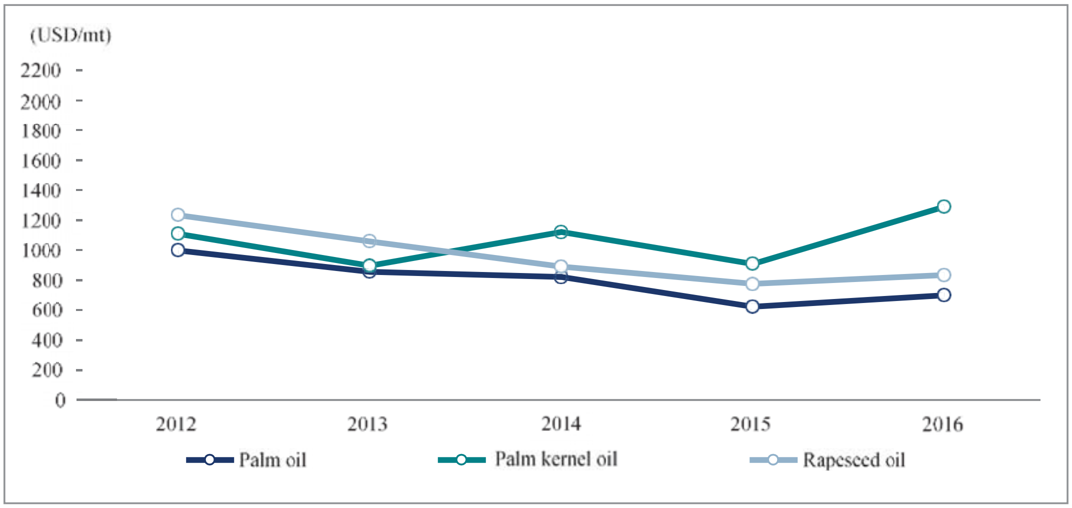
Slowdown in global vegetable oil demand will keep the prices subdued in the next five years

Compared to 2011-2016, demand for vegetable oil is slowing down considerably, due to a decline in the offtake for biodiesel production. However, existing key exporters/suppliers, Indonesia and Malaysia are in a position to meet the incremental demand. Thus, subdued demand amid healthy supply potential will keep the vegetable oil prices range bound.

Vegetable oil types are substitutable for the manufacture of base oleochemicals and derivatives

Base oleochemical manufacturers change vegetable oil type for processing based on market prices. For edible applications also, vegetable oils can be interchanged. Hence, prices of vegetable oils are interlinked with each other due to this mutual substitutability. Typically vegetable oil prices are stable over the years, except in some years hit by disruptions due to natural events. For example, in 2016, El Nino resulted in reduced palm output in the Southeast Asian nations, raising palm oil prices.

Global vegetable oil prices trend



Source: World Bank (as cited in the CRISIL Research Report), CRISIL Research

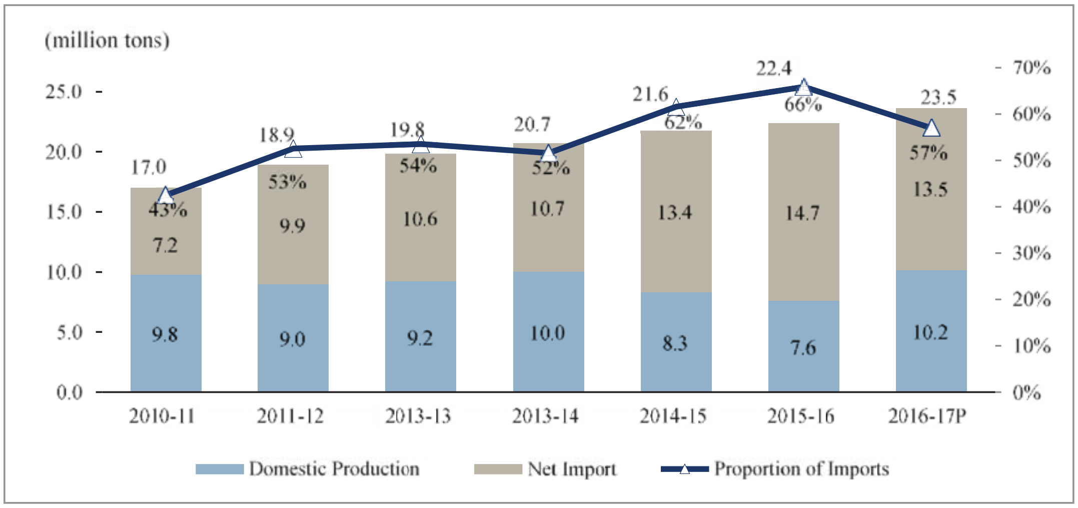
Indian Vegetable Oils – Demand-Supply Scenario

Indian vegetable oil production is short of domestic demand, but competitive imports from Indonesia and Malaysia cater to the needs of domestic vegetable oil consumers

Oilseed production in India is concentrated in seven major oilseed producing states – Madhya Pradesh, Maharashtra, Rajasthan, Karnataka, Uttar Pradesh, Andhra Pradesh and Gujarat, which cover close to 75% of the country's oilseed production. Since most oilseeds are kharif crops, which are grown along the country's western belt, rainfall from the southwest monsoon winds is critical.

However, domestic production, which stood at 10.2 million tonnes in 2016-17, is insufficient to meet the domestic demand. Hence, the country imports vegetable oil to meet this deficit. Imports stood at 57% of overall domestic demand in 2016-17. Key global vegetable oil suppliers, Indonesia and Malaysia are key exporters to India also. Prices at which these countries supply vegetable oils to India is also lower compared with domestic supplier prices. Thus vegetable oil consumers such as base oleochemical manufacturers do not face any major issues in sourcing.

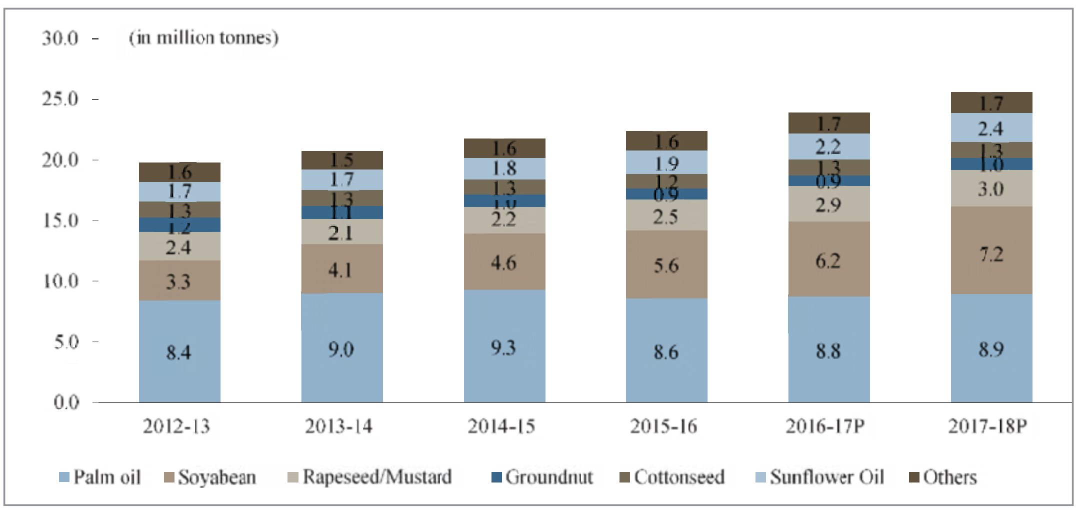
Imports as a proportion of total vegetable oil consumption



P: Projected; MT: Million tonnes

Source: Indexmundi (as cited in the CRISIL Research Report), Ministry of Agriculture (as cited in the CRISIL Research Report), CRISIL Research

Key vegetable oils consumption trend in India



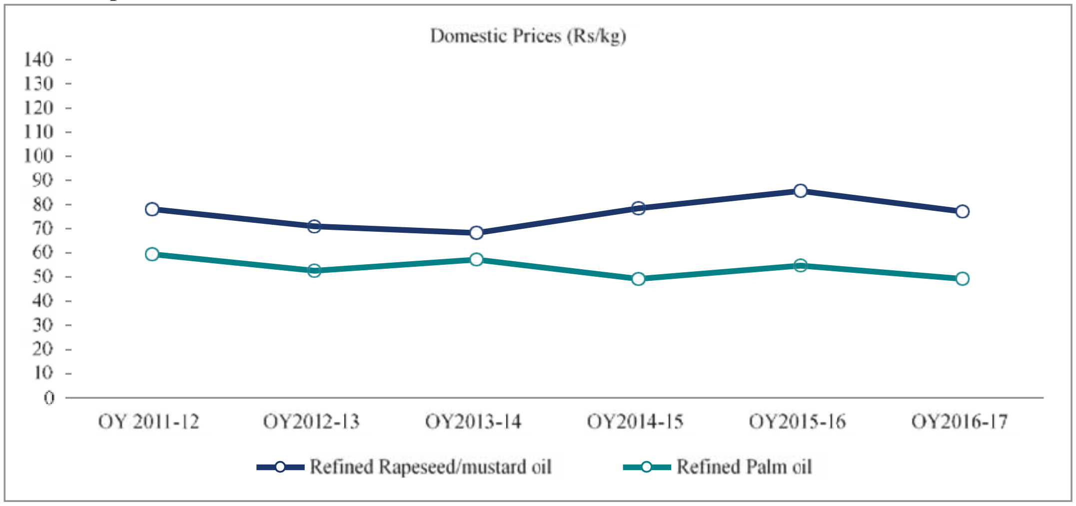
P: Projected; MT: Million tonnes

Source: Indexmundi (as cited in the CRISIL Research Report), Ministry of Agriculture (as cited in the CRISIL Research Report), CRISIL Research

Domestic vegetable oil prices

Domestic vegetable oil prices depend on global demand-supply dynamics as well as domestic output. Duty changes (by the Indian Government and exporting countries) can result in price fluctuations, and hence volatility in demand. Climatic changes and a weak monsoon could impact production of oilseeds as well, and consequently supply. Also, foreign exchange rate volatility impacts prices in the short term.

Domestic prices



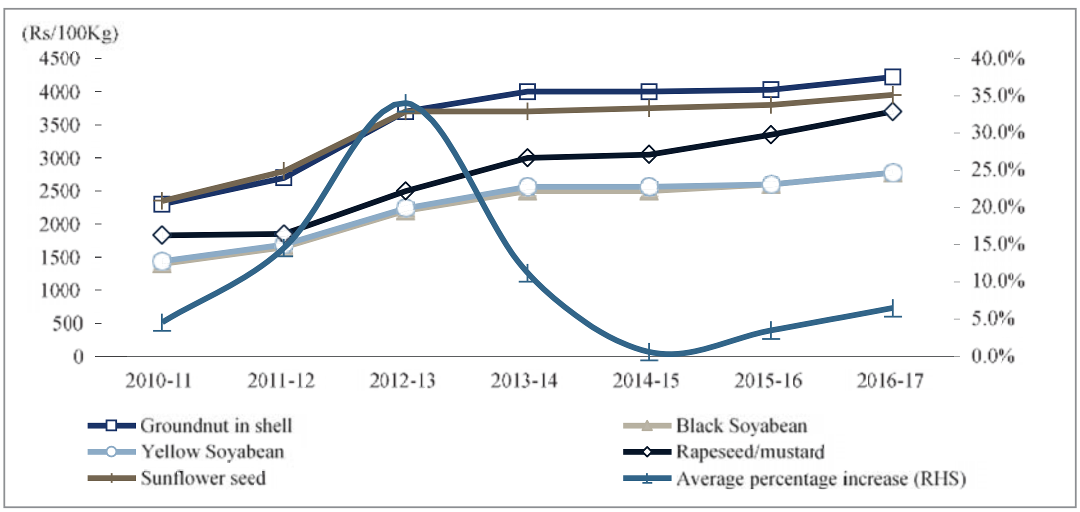
Source: Solvent Extractors' Association of India (as cited in the CRISIL Research Report), CRISIL Research OY: Oil Year (November to October)

MSP does not affect vegetable oil procurement costs

While hiking minimum support prices ("**MSP**") of oilseeds, the Government looks to balance the interests of consumers, farmers and companies. An MSP encourages farmers to increase cultivation and assists proper sales and distribution. When weak monsoons lower crop output, an MSP ensures steady returns for farmers but not so for edible-oil manufacturers.

From 2011-12 to 2013-14, the MSP has been increased by 47%. The hike came at a time when the Indian vegetable oil industry was already battling an oilseed supply crunch. However, MSPs are still lower than the market-determined prices; hence, CRISIL Research believes it will not significantly impact the vegetable oil consumers' procurement costs.

Trends in minimum support prices (MSPs)



Source: Solvent Extractors' Association of India (as cited in the CRISIL Research Report), CRISIL Research

Duty on palm oil imports

Over the years, the Indian Government has gradually increased the import duty on crude palm oil from 0% in April 2008 to 12.5% in September 2015. However, in September 2016, it reduced the import duty on crude palm oil to 7.73% and refined palm oil to 15.5% to boost supply and curb food inflation. On August 11, 2017, the Government increased the import tax on crude palm oil to 15% from 7.5%, and increased import tax duty on refined palm oil imports to 25% percent from 15%. *(Source: Government of India, Ministry of Finance (Department of Revenue) Notification No. 71/2017-Customs, dated August 11, 2017).* On November 17, 2017, the Government increased the import tax on crude palm oil to 30% from 15%, and increased import tax duty on refined palm oil imports to 40% percent from 25%. *(Source: Government of India, Ministry of Finance (Department of Revenue) Notification No. 87 /2017-Customs, dated November 17, 2017)*

Indonesia changed the export duty on palm oil many times over years and eventually brought it down to 0% in September 2014. However, from March 2015, the Government introduced palm oil export levies, as it failed to generate tax income from the 0% export tax regime. The new policy imposed a US$ 50 per metric tonne levy on crude palm oil exports, and a US$ 30 per metric tonne levy on exports of processed palm oil products. The levy only needs to be paid by exporters when the Government's benchmark CPO price falls below the US$ 750 per metric tonne threshold. Between April 2017 and September 2017, CPO prices ranged US$ 650-750 per metric tonne.

Malaysia, the second-largest exporter of palm oil, also changed the export duty on crude palm oil over years and eventually brought it down to 0% in September 2014, following the reduction by Indonesia to be competitive. However, the Malaysian Government revised its export duty to 7.5% in February 2017 after a decline in demand.

Import duty structure - India (%)

India (Import duty)	Apr 2008	Jan 2013	Jan 2014	Dec 2014	Sep 2015	Sep 2016
CPO	0	2.5	2.5	7.5	12.5	7.7
Refined Palm Oil	7.5	7.5	10	15	20	15.5

Export duty structure – Indonesia (%)

Indonesia (export duty)	Sep 2011	Oct 2011	Apr 2012	Apr 2913	Sep 2014
CPO	15	16.5	22.5	10.5	0
Refined Palm Oil	15	8	8	4	0

Indonesia	Post Mar 2015
CPO	US$50 per metric ton when CPO prices are below US$750 per metric ton
	Incremental tax structure (which can rise up to 22.5%) when CPO prices are above US$750 per metric ton
Refined Palm Oil	0

Export duty structure – Malaysia (%)

Malaysia (export duty)	Oct 2012	Jan 2013	Sep 2014	Feb 2017
CPO/Refined Palm Oil	23 (0 for first 5 MT)	4.5-8.5	0	7.5

Note: All figures are in percentage points

Source: Press releases (as cited in the CRISIL Research Report), Solvent Extractors Association of India (as cited in the CRISIL Research Report), CRISIL Research

ADDITIVES INDUSTRY – STRUCTURE AND COMPETITION

Industry structure of the oleochemical-based additives industry

Key Industry Factor	Comments
New product development and product formulations	*Typically requires high R&D expenses *Only large scale players can afford *Product formulations kept confidential.
Capex costs	*Process design costs are very high.
Process Technology	*Only a few players have proprietary technology and not sold to other new players.
Customer product approval process	*Lengthy (3-5 years) and costly, so customers prefer approved suppliers.
Quality conscious customers	*Additives are typically under 2% weight in their application materials. Hence customers prefer consistent quality over the additive prices.
Availability of raw materials	*Raw material availability and procurement costs are crucial to be competitive.
Access to markets	*Nearness of manufacturing plants to emerging markets will give logistics cost advantages.

Global oleochemical-based additives industry is dominated by a few large players

There are only a few large players (see the table below) in the global oleochemical-based additives industry. The reason for the presence of only a few players is due to multiple entry barriers, such as product formulations, process technology and customer stickiness to established players. All the established players are enjoying their first-mover advantages. For an entry into this industry, new players won't be able to procure product formulations and process technology from established players, which are reluctant to share their technology and other intellectual properties. Proprietary technology and product formulations with established players is as a result of continuous R&D over decades, in response to the changing needs of food and plastic for environmental and human-friendly materials usage.

List of key companies

S.No.	Company	Headquarters
Food Additives		
1	Fine Organics	India
2	Kerry Group	Ireland
3	Danisco	Denmark
4	Palsgaard	Denmark
5	Riken Vitamin	Japan
6	Taiyo	Japan
Plastic Additives		
1	Fine Organics	India
2	Croda	United Kingdom
3	Emery	Malaysia
4	PMC Biogenix	United States
5	Peter Greven	Germany

Lengthy, expensive customer product approval process and innovative technology restrict smaller and new players from entering the additives industry

Additives, although used in minor quantities, are very critical in terms of performance in end-use material, be it food products, plastic products or rubber products. This makes it imperative for the customer using the additive to validate the additive's quality and performance thoroughly. In addition to performance, as many of these additives are used in food, they also need to comply with stringent health and environment-related regulations globally, as explained in the regulatory section. This validation process for additive quality and safety standards is not just time-consuming, but also expensive. Many customers typically take 3-5 years for product approval, after which the additive manufacturer can supply on a commercial basis. This forces additive customers to source tested additives from established suppliers to avoid expensive and lengthy validation tests, if they source from new additive suppliers. Lengthy customer approval process also restricts the entry of new players, as they have to wait for 3-5 years to supply their products on a commercial basis.

Manufacturing additives with high quality requirement needs innovative technology and incurs high manufacturing cost. Capex cost will also be high if players do not have own process design. Innovative technology is also required in testing labs for stringent quality and safety standards of additives. Only large players can enter this industry and develop proprietary technology and manufacturing costs. Hence, unorganised small players are absent in this industry.

Long-term supply contracts prevalent in the additives industry

Prices of oleochemical-based additives' base raw materials, i.e., vegetable oils, are relatively less volatile compared with other commodity prices. This enables additive players to enter into long-term supply contracts with pre-fixed prices, typically of one-year tenure, without being much impacted by the change in vegetable oil prices. Customers also prefer to opt for long-term contracts, as they source from the limited number of suppliers, which have passed the customer's approval processes. Additives are used in minor quantities - typically under 1% weight in plastic materials and under 2% weight in food materials. However, their functional usage is very critical for end-use product applications. Hence, customers don't compromise on the quality of additives to save costs. This means only additive manufacturers that can maintain high additive quality and performance standards can survive in this industry. The criticality also restricts the entry of new players, which want to compete on a cost basis by lowering the quality standards.

Global additive players expanded to emerging nations to tap the growth opportunity

The development of oleochemical additives requires high R&D investments over years by large companies. Thus, regularly coming up with new additives over years through the development and innovation has strengthened the position of these companies globally. As discussed in the earlier sections, additive consumers across the world, such as automotive companies, consumer food companies and plastic product companies, confine to established preferred suppliers, due to issues such as long product-testing periods, criticality of additives and expensive additive- testing costs. When MNC companies in end-use applications expand globally, these end-use companies prefer to source additives for their regional plants from their established additive sources. Thus, the additive companies' market reach is spread across the globe along with end-use application MNC companies.

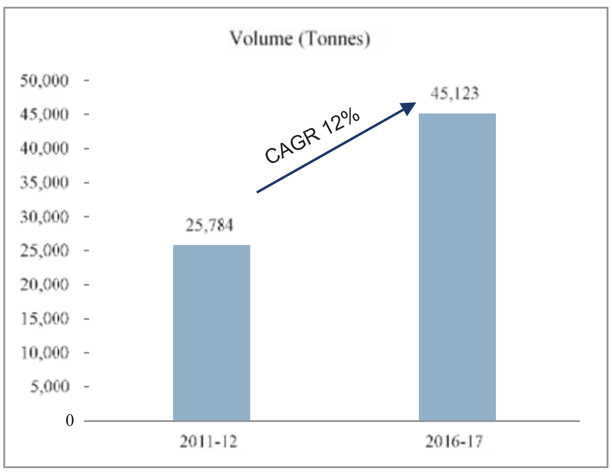
Emerging nations are making a number of efforts to attract manufacturing companies, while developed nations are making chemical companies tough to operate by coming up with stringent environmental regulations. In addition, demand for specialty chemicals (including additives) is growing strong in emerging nations, with the end-use domestic and MNC companies setting up their manufacturing units in emerging nations. As a result, global chemical companies started shifting their manufacturing bases to emerging nations. They are not just catering to the domestic requirement of these emerging nations, but also exporting the surplus to other markets due to manufacturing-cost competitiveness.

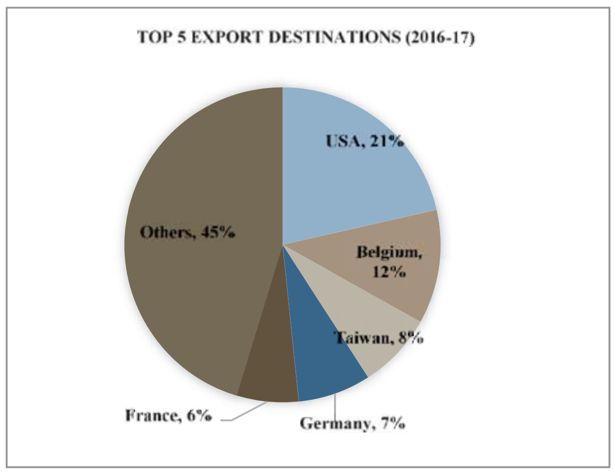
Export market offers huge opportunity alongside domestic demand

India traditionally has the advantages of low-cost labour and easy agro-based raw material availability for manufacturers of various natural derivatives. High growth opportunity in India has also encouraged many multi- national companies (MNCs) to start manufacturing plants in India. In fact, many MNCs started setting up excess capacities in India to export the surplus to other countries. Implementation of stringent environmental norms like Europe's REACH regulations in many key developed regions has forced MNCs' to gradually shift their manufacturing bases to India and other developing regions. Consequently, Indian exports of speciality chemicals are growing rapidly.

For example, over the past five years (2011-12 to 2016-17), exports category of key plastic additives recorded 12% CAGR. Similarly, key food additives recorded 11% CAGR between 2011-12 and 2016-17.

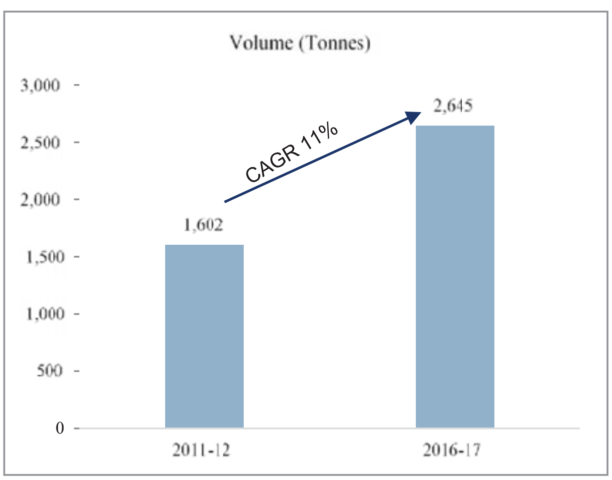
Key Plastic additives exports category trend

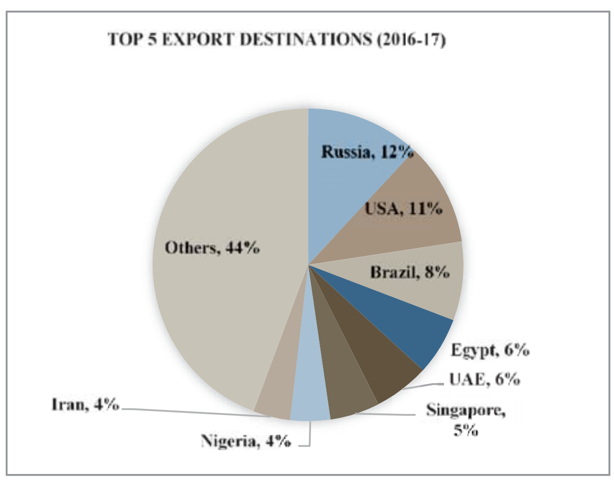




Source: Directorate General of Foreign Trade (as cited in the CRISIL Research Report)

Key Food additives exports category trend





Source: Directorate General of Foreign Trade (as cited in the CRISIL Research Report)

BAKERY INGREDIENTS

Bakery Ingredients Overview and End-use Sector Growth Outlook

Baking ingredients are widely used in various end-use segments such as bread, cookies, biscuits, cakes, pastries, rolls, pies, tarts and cupcakes. Their consumption is driven by the bread segment as it is a staple food in developed countries and affordable to many price-sensitive consumers in emerging economies.

Such ingredients include emulsifiers, leavening agents, enzymes, baking powders and mixes, oil, fats and shortenings, starch, colours and flavours, etc. The baking powders and mixes segment is the largest category.

Customers are increasingly seeking bakery products that are fresh, tasty and have good texture and improved nutritional profile. Modern ingredients, especially organic types, are being developed by the baking industry in response to customer demands for healthier products and healthier living. Innovation in bakery ingredients enabled bakery industry to make products with nutritional benefits such as low in cholesterol, high in fibre and rich in vitamins.

Outlook for End-Use Bakery Industry in India

Demand growth for bakery ingredients in India depends on the prospects for the end-use bakery industry. The market size of the biscuits and bakery products segment is pegged at ₹ 359 billion, and accounted for a 35% share of the Indian consumer foods industry in fiscal 2016. This segment includes biscuits, bread, cakes, pastries and puffs. Biscuits dominate with a 65-70% market share, as they are convenient to carry and come in a variety of options. Bread and other bakery items comprise the rest (30-31%), including bread sticks, rusk, *pav*, buns, cakes and pastries, among others.

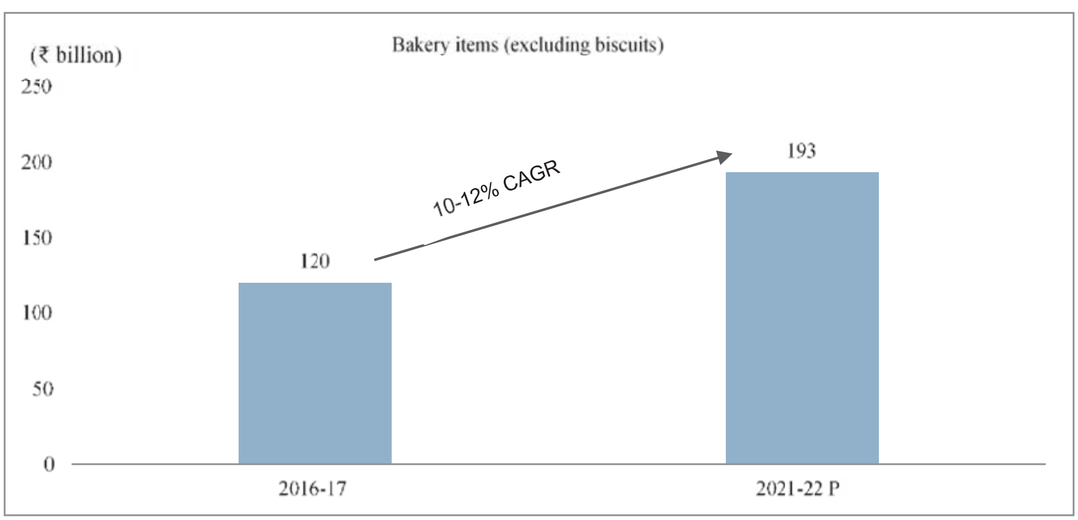
Nutritional value-added bread varieties are on the rise due to increasing consumer health awareness and exposure. White bread is the largest sub-segment in the category with a 70% market share, led by its ubiquitous presence in the domestic market and lower price range. Brown/ multigrain and other nutritional bread varieties, which together account for about 20%, are gaining popularity, especially in metros and tier II cities, led by the rising health awareness.

Other bread varieties include flavoured bread and Italian/herbed bread. These varieties are growing rapidly, led by the increased exposure to global cuisine, coupled with a change in consumption habits. On the other hand, consumption of white bread is growing at a slower pace.

The bread and other bakery items segment has grown at 10% CAGR during the past five years, due to an increase in disposable income and change in consumers' eating habits. With increasing exposure to global cuisine and rising westernisation, bread is increasingly being accepted as a part of regular diet.

CRISIL Research expects the bread and bakery items segment to grow at a stable rate of 10-12% CAGR over the next five years.

Indian bakery industry demand outlook



Source: CRISIL Research

ANIMAL FEED ADDITIVES

Animal Feed Additives Overview and End-use Sector Growth Outlook

Animal feed additives are products used in animal nutrition to improve the quality of feed and of food from animal origin, or to improve the animals' performance and health, e.g., providing enhanced digestibility of the feed materials. There are four general types of feed additives:

Sensory Additives: To stimulate an animal's appetite so that it naturally wants to eat more.

Nutritional Additives: To provide a particular nutrient that may be deficient in an animal's diet.

Zootechnical Additives: To improve the overall nutritional value of an animal's diet through additives in the feed.

Coccidiostats and Histomonostats: These are antibiotic feed additives intended to kill or inhibit protozoa (bacteria/micro-organisms).

Outlook for End-use Poultry Industry In India

CRISIL Research expects the poultry industry to expand at a CAGR of 11-13% in value terms between fiscals 2017 and 2022. The current market size is estimated to be around ₹ 1,100 billion.

An increase in disposable income, health awareness, and growing food processing industry are the main factors driving growth. Growth in income is associated with a diversification of the food basket and an increase in animal based protein intake.

With rising middle class incomes and greater international exposure due to travel and quick service restaurant ("**QSR**") chains, CRISIL Research expects demand for chicken meat and processed chicken meat to rise. Being white meat, broiler meat has the advantage of being a healthier choice vis-à-vis red meats like mutton, pork and beef. Many consumers also prefer poultry meat over other animal protein due to its relatively lower price. Additionally, it has no religious stigma attached for meat eaters, unlike pork and beef (different ethnic groups have cultural and religious prohibitions for eating pork, water buffalo meat, and beef). Indian consumers generally enjoy dark chicken meat, including chicken legs, thighs, and drumsticks, which is also preferred for traditional Indian cooking.

There is also an increase in egg consumption due to its growing acceptance in vegetarian households, and its comparative affordability. However, demand for both segments is seasonal and fluctuates sharply due to religious and cultural practices.

Globally, CRISIL Research expects poultry production to expand in developing and low-cost regions, and stagnate in higher-cost developed regions, while short-term trade interruptions will increase largely due to sanitary concerns.

CRISIL Research expects Brazil to continue to strengthen its position in the world meat and poultry trade, and Thailand will continue to grow as an important source of cooked products. Opportunities are increasing for new countries to emerge as exporters in the long term. The industry facing challenges related to global warming and use of feedstock.

SUMMARY OF OUR BUSINESS

OVERVIEW

We are the largest manufacturer of oleochemical-based additives in India and a strong player globally in this industry. *(Source: CRISIL Research Report)*. We produce a wide range of specialty plant derived oleochemical-based additives used in food, plastic, cosmetics, paint, ink, coatings and other specialty application in various industries. As at March 31, 2018, we had a range of 387 different products sold under the 'Fine Organics' brand. We are the first company to introduce slip additives in India and we are the largest producer of slip additives in the world *(Source: CRISIL Research Report)*. Our success is the result of sustained efforts over the decades in all areas of our business, such as product innovation, process technology improvements, increases in scale, improved raw material procurement and focus on cultural understanding of consumers. *(Source: CRISIL Research Report)*. In the 12 months ended March 31, 2018, we had 631 direct customers (i.e., end-users of our products) and 127 distributors (who sold our products to more than 5,000 customers) from 69 countries. Our direct customers are multinational, regional and local players manufacturing consumer products and petrochemical companies and polymer producers globally. Our plastics additives and specialty additives are also used in the packaging of foods and other fast moving consumer goods.

Manufacturing plant-based additives from base oleochemicals is a highly specialised process. Hence, many of these additives are specialty products, and this industry enjoys premium margins with only a few players dominating the industry globally. Proprietary technology to manufacture these specialty additives is available with only a few global players. We are one of the leading players that developed proprietary technologies to manufacture these green additives. *(Source: CRISIL Research Report)*

We currently have three production facilities: one in Ambernath (Maharashtra) (the "**First Ambernath Facility**"); one in Badlapur (Maharashtra) (the "**Badlapur Facility**"); and one in Dombivli (Maharashtra) (the "**Dombivli Facility**"). As at March 31, 2017, these three facilities have a combined installed capacity of approximately 64,300 tonnes per annum. Each of our current manufacturing facilities has the ability to manufacture our wide range of products, which provides us with the necessary flexibility to cater to changing demands in the market, thereby avoiding dependence on any one major product category.

Our products are also manufactured for us on a job-work basis by Olefine Organics ("**Olefine**"), a partnership firm and a Promoter Group entity, at a manufacturing facility in Ambernath, Maharashtra (the "**Second Ambernath Facility**"). The Second Ambernath Facility is situated on a plot of land that MIDC currently leases to Olefine. Our Company has entered into a leave and license agreement for the land with Olefine for a term of three years effective March 26, 2018. However, we were unable to take over the operation of the Second Ambernath Facility until we receive MIDC's approval, which we received from MIDC pursuant to a letter dated May 21, 2018. We will be taking over operation of the facility in the near future. As at December 31, 2017, the Second Ambernath Facility had an installed capacity of approximately 5,000 tonnes per annum.

We have developed in-house process design expertise to construct our production facilities. This gives us scale advantages by enabling the timely expansion of our capacity in response to market needs and reduces capital expenditure costs for expansions significantly compared to other players. *(Source: CRISIL Research Report)*

We are currently planning to set up an additional production facility in Ambernath with a planned installed capacity of 32,000 tonnes per annum (the "**Third Ambernath Facility**"). We expect it to commence operations in the fourth quarter of Fiscal 2019. In addition, we are currently planning to set up a new production facility in Leipzig, Germany with a planned initial installed capacity of 10,000 tonnes per annum (the "**German Facility**"). We expect it to commence operations in the third quarter of Fiscal 2020. This facility will be owned and operated by a joint venture company (which we plan to name FineAdd Ingredients GmbH, ("**FineAdd**")), in which we will have 50% equity interest.

We are also in the preliminary stages of planning the development of two additional production facilities: one in Patalganga (Maharashtra) with a planned initial installed capacity of approximately 10,000 tonnes per annum (the "**Patalganga Facility**"); and one in Ambernath (Maharashtra) for which we are awaiting possession of the land and have yet to decide on the planned initial installed capacity (the "**Fourth Ambernath Facility**").

Since our inception, we have looked to expand our product range into segments that we believe offer high growth potential. While we continue to maintain our focus in the additives space, we are planning to diversify and strengthen our business by manufacturing and distributing premixes for bakery and confectionary products and pan release agents. Fine Zeelandia Private Limited ("**Fine Zeelandia**"), a joint venture company in which we have a 50% equity interest, is in the process of setting up a new manufacturing facility in Patalganga to manufacture these products (the "**Fine Zeelandia Facility**"). This new facility has a planned initial installed capacity of 10,000 tonnes per annum. We expect it to commence operations in the first quarter of Fiscal 2019.

We have a dedicated research and development ("**R&D**") centre located in Mahape, Navi Mumbai. Our R&D activities are focused on improving our production processes, improving the quality of our present products, creating new additives and creating downstream products. We have developed several new products, such as Acetem, Datem and Lactem, and processes, such as in-house technology for the production of fatty amides for the polymer industry. We are currently conducting research and development for new products such as fatty amines, polyglycerols and guerbet alcohols and new organic anti-block additives and new additives to make plastics biodegradable. We are also conducting research into new technologies for chemical processing to minimise energy costs.

Our Company is driven by our experienced Key Management Personnel, who have an average of 30 years' experience each. We believe that our Key Management Personnel's collective experience and capabilities enable us to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships and respond to changes in customer preferences. Our workforce has grown significantly over the years, and as at March 31, 2018, we had 608 full-time employees.

Our revenue from operations for Fiscals 2015, 2016, 2017 and the nine months ended December 31, 2017 was ₹ 6,359.32 million, ₹ 6,860.08 million, ₹ 8,149.36 million, ₹ 5,904.27 million, respectively. Our EBITDA for Fiscals 2015, 2016, 2017 and the nine months ended December 31, 2017 was ₹ 1,129.54 million, ₹ 1,554.59 million, ₹ 1,498.51 million and ₹ 1,130.43 million, respectively. Our Return on Equity for Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, was 25.66%, 31.91%, 24.65% and 17.34%, respectively. Our profit after tax margins (profit for the period as a percentage of revenue from operations) were 8.36%, 11.15%, 9.62% and 10.32% for Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, respectively.

STRENGTHS

Largest Producer of Oleochemical-based Additives in India and One of the Few Large Players in the Oleochemical-based Additives Industry in the World

We are the largest manufacturer of oleochemical-based additives in India and one of the few large players in global oleochemical-based additives industry. We are one of six global players in the food additives industry and one of five global players in the plastic additives industry. (*Source: CRISIL Research Report*)

The 'Fine Organics' brand has a legacy of over 44 years and we believe the brand is widely recognized in the major markets in which we compete. Although our Company has only been operating for over 15 years, the 'Fine Organics' brand has been in use by Promoter Group entities since 1973. We manufacture a wide range oleochemical-based additives in India. We were the first company to introduce slip additives to the Indian market. There are only a few other small players who manufacture oleochemical-based additives in India. However, they have only a partial presence in the oleochemicals-based additives portfolio. We have a huge first-mover advantage in India, alongside various other competitive advantages over other global players. This gives us an advantage in pricing products competitively and allows us to provide stiff competition to new players. Hence, no major domestic or global player has set up a manufacturing facility in India. Nevertheless, other global payers do have a small market share in India, which they meet with production from their factories globally. *(Source: CRISIL Research Report)*

Diversified Product Portfolio Catering to a Variety of High Growth Industries

As at March 31, 2018, we had a range of 387 products sold under the 'Fine Organics' brand, used in the (a) plastic industry and (b) food industry and others (cosmetics, printing inks, coated papers, lube additives, wires and cables, coatings and other specialty applications) industries. Our revenue from operations net off exercise duty and the percentage of our revenue from operations net off excise duty from each of the industries set forth in (a) and (b) above for Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, are shown in the table below.

(in ₹ millions, except for percentages)

Industry	Fiscal 2015 (Proforma Ind AS)		Fiscal 2016 (Proforma Ind AS)		Fiscal 2017 (Ind AS)		Nine months ended December 31, 2017 (Ind AS)	
	Revenue net off exercise duty	Percentage of revenue from operations net off exercise duty	Revenue net off exercise duty	Percentage of revenue from operations net off exercise duty	Revenue net off exercise duty	Percentage of revenue from operations net off exercise duty	Revenue net off exercise duty	Percentage of revenue from operations net off exercise duty
Plastic	4,230.47	69.72	4,561.69	69.91	5,686.15	73.07	4,178.36	71.92
Foods and others[(1)]	1,837.60	30.28	1,963.22	30.09	2,095.87	26.93	1,631.36	28.08

Note:

1. *Comprises cosmetics, printing inks, coated papers, lube additives, wires and cables, coatings and other specialty applications.*

The Indian food emulsifiers market is estimated to be worth ₹ 5-6 billion in 2016, and is expected to grow to ₹ 9 billion by 2021, a CAGR of 10-12% in the period 2016-2021. (*Source: CRISIL Research Report*). In 2016, the global food emulsifiers market was estimated to be worth USD 2.8 billion (*Source: CRISIL Research Report*). The global food emulsifiers market is expected to grow to USD 3.4 billion by 2021, a CAGR of 4.1% in the period 2016-2021, and this growth is expected to be driven by growth in the Asia-Pacific region, primarily in India and China. (*Source: Credence Research (as cited in the CRISIL Research Report)*)

The Indian plastic additives market is estimated to be worth ₹ 55-60 billion in 2016, and is expected to grow to ₹ 90 billion by 2021, a CAGR of 8-10% in the period 2016-2021 (*Source: CRISIL Research Report*). The global plastic additives market was estimated to be worth USD 22 billion in 2016 (*Source: CRISIL Research Report*). The global plastic additives market is expected to grow to USD 30 billion by 2021, a CAGR of 6% in the period 2016-2021, and this growth is expected to be driven by growth in the Asia-Pacific region, primarily in India and China. (*Source: Mordor Intelligence (as cited in the CRISIL Research Report))*

The market for additives for (a) cosmetics, (b) rubber, and (c) paint and coatings in India is estimated to grow at a CAGR of 10-12%, 6-7% and 8-10%, respectively, in the period 2016-2017 to 2021-2022. (*Source: CRISIL Research Report*)

Specialised Business Model with High Entry Barriers

There are multiple entry barriers for a new entrant in the global oleochemical-based additives industry, such as product formulations, process technology and customer stickiness to established players. As a result, we are one of the few large global players in this industry. (*Source: CRISIL Research Report*)

Our products require specialised skills, processes and equipment to manufacture, as manufacturing additives from base oleochemicals, we believe, is a highly complex process. Therefore, we believe that many of our specialty and formulated products are also difficult to replicate. This provides us with a significant advantage over new entrants, as they would need to invest a great deal of resources to gain a foothold in the markets in which we compete.

Our products are required to meet exacting standards of quality in the countries in which they are sold, as set by various regulations, industry bodies and by our customers. Most of our products make up a small proportion of the finished goods that our direct customers manufacture (typically, under 1% in weight in plastic materials and under 2% in weight in food). (*Source: CRISIL Research Report*). As such, any defect in our products will result in a disproportionately large amount of finished products being defective. Many end users typically take three to five years to approve additives, after which the additive manufacturer can supply on a commercial basis. This means additive end users are likely to source tested additives from established suppliers to avoid expensive and lengthy validation tests. (*Source: CRISIL Research Report*)

We believe these high barriers to entry enable us to obtain higher EBITDA and profit margins for our products compared to other manufacturing industries where barriers to entry are lower. Our EBITDA margins were 17.76%, 22.66%, 18.39% and 19.15% for Fiscals 2015, 2016, 2017 and the nine months ended December 31, 2017, respectively. Our profit after tax margins (profit for the period as a percentage of revenue from operations) were 8.36%, 11.15%, 9.62% and 10.32% for Fiscals 2015, 2016, 2017 and the nine months ended December 31, 2017, respectively.

Flexible and Strategically Located Production Facilities with In-house Development Capabilities

We currently have three manufacturing facilities: the First Ambernath Facility; the Badlapur Facility; and the Dombivli Facility. These three facilities have a combined installed capacity of approximately 64,300 tonnes per annum as at December 31, 2017. Each of our current manufacturing facilities has the ability to manufacture our wide range of products.

Two of our production facilities, the First Ambernath Facility and the Badlapur Facility, are fully automated. This helps ensure that they will continue to produce high-quality products, as well as minimising the number of employees required to operate them, thereby reducing costs.

All three of our production facilities are strategically located in close proximity to the Jawaharlal Nehru (Nhava Sheva) Port located near Mumbai. As we are largely export-oriented, our facilities' locations help reduce freight and logistics costs. The plots of land on which we are planning to build the Third Ambernath Facility, the Fine Zeelandia Facility, the Patalganga Facility and the Fourth Ambernath Facility are also located in close proximity to the Jawaharlal Nehru (Nhava Sheva) Port located near Mumbai.

Our facilities require specialised facility design and technologically sophisticated equipment. Our in-house team is capable of designing and assembling our production equipment at a much lower cost compared to what a third party contractor would charge. We believe this provides us with an advantage over potential competitors and helps to protect our intellectual property. We believe that aspiring entrants would have to source these skills at much higher prices.

Strong R&D Capability with a Focus on Innovation

Our R&D efforts place significant emphasis on improving our production processes, improving the quality of our present products, creating new additives and creating downstream products, such as Acetem, Datem, and Lactem. We are in the process of developing a downstream product called Citrem, which is a hydrophilic (attracted to water molecules and water-soluble) emulsifier used in the confectionary industry. We are also developing other blends of existing products for foods, plastics and other applications. Our R&D efforts are driven by customer needs, in terms of meeting specific needs that our direct customers communicate to us prior to us manufacturing our products.

We have had several significant achievements in innovation and R&D. We have developed:

- a glycerol derivative for polymer applications;
- a bio-based plasticizer with improved properties and processing characteristics of polymer;
- a natural based monoglyceride with improved odour and flavour;
- a polypropylene cap composition; and
- applications of an ester additive from bio-derived raw materials.

Since April 1, 2014, we have developed and launched 46 new products.

We have also developed and recently commercialized a feed nutrition additive based on natural vegetable oils, which we intend to export to selected markets, mainly in Europe and the United States.

We have also developed, but not fully commercialized yet, a feed nutrition additive that increases milk yield from cows and buffaloes.

We are currently conducting research and development for new products such as fatty amines, polyglycerols and guerbet alcohols, new organic anti-block additives and new additives to make plastics biodegradable. We are also conducting research into new technologies for chemical processing to minimise energy costs. We hold four patents. For details, see "-*Intellectual Property*" on page 148.

Diversified Customer Base with Long-Term Relationships with Marquee Customers

Our customer base comprises direct customers and distributors. Direct customers are end-users of our products. Distributors are entities that purchase our products and then on-sell these products. In the 12 months ended March 31, 2018, we had 631 direct customers and 127 distributors (who sold our products to more than 5,000 customers). Our direct customers are multinational, regional and local players manufacturing consumer products and petrochemical companies and polymer producers globally. We have an extensive distribution network in India and worldwide, enabling our products to be sold in 69 countries in the 12 months ended March 31, 2018.

Strong Management Team

We have a strong management team led by Prakash Damodar Kamat, the co-founder and Chairman, as well as an executive director of our Company. He has more than four decades' experience in the oleochemical-based additives sector, having co-founded the first Promoter Group entity along with the late Mr. Ramesh Shah and having joined a Promoter Group entity in 1970. Mr. Kamat holds a master's degree in science and technology (oils) from the Institute of Chemical Technology (formerly UDCT), University of Bombay. Mukesh Maganlal Shah is an executive director and the Managing Director of our Company. He holds a bachelor's degree in chemistry and physics from the University of Bombay. He has more than four decades' experience in the oleochemical-based additives segment, having joined a Promoter Group entity in 1973. Jayen Ramesh Shah is an executive director and the Chief Executive Officer of our Company. He holds a master's degree in science from the University of Bombay. He is an alumnus of ICT (formerly, UDCT). He joined a Promoter Group entity in 1986. Tushar Ramesh Shah is an executive director and the Chief Financial Officer of our Company. He has completed second year while pursuing for bachelors' in science (S.Y. B.Sc.) from the University of Bombay. He joined a Promoter Group entity in 1989. Bimal Mukesh Shah is an Executive Director and Vice President (Projects). He holds a bachelor's degree in science from Purdue University and a master's degree in management from Boston College. He joined a Promoter Group entity in 2009.

We have a strong team of professionals to manage the core functional areas, such as finance, procurement, manufacturing, logistics, sales and marketing, and human resources.

For more details, see "*Our Management–Brief Biographies of Directors"* on page 164.

STRATEGIES

Expand our Total Installed Production Capacity and Product Range

Some of our products are currently manufactured at the Second Ambernath Facility by Olefine on a job-work basis. The Second Ambernath Facility is situated on a plot of land that MIDC currently leases to Olefine. Our Company has entered into a leave and license agreement for the land with Olefine for a term of three years effective March 26, 2018. However, we were unable to take over the operation of the Second Ambernath Facility until we receive MIDC's approval, which we received from MIDC pursuant to a letter dated May 21, 2018. We will be taking over operation of the facility in the near future. As at December 31, 2017, the Second Ambernath Facility had an installed capacity of approximately 5,000 tonnes per annum.

We are in the process of setting up the Third Ambernath Facility. The planned installed capacity of the Third Ambernath Facility is 32,000 tonnes per annum. We expect it to commence operations in the fourth quarter of Fiscal 2019. The Third Ambernath Facility will be capable of manufacturing most of our additive products. However, we plan to manufacture oleochemical derivatives. For more details on this proposed new facility, see *" –Manufacturing–Planned Facilities–Third Ambernath Facility*" on page 145.

We are currently in the preliminary stages of planning to set up the Patalganga Facility. Our Company entered into a long-term lease agreement for the land on which we intend to build the Patalganga Facility with MIDC and Neo Wheels Limited, as the confirming party, dated January 30, 2018. The Patalganga Facility will be capable of manufacturing some of our additive products. The Patalganga Facility will have a planned initial installed capacity of 10,000 tonnes per annum.

In December 2013, we paid ₹ 242.00 million (which was the full purchase price) for a plot of land in Pale, Ambernath (Maharashtra) on which we plan to build the Fourth Ambernath Facility. Although we have received the allotment letter, we have not yet received possession of the land from the MIDC. The Fourth Ambernath Facility will be capable of manufacturing additives for food, plastic, cosmetics and other specialty additives.

For more details on the Patalganga Facility and the Fourth Ambernath Facility, see *"–Manufacturing–Additional Production Facilities–Preliminary Stages of Planning*" on page 145.

We also plan to incorporate FineAdd and for it to set up the German Facility, which will manufacture specialty food emulsifiers and other additives for food. For details, see "*–Strategies–Global Expansion*" on page 141 and "*–Manufacturing–Planned Facilities–German Facility*" on page 145.

Expand into Manufacturing Premixes for Bakery and Confectionary Products and Pan Release Agents

Fine Zeelandia currently acts as an exclusive distributor for Zeelandia International Holdings B.V.'s range of premixes for bakery and confectionary products and pan release agents in India, Sri Lanka, Bangladesh and Nepal, but does not currently manufacture these products. The Fine Zeelandia Facility will produce premixes for bakery and confectionary products and pan release agents, in line with our strategy to enter high-growth segments. We plan for the Fine Zeelandia Facility to commence operations by the first quarter of Fiscal 2019. Its planned installed capacity is 10,000 tonnes per annum. Fine Zeelandia's products will be marketed to high-class star hotels, large niche and high-quality bakeries and quick service restaurants. For more details, see *"–Manufacturing–Planned Facilities–Fine Zeelandia Facility"* on page 144.

Demand for bakery ingredients in India depends on demand from the end-use bakery industry. CRISIL Research estimates that the market size of the biscuits and bakery products segments was ₹ 359,000 million in Fiscal 2016 and its forecast is that the size of the bread and bakery items market in India will grow at the rate of 10-12% over the five-year period Fiscal 2017-2022. *(Source: CRISIL Research Report)*

Increase Sales of Higher-Margin Downstream Products

One of our strategies is to increase our sales of higher margin downstream and other specialty products. For instance, we plan to manufacture specialty feed nutrition additives, which we currently manufacture only in limited quantities for export.

Global Expansion

In order to serve our existing direct customers and distributors, as well as to secure new direct customers and distributors and expand the reach of our products to new markets, we intend to expand globally.

We entered into a joint venture agreement with Adcotec dated January 17, 2018, to set up FineAdd, which will operate the German Facility. FineAdd will manufacture specialty food emulsifiers and other food additives. We will own a 50.00% equity interest in FineAdd. The plot of land on which we intend to build this facility in Leipzig, Germany has been identified and is currently owned by Adcotec. The German Facility's planned initial installed capacity is 10,000 tonnes per annum. We expect the German Facility to commence operations by the third quarter of Fiscal 2020. For more details, see *"–Manufacturing–Planned Facilities–German Facility*" on page 145.

We are in the process of establishing a wholly-owned subsidiary in China and are in the process of opening a sales office in Shanghai. Given that most of our potential direct customers in China are large petrochemical companies many of which are state-owned, our sales offices in China will allow us to maintain a presence closer to these large direct customers to help secure their business and, if necessary, modify our products to meet their specifications.

Continuing Focus on R&D

We believe that our focus on product innovation through continuous development has been critical to the growth of our business and improved our ability to customize our products for our customers.

We plan to expand our R&D lab by adding additional equipment for semi-commercial batches. We also plan to expand our applications labs for food and plastics, in addition to a new cosmetic application lab. We also lease a plot of land in Dombivli on which we plan to build our new R&D facility. The chemistry laboratory at our current Navi Mumbai facility will be moved to this new R&D facility. We also plan to expand our applications laboratory in our Navi Mumbai facility. For details, see "– *Research and Development*" on page 148.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from the Restated Financial Statements as at and for the nine months ended December 31, 2017 and as at and for the Fiscals 2017, 2016, 2015, 2014 and 2013.

The Restated Financial Statements are set forth in "Financial Statements" beginning on page 189. The summary financial information presented below should be read in conjunction with the "Restated Financial Statements" and with respect to the Restated Consolidated Financial Statements, "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 306 *and* 422*, respectively.*

There are no reservations, qualifications or any adverse remarks in the auditor's reports in relation to the Restated Financial Statements.

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RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions)

Particulars	As at 31 December 2017(Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
ASSETS				
A) Non Current Assets				
Property, Plant and Equipment	922.48	967.72	1,024.72	1,024.18
Capital work-in-progress	67.39	27.97	56.50	81.12
Goodwill	–	–	–	–
Intangible Assets	2.10	2.10	1.32	–
Financial Assets				
- Investment	133.54	137.05	61.77	8.86
- Loans	56.74	49.37	23.08	17.78
- Trade Receivables				
- Other Financial Assets	2.86	1.28	0.42	0.70
Deferred tax assets (Net)	39.00	34.53	14.35	–
Other Non-current Assets	634.46	491.81	531.32	527.41
Total Non Current Assets (A)	**1,858.57**	**1,711.84**	**1,713.48**	**1,660.06**
B) Current Assets				
Inventories	822.98	884.58	737.05	622.74
Financial Assets				
- Investments	-	-	-	-
- Trade Receivables	1,309.68	1,212.97	936.63	904.58
- Cash and Cash Equivalents	188.00	102.80	358.86	13.86
- Bank Balances	1.85	39.46	28.28	3.26
- Loans	7.30	7.35	7.61	5.70
- Other Financial Assets	1.35	0.98	1.02	0.14
Current Tax Assets (Net)	23.78	39.74	–	15.19
Other Current Assets	628.22	555.86	415.76	520.87
Total Current Assets (B)	**2,983.15**	**2,843.73**	**2,485.20**	**2,086.34**
Total Assets (A + B)	**4,841.72**	**4,555.57**	**4,198.68**	**3,746.40**
EQUITY AND LIABILITIES				
A) Equity				
Equity Share Capital	153.30	48.30	48.30	48.30
Equity Share Suspense account	–	2.80	2.80	–
Other Equity	3,581.44	3,307.91	2,504.20	2,054.76
Total Equity (A)	**3,734.74**	**3,359.01**	**2,555.30**	**2,103.06**
Liabilities				
B) Non Current Liabilities				
Financial Liabilities				
- Borrowings	-	-	212.68	290.55
- Trade Payables	-	-	-	-
- Other Financial Liabilities	-	-	-	-
Provisions	-	-	-	-
Deferred tax liabilities (Net)	-	-	-	3.44
Other non-current Liabilities	-	-	-	-
Total Non Current Liabilities (B)	**-**	**-**	**212.68**	**293.99**
C) Current Liabilities				
Financial Liabilities				
- Borrowings	285.48	402.62	728.68	655.90
- Trade Payables	765.40	677.89	532.03	531.99
- Other Financial Liabilities	8.15	9.12	86.37	88.17
Other current liabilities	47.95	106.94	75.43	71.65
Provisions	-	-	3.25	1.64
Current tax liabilities (Net)	-	-	4.93	-
Total Current Liabilities (C)	**1,106.98**	**1,196.57**	**1,430.70**	**1,349.35**

Particulars	As at 31 December 2017(Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Total Equity and Liabilities (A + B + C)	**4,841.72**	**4,555.57**	**4,198.68**	**3,746.40**

RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(₹ in millions)

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
INCOME				
Revenue from Operations	5,902.10	8,134.66	6,848.83	6,374.66
Other Income	91.11	46.97	101.10	21.68
Total Income	**5,993.22**	**8,181.63**	**6,949.93**	**6,396.34**
EXPENSES				
Cost of Materials Consumed	3,780.77	5,027.57	3,894.37	3,866.89
Purchase of Stock-in-trade	-	2.21	22.03	18.90
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	54.31	(47.91)	(39.24)	(47.11)
Excise Duty / Goods and Service Tax Expenses	94.55	367.35	335.17	291.25
Employee Benefits Expense	360.29	619.81	532.45	430.91
Finance Costs	29.96	45.36	82.99	76.84
Depreciation / Impairment and Amortization Expenses	146.20	237.12	295.62	225.68
Other Expenses	530.10	693.38	640.87	684.83
Total Expenses	**4,996.19**	**6,944.89**	**5,764.26**	**5,548.19**
Profit / (Loss) before exceptional items and tax	**997.03**	**1,236.73**	**1,185.67**	**848.15**
Exceptional Item	-	-	-	-
Profit / (Loss) before tax	**997.03**	**1,236.73**	**1,185.67**	**848.15**
Tax Expenses				
Current Tax	349.00	450.00	427.84	300.00
Deferred Tax	(4.47)	(17.90)	(16.79)	(5.06)
Short / (Excess) Provision for earlier years	-	-	0.00	(0.01)
Total Tax Expense	**344.53**	**432.10**	**411.05**	**294.93**
Profit / (Loss) for the period from continuing operations	**652.50**	**804.64**	**774.62**	**553.22**
Profit / (Loss) for the period from discounted operations	-	-	-	-
Tax expense of discounted operations	-	-	-	-
Profit / (Loss) from discontinued operations (after tax)	-	-	-	-
PROFIT / (LOSS) FOR THE PERIOD/YEAR	**652.50**	**804.64**	**774.62**	**553.22**
OTHER COMPREHENSIVE INCOME				
(A) (i) Items that will not be reclassified to Profit or Loss	-	-	-	-
(a) Change in fair value of Equity instruments through OCI	-	0.01	0.48	-
(b) Remeasurements of Loss on employees defined benefit plan	-	(3.22)	3.37	0.15
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	1.11	(1.33)	(0.05)
(B) (i) Items that will be reclassified to Profit or Loss	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Total Other Comprehensive Income	-	(2.10)	2.52	0.10
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR	**652.50**	**802.54**	**777.14**	**553.32**
Earnings Per Equity Share (for continuing operations)				
Basic	28.25	26.24	25.26	19.09
Diluted	28.25	26.24	25.26	19.09
Earnings Per Equity Share (for discontinued				

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
operations)				
Basic	-	-	-	-
Diluted	-	-	-	-
Earnings Per Equity Share (for discontinued and continuing operations)				
Basic	28.25	26.24	25.26	19.09
Diluted	28.25	26.24	25.26	19.09

RESTATED STANDALONE STATEMENT OF CASH FLOWS

(₹ in millions)

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the Year en d e d 31 March 2017 (Ind AS)	For the Year ended 31 March 2016 (Proforma Ind AS)	For the Year ended 31 March 2015 (Proforma Ind AS)
A.Cash flows from operating activities				
Restated Profit before tax	997.03	1,236.73	1,185.67	848.15
Adjustments for:				
Depreciation and amortisation	145.91	236.30	295.62	225.68
Amortisation of Intangible Assets	0.30	0.83	-	-
Lease Rent of Leasehold Properties	1.88	2.51	2.51	0.76
(Profit)/ loss on sale of Property Plant and Equipment	(0.36)	(0.23)	(0.74)	(0.37)
Exchange Gain/Loss on Foreign Currency Rollover and EEFC	(67.95)	(25.47)	(57.74)	(8.04)
Interest income	(7.23)	(13.27)	(13.85)	(3.67)
Notional Interest recorded on Advance to subsidiaries	-	-	-	(1.70)
Interest expense and other finance costs	16.18	38.20	66.36	76.07
Dividend Income	-	-	(0.00)	-
Allowance for / Reversal of Expected Credit Losses	(7.41)	(4.13)	(10.97)	29.49
Actuarial Gain on Defined Employees benefit in OCI	-	-	-	-
Notional Interest on Subsidiary for Prior Period	-	-	-	0.27
Operating profit before working capital changes	**1,078.34**	**1,471.47**	**1,466.85**	**1,166.64**
Changes in working capital				
(Increase)/decrease in inventories	61.61	(147.54)	(114.31)	(84.27)
(Increase)/decrease in trade receivables	(96.71)	(276.34)	(32.05)	(134.78)
(Increase)/decrease in loans and advances and other current assets	-	-	(1.91)	(0.45)
(Increase)/decrease in bank balances	37.61	(11.18)	(25.02)	-
(Increase)/Decrease in Other Current Financial Assets	(0.13)	0.04	(0.88)	-
(Increase)/Decrease in Other Current Assets	(72.37)	(140.09)	105.11	5.30
Increase/(Decrease) in Current Financial Assets - Loan	0.05	0.26	72.78	-
Increase/(Decrease) in trade Payables	87.51	145.86	0.04	(52.16)
Increase/(Decrease) in Current Financial liabilities - Others	(0.96)	(77.26)	(1.80)	(91.37)
Increase/(Decrease) in Other Financial Liabilities	-	-	-	31.33
Increase/(Decrease) in Other Current Liabilities	(58.99)	31.51	3.78	7.02
Increase/(Decrease) in Current Provisions	-	(3.25)	1.61	1.64
Cash flows generated from /(used in) operating activities	**1,035.96**	**993.47**	**1,474.21**	**848.90**
Direct taxes paid	(328.57)	(494.67)	(398.19)	(350.26)
Net cash flows generated from /(used in) operating activities (A)	**707.39**	**498.80**	**1,076.03**	**498.64**
B. Cash flows from investing activities				
Purchase of Property, Plant and Equipment including intangible assets, capital work in progress and capital advances	(141.07)	(152.60)	(243.35)	(461.08)
Proceeds from sale of property, plant and equipment	1.06	0.44	1.10	0.80
Interest received	7.23	13.27	13.85	3.67
Dividend received	-	-	0.00	-
Investment in Subsidiaries	-	-	(1.42)	-
Investment in Joint Ventures	-	(60.00)	(52.84)	-
Capital Advances Paid (Net)	(147.82)	38.61	(0.51)	226.83
Security deposits Received Back (Net)	-	-	3.56	-
Income tax Receivables	-	-	1.77	-
Additional Investment in Fixed Deposits	(0.23)	(0.87)	-	(3.30)
Prepaid Leasehold Land Rentals	-	-	-	(193.69)
Net cash flows generated from /(used in) investing activities (B)	**(280.83)**	**(161.14)**	**(277.84)**	**(426.76)**
C. Cash flows from financing activities				
Repayment of long-term borrowings	-	(212.68)	(77.87)	(33.75)

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the Year en d e d 31 March 2017 (Ind AS)	For the Year ended 31 March 2016 (Proforma Ind AS)	For the Year ended 31 March 2015 (Proforma Ind AS)
Repayment of Current Financial Liabilities-Borrowings	(117.14)	(326.06)	-	-
Loss on account of Foreign Exchange Conversion	-	25.47	(16.00)	(0.33)
Advances to Subsidiaries	0.05	(38.53)	(1.57)	(12.93)
Security Deposits Received/given back to Trade Creditors	(0.97)	(1.62)	-	(2.63)
Security Deposits Paid for Factory Premises	(1.80)	-	-	-
Repayment of Long Term Loans and Advances	-	-	-	-
Proceeds Realised from Fixed Deposits	-	-	0.28	-
Gain/Loss on account of Foreign Exchange Conversion	67.95	-	73.74	8.37
Finance costs	(16.18)	(38.20)	(66.36)	(76.07)
Interim/Final Dividend Paid	(229.95)	-	(368.25)	-
Interim/Final Dividend Distribution tax Paid	(46.81)	-	(74.97)	-
Net cash flows generated from/ (used in) financing activities (C)	**(344.85)**	**(591.61)**	**(530.99)**	**(117.33)**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	**81.71**	**(253.95)**	**267.19**	**(45.46)**
Ind AS Adjustments	3.49	(2.11)	5.74	(29.34)
Assets transferred from Amalgamating Companies	-	-	72.07	-
Cash and cash equivalents at the beginning of the period/ year	102.80	358.86	13.86	88.65
Cash and cash equivalents at the end of the period/year	**188.00**	**102.80**	**358.86**	**13.86**
Cash and cash equivalents at the end of the year comprises:				
(a) cash on hand	1.96	1.04	2.59	1.23
(b) balances with banks				
(i) in current accounts	153.99	48.82	288.35	6.84
(ii) in EEFC accounts	29.96	31.38	34.04	5.78
(iii) in deposit accounts	2.09	21.56	33.89	-
(iv) in term loan accounts	-	-	-	-
(v) in Margin Account	-	-	-	-
Total of Balances with banks	**186.04**	**101.76**	**356.27**	**12.63**
Total Cash and Cash equivalents at the end of the period/year	**188.00**	**102.80**	**358.86**	**13.86**

RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions)

Sr No.	Particulars	As at 31 March 2014	As at 31 March 2013
	Equity and Liabilities		
(1)	**Shareholders' funds**		
	(a) Share Capital	48.30	48.30
	(b) Reserves and Surplus	1,553.48	927.37
		1,601.78	**975.67**
(2)	**Share Application Money pending Allotment**	-	-
(3)	**Non-Current Liabilities**		
	(a) Long-Term Borrowings	871.05	664.11
	(b) Deferred Tax Liabilities (Net)	8.45	13.77
	(c) Other Long Term Liabilities	-	-
	(c) Long-Term Provisions	-	0.63
		879.50	**678.52**
(4)	**Current Liabilities**		
	(a) Short-Term Borrowings	200.52	349.70
	(b) Trade Payables	584.15	412.46
	(c) Other Current Liabilities	121.64	139.95
	(d) Short-Term Provisions	23.57	(2.51)
		929.88	**899.60**
	Total	**3,411.16**	**2,553.78**
	Assets		
(5)	**Non-Current Assets**		
	(a) Fixed Assets		
	Tangible Assets	700.60	753.18
	Intangible Assets	-	-
	Capital Work-In-Progress	241.48	27.34
		942.08	**780.52**
	(b) Non-Current Investments	0.06	-
	(c) Deferred Tax Assets (Net)	-	-
	(d) Long-Term Loans and Advances	521.79	28.11
		521.86	**28.11**
(6)	**Current Assets**		
	(a) Current Investments	-	-
	(b) Inventories	538.47	616.90
	(c) Trade Receivables	769.79	557.63
	(d) Cash and Bank Balances	88.90	78.64
	(e) Short-Term Loans and Advances	543.38	491.81
	(f) Other Current Assets	6.68	0.18
		1,947.22	**1,745.16**
	Total	**3,411.16**	**2,553.78**

RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(₹ in millions)

Sr No	Particulars	For the Year ended 31 March 2014	For the Year ended 31 March 2013
A	**Incomes**		
i	Revenue from operations	5,676.68	4,964.50
ii	Other income	69.81	10.60
iii	**Total revenue (i+ii)**	**5,746.49**	**4,975.10**
B	**Expenses**		
	Cost of materials consumed	3,490.02	3,534.12
	Purchase of Stock in Trade	-	-
	Changes in inventory of finished goods and work- in-progress	10.34	(37.68)
	Employee benefits expense	374.80	328.26
	Other expenses	714.41	632.43
	Depreciation and amortization	106.07	113.55
	Finance costs	96.49	94.86
	Total expenses	**4,792.13**	**4,665.53**
iv	**Net profit before tax and exceptional items**	**954.36**	**309.57**
v	**Exceptional Items**	**-**	**-**
vi	**Net profit from Ordinary Items before tax**	**954.36**	**309.57**
vii	**Tax expenses**		
	- Income taxes- current tax	335.00	103.00
	- Deferred tax (credit)/ charge	(5.32)	(0.96)
	Short/(Excess) Provision for earlier years	(1.44)	(1.44)
	Total Tax Expense	**328.24**	**100.60**
viii	**Net Profit from Ordinary Activities After Tax (vi-vii)**	**626.12**	**208.97**
ix	**Extraordinary Item (Net of Tax Expense)**	**-**	**-**
x	**Profit for the year**	**626.12**	**208.97**
xi	**Earnings Per Equity Share**		
	Basic (In Rupees)	**21.61**	**7.21**
	Diluted (In Rupees)	**21.61**	**7.21**

RESTATED STANDALONE STATEMENT OF CASH FLOW

(₹ in millions)

Particulars	For the Year ended 31 March 2014	For the Year ended 31 March 2013
A.Cash flows from operating activities		
Restated Profit before tax	954.36	309.57
Adjustments for:		
Depreciation and amortization	106.07	113.55
(Profit)/ loss on sale of fixed assets	(0.19)	(0.08)
Exchange Gain/Loss on Foreign Currency Rollover and EEFC	25.56	20.30
Interest income	(1.36)	(4.60)
Interest expense and other finance costs	72.29	79.16
Operating profit before working capital changes	**1,156.73**	**517.90**
Changes in working capital		
(Increase)/decrease in inventories	78.43	(142.52)
(Increase)/decrease in trade receivables	(212.17)	(64.65)
(Increase)/decrease in loans and advances and other current assets	(539.81)	(91.36)
Increase /(decrease) in trade payables, other current liabilities, provisions and borrowings	(162.75)	374.50
Cash flows generated from /(used in) operating activities	**320.43**	**593.87**
Direct taxes paid	(290.35)	(104.58)
Net cash flows generated from /(used in) operating activities (A)	**30.09**	**489.29**
B. Cash flows from investing activities		
Purchase of fixed assets (net of capital work-in- progress, capital creditors and capital advance)	(267.99)	(88.21)
Investment in Joint Venture	-	-
Investment in foreign Subsidiary	(0.06)	-
Proceeds from sale of fixed assets	0.54	0.28
Exchange Gain/Loss on Foreign Currency Rollover and EEFC	(25.56)	(20.30)
Interest Income	1.36	4.60
Net cash flows generated from /(used in) investing activities (B)	**(291.71)**	**(103.63)**
C. Cash flows from financing activities		
Proceeds/Repayment of long-term Loans and Advances/borrowings	206.94	(102.65)
Proceeds / Repayment of short-term borrowings	149.18	(146.50)
Advance to Subsidiary	(11.95)	-
Dividend paid, including tax thereon	-	-
Finance costs paid	(72.29)	(79.16)
Net cash flows generated from/ (used in) financing activities (C)	**271.88**	**(328.31)**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	**10.26**	**57.35**
Cash and cash equivalents at the beginning of the year	78.64	21.29
Cash and cash equivalents at the end of the year	**88.90**	**78.64**
Cash and cash equivalents at the end of the year comprises:		
(a) cash on hand	1.69	0.59
(b) balances with banks		
(i) in current accounts	49.09	8.65
(ii) in EEFC accounts	34.27	68.08
(iii) in deposit accounts	0.25	0.20
(iv) in term loan accounts	0.00	0.00
(v) in Margin Account	3.60	1.12
Total of Balances with banks	87.21	78.05
Total Cash and Cash Equivalent at the end of the year	**88.90**	**78.64**

RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
ASSETS				
A) Non Current Assets				
Property, Plant and Equipment	922.56	967.73	1,024.73	1,024.22
Capital work-in-progress	67.39	27.97	56.50	81.12
Goodwill	-	-	-	-
Intangible Assets	2.10	2.10	1.32	-
Financial Assets				
- Investment	105.70	110.69	52.65	-
- Loans	-	-	-	-
- Trade Receivables	-	-	-	-
- Other Financial Assets	2.86	1.28	0.42	0.70
Deferred tax assets (Net)	39.00	34.53	14.35	-
Other Non-current Assets	634.70	492.05	531.56	527.41
Total Non Current Assets (A)	**1,774.32**	**1,636.37**	**1,681.53**	**1,633.45**
B) Current Assets				
Inventories	866.01	919.83	760.23	644.36
Financial Assets				
- Investments	-	-	-	-
- Trade Receivables	1,172.09	1,114.00	867.85	862.70
- Cash and Cash Equivalents	260.79	139.70	393.50	30.42
- Bank Balances	1.85	39.46	28.28	3.26
- Loans	7.30	7.35	7.61	5.70
- Other Financial Assets	1.35	0.98	1.02	0.14
Current Tax Assets (Net)	23.78	39.74	-	15.19
Other Current Assets	630.72	559.18	416.00	520.87
Total Current Assets (B)	**2,963.89**	**2,820.24**	**2,474.48**	**2,082.64**
Total Assets (A + B)	**4,738.21**	**4,456.61**	**4,156.01**	**3,716.09**
EQUITY AND LIABILITIES				
A) Equity				
Equity Share Capital	153.30	48.30	48.30	48.30
Equity Share Suspense account	-	2.80	2.80	-
Other Equity	3,468.73	3,240.30	2,459.88	2,023.87
Total Equity (A)	**3,622.03**	**3,291.40**	**2,510.98**	**2,072.17**
Liabilities				
B) Non Current Liabilities				
Financial Liabilities				
- Borrowings	-	-	212.68	290.55
- Trade Payables	-	-	-	-
- Other Financial Liabilities	-	-	-	-
Provisions	-	-	-	-
Deferred tax liabilities (Net)	-	-	-	3.44
Other non-current Liabilities	-	-	-	-
Total Non Current Liabilities (B)	**-**	**-**	**212.68**	**293.99**
C) Current Liabilities				
Financial Liabilities				
- Borrowings	285.48	402.62	728.68	655.90
- Trade Payables	771.02	643.24	533.39	532.55
- Other Financial Liabilities	8.15	9.12	86.37	88.17
Other current liabilities	51.52	110.24	75.73	71.65
Provisions	-	-	3.26	1.66
Current tax liabilities (Net)	-	-	4.93	-
Total Current Liabilities (C)	**1,116.18**	**1,165.21**	**1,432.35**	**1,349.94**

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Total Equity and Liabilities (A + B + C)	**4,738.21**	**4,456.61**	**4,156.01**	**3,716.09**

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in millions)

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
INCOME				
Revenue from Operations	5,904.27	8,149.36	6,860.08	6,359.32
Other Income	87.80	44.13	102.07	20.25
Total Income	**5,992.07**	**8,193.50**	**6,962.16**	**6,379.57**
EXPENSES				
Cost of Materials Consumed	3,780.77	5,027.57	3,894.37	3,866.89
Purchase of Stock-in-trade	16.63	11.35	22.15	21.54
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	46.52	(61.30)	(40.79)	(64.09)
Excise Duty / Goods and Service Tax Expenses	94.55	367.35	335.17	291.25
Employee Benefits Expense	379.08	642.80	545.40	443.34
Finance Costs	30.20	45.66	83.09	76.99
Depreciation / Impairment and Amortization Expenses	146.25	237.13	295.64	225.77
Other Expenses	544.09	707.22	651.27	691.11
Total Expenses	**5,038.10**	**6,977.78**	**5,786.29**	**5,552.79**
Profit / (Loss) before exceptional items and tax	**953.97**	**1,215.71**	**1,175.87**	**826.78**
Exceptional Item	-	-	-	-
Profit / (Loss) before tax	**953.97**	**1,215.71**	**1,175.87**	**826.78**
Tax Expenses				
Current Tax	349.00	450.00	427.84	300.00
Deferred Tax	(4.47)	(17.90)	(16.79)	(5.06)
Short / (Excess) Provision for earlier years	-	-	0.00	(0.01)
Total Tax Expense	**344.53**	**432.10**	**411.05**	**294.93**
Profit / (Loss) for the period from continuing operations	**609.44**	**783.62**	**764.81**	**531.85**
Profit / (Loss) for the period from discounted operations	-	-	-	-
Tax expense of discounted operations	-	-	-	-
Profit / (Loss) from discontinued operations (after tax)	-	-	-	-
PROFIT / (LOSS) FOR THE PERIOD/YEAR	**609.44**	**783.62**	**764.81**	**531.85**
OTHER COMPREHENSIVE INCOME				
(A) (i) Items that will not be reclassified to Profit or Loss	-	-	-	-
(a) Change in fair value of Equity instruments through OCI	-	0.01	0.48	-
(b) Remeasurements of Loss on employees defind benefit plan	-	(3.22)	3.37	0.15
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	1.11	(1.33)	(0.05)
(B) (i) Items that will be reclassified to Profit or Loss	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Total Other Comprehensive Income	**-**	**(2.10)**	**2.52**	**0.10**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR	**609.44**	**781.52**	**767.33**	**531.95**
Earnings Per Equity Share (for continuing operation)				
Basic	26.38	25.56	24.95	18.35
Diluted	26.38	25.56	24.95	18.35
Earnings Per Equity Share (for discontinued operations)				
Basic	-	-	-	-
Diluted	-	-	-	-
Earnings Per Equity Share (for discontinued and continuing operations)				
Basic	26.38	25.56	24.95	18.35
Diluted	26.38	25.56	24.95	18.35

RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

(₹ in millions)

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the Year ended 31 March 2017 (Ind AS)	For the Year ended 31 March 2016 (Proforma Ind AS)	For the Year ended 31 March 2015 (Proforma Ind AS)
A.Cash flows from operating activities				
Restated Profit before tax	953.97	1,215.71	1,175.87	826.78
Adjustments for:				
Depreciation and amortisation	145.95	236.30	295.64	225.77
Ammortization of Intangible Assets	0.30	0.83	-	-
Lease Rent of Leasehold Properties	1.88	2.51	2.51	0.76
(Profit)/ loss on sale of Property Plant and Equipment	(0.36)	(0.23)	(0.74)	(0.37)
Exchange Gain/Loss on Foreign Currency Rollover and EEFC	(67.95)	(25.47)	(57.74)	(8.04)
Reversal of Debtors Provision	-	-	(10.97)	-
Interest income	(3.32)	(10.25)	(11.99)	(2.23)
Share of loss from Joint venture	4.99	1.96	0.70	-
Notional Interest recorded on Advance to subsidiaries	-	-	-	-
Interest expense and other finance costs	16.33	38.20	66.45	76.66
Dividend Income	-	-	(0.00)	-
Allowance for / Reversal of Expected Credit Losses	(7.41)	(4.13)	-	29.49
Movement in Forex Currency Translation reserve	(2.05)	(2.27)	(3.63)	(0.58)
Actuarial Gain on Defined Employees benefit in OCI	-	-	-	-
Operating profit before working capital changes	**1,042.35**	**1,453.17**	**1,456.10**	**1,148.22**
Changes in working capital				
(Increase)/decrease in inventories	53.82	(159.61)	(115.86)	(101.25)
(Increase)/decrease in trade receivables	(58.09)	(246.15)	(5.15)	(97.62)
(Increase)/decrease in loans and advances and other current assets	-	-	(1.91)	(0.45)
(Increase)/decrease in bank balances	37.61	(11.18)	(25.02)	(3.26)
(Increase)/Decrease in Other Current Financial Assets	(0.13)	0.04	(0.88)	-
(Increase)/Decrease in Other Current Assets	(71.54)	(143.18)	104.87	5.30
Increase/(Decrease) in Current Financial Assets - Loan	0.05	0.26	72.78	-
Increase/(Decrease) in trade Payables	127.78	109.85	0.83	(51.62)
Increase/(Decrease) in Current Financial liabilities - Others	(0.96)	(77.26)	(1.80)	(91.37)
Increase/(Decrease) in Other Financial Liabilities	-	-	-	31.33
Increase/(Decrease) in Other Current Liabilities	(58.71)	34.51	4.08	7.00
Increase/(Decrease) in Current Provisions	-	(3.26)	1.60	1.66
Cash flows generated from /(used in) operating activities	**1,072.19**	**957.19**	**1, 489.64**	**847.94**
Direct taxes paid	(328.57)	(494.67)	(398.19)	(350.26)
Net cash flows generated from /(used in) operating activities (A)	**743.62**	**462.53**	**1,091.46**	**497.69**
B. Cash flows from investing activities				
Purchase of Property, Plant and Equipment including intangible as sets, capital work in progress and capital advances	(141.20)	(152.60)	(243.35)	(461.11)
Proceeds from sale of property, plant and equipment	1.06	0.44	1.10	0.80
Interest received	3.32	10.25	11.99	2.23
Dividend received	-	-	0.00	-
Investment in Subsidiaries	-	-	-	-
Investment in Joint Ventures	-	(60.00)	(52.84)	-
Capital Advances Paid (Net)	(147.82)	38.61	(0.51)	226.83
Security deposits Received Back (Net)	-	-	3.32	-
Incom e tax Receivables	-	-	1.77	-
Add itional Investment in Fixed Deposits	(0.23)	(0.87)	-	(0.28)
Prepaid Leasehold Land Rentals	-	-	-	(193.69)
Net cash flows generated from /(used in) investing	**(284.88)**	**(164.16)**	**(278.53)**	**(425.21)**

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the Year ended 31 March 2017 (Ind AS)	For the Year ended 31 March 2016 (Proforma Ind AS)	For the Year ended 31 March 2015 (Proforma Ind AS)
activities (B)				
C. Cash flows from financing activities				
Repayment of long-term borrowings	-	(212.68)	(77.87)	(33.75)
Repayment of Current Financial Liabilities-Borrowings	(117.14)	(326.06)	-	-
Loss on account of Foreign Exchange Conversion	-	25.47	(16.00)	(0.33)
Advances to Subsidiaries	-	-	-	-
Security Deposits Received/given back to Trade Creditors	(0.97)	(1.61)	-	(1.92)
Security Deposits Paid for Factory Premises	(1.80)	-	-	-
Repayment of Long Term Loans and Advances	-	-	-	-
Proceeds Realised from Fixed Deposits	-	-	0.28	-
Gain/Loss on account of Foreign Exchange Conversion	67.95	-	73.74	8.37
Finance costs / Interest paid	(16.33)	(38.20)	(66.45)	(76.66)
Interim/Final Dividend Paid	(229.95)	-	(368.25)	-
Interim/Final Dividend Distribution tax Paid	(46.81)	-	(74.97)	-
Net cash flows generated from/ (used in) financing activities (C)	**(345.05)**	**(553.08)**	**(529.52)**	**(104.28)**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	**113.69**	**(254.71)**	**283.41**	**(31.81)**
Ind AS Adjustments	7.41	0.91	7.61	(29.34)
Assets transferred from Amalgamating Companies	-	-	72.07	-
Cash and cash equivalents at the beginning of the period/year	139.70	393.50	30.42	91.57
Cash and cash equivalents at the end of the period/year	**260.79**	**139.70**	**393.50**	**30.42**
Cash and cash equivalents at the end of the year comprises:				
(a) cash on hand	1.96	1.04	2.59	1.23
(b) Cheque on Hand	-	-	-	0.71
(c) balances with banks				
(i) in current accounts	226.79	85.73	322.99	22.70
(ii) in EEFC accounts	29.96	31.38	34.04	5.78
(iii) in deposit accounts	2.09	21.56	33.89	-
(iv) in term loan accounts	-	-	-	-
(v) in Margin Account	-	-	-	-
Total of Balances with banks	258.83	138.66	390.92	28.48
Total Cash and cash equivalents at the end of the period/year	**260.79**	**139.70**	**393.50**	**30.42**

RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions)

Sr No.	Particulars	As at 31 March 2014	As at 31 March 2013
	Equity and Liabilities		
(1)	**Shareholder's funds**		
	(a) Share Capital	48.30	48.30
	(b) Share Capital Suspense Account	-	-
	(c) Reserves and Surplus	1,544.83	927.37
		1,593.13	**975.67**
(2)	**Share application money, pending allotment**	-	-
(3)	**Non-Current Liabilities**		
	(a) Long-Term Borrowings	871.05	664.11
	(b) Deferred Tax Liabilities (Net)	8.45	13.77
	(c) Other Long-Term Liabilities	-	-
	(d) Long-Term Provisions	-	0.63
		879.50	**678.52**
(4)	**Current Liabilities**		
	(a) Short-Term Borrowings	200.52	349.70
	(b) Trade Payables	584.18	412.46
	(c) Other Current Liabilities	121.66	139.95
	(d) Short-Term Provisions	23.57	(2.51)
		929.92	**899.60**
	Total	**3,402.55**	**2,553.78**
	Assets		
(5)	**Non-Current Assets**		
	(a) Fixed Assets		
	Tangible Assets	700.70	753.18
	Intangible Assets	-	-
	Capital Work-In-Progress	241.48	27.34
		942.17	**780.52**
	(b) Non-Current Investments	-	-
	(c) Deferred Tax Assets (Net)	-	-
	(d) Long-Term Loans and Advances	522.50	28.11
	(e) Other Non-Current Assets	-	-
		522.50	**28.11**
(6)	**Current Assets**		
	(a) Current Investments	-	-
	(b) Inventories	543.12	616.90
	(c) Trade Receivables	765.08	557.63
	(d) Cash and Bank Balances	91.57	78.64
	(e) Short-Term Loans and Advances	531.43	491.81
	(f) Other Current Assets	6.68	0.18
		1,937.87	**1,745.16**
	Total	**3,402.55**	**2,553.78**

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in millions)

Sr No.	Paticulars	For the Year ended 31 March 2014	For the Year ended 31 March 2013
A	**Incomes**		
i	**Revenue from operations**	5,672.04	4,964.50
ii	**Other income**	69.81	10.60
iii	**Total revenue (i+ii)**	**5,741.85**	**4,975.10**
B	**Expenses**		
	Cost of materials consumed	3,490.06	3,534.12
	Purchase of Stock in Trade	-	-
	Changes in inventory of finished goods and work- in-progress	5.70	(37.68)
	Employee benefits expense	381.38	328.26
	Other expenses	716.42	632.43
	Depreciation and amortisation	106.10	113.55
	Finance costs	96.49	94.86
	Total expenses	**4,796.15**	**4,665.53**
iv	**Net profit before tax and exceptional items**	**945.70**	**309.57**
v	**Exceptional items**	-	-
vi	**Net profit from Ordinary Items before tax**	**945.70**	**309.57**
vii	**Tax expense :**		
	- Income taxes- current tax	335.00	103.00
	- MAT credit entitlement	-	-
	- Deferred tax (credit)/ charge	(5.32)	(0.96)
	Short/(Excess) Provision for earlier years	(1.44)	(1.44)
	Total Tax Expense	**328.24**	**100.60**
viii	**Net Profit from Ordinary Activities After Tax(vi-vii)**	**617.46**	**208.97**
ix	**Extraordinary Item (Net of Tax Expense)**	-	-
x	**Profit for the year**	**617.46**	**208.97**
xi	**Earnings Per Equity Share**		
	Basic (In Rupees)	**21.31**	**7.21**
	Diluted (In Rupees)	**21.31**	**7.21**

RESTATED CONSOLIDATED STATEMENT OF CASH FLOW

(₹ in millions)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
A.Cash flows from operating activities		
Restated Profit before tax	945.70	309.57
Adjustments for:		
Depreciation and amortisation	106.10	113.55
(Profit)/ loss on sale of fixed assets	(0.19)	(0.08)
Exchange Gain/Loss on Foreign Currency Rollover and EEFC	25.56	20.30
Unrealised exchange fluctuation (gain)/ loss (net)	-	-
Interest income	(1.36)	(4.60)
Interest expense and other finance costs	72.29	79.16
Operating profit before working capital changes	**1,148.10**	**517.90**
Changes in working capital		
(Increase)/decrease in inventories	73.78	(142.52)
(Increase)/decrease in trade receivables	(207.45)	(64.65)
(Increase)/decrease in loans and advances and other current assets	(540.52)	(91.36)
Increase /(decrease) in trade payables, other current liabilities and provisions	(162.70)	374.50
Cash flows generated from /(used in) operating activities	**311.21**	**593.87**
Direct taxes paid	(290.35)	(104.58)
Net cash flows generated from /(used in) operating activities (A)	**20.86**	**489.29**
B. Cash flows from investing activities		
Purchase of fixed assets (net of capital work-in-progress, capital creditors and capital advance)	(268.11)	(88.21)
Proceeds from sale of fixed assets	0.54	0.28
Exchange Gain/Loss on Foreign Currency Rollover and EEFC	(25.56)	(20.30)
Interest received	1.36	4.60
Net cash flows generated from /(used in) investing activities (B)	**(291.77)**	**(103.63)**
C. Cash flows from financing activities		
Proceeds/Repayment of long-term borrowings	206.94	(102.65)
Proceeds / Repayment of short-term borrowings	149.18	(146.50)
Dividend paid, including tax thereon	-	-
Finance costs paid	(72.29)	(79.16)
Net cash flows generated from/ (used in) financing activities (C)	**283.83**	**(328.31)**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	**12.92**	**57.35**
Cash and cash equivalents at the beginning of the year	78.64	21.29
Cash and cash equivalents at the beginning of the year for Amalgamating companies FRDCPL and FSSPL	-	-
Cash and cash equivalents at the end of the year	**91.57**	**78.64**
Cash and cash equivalents at the end of the year comprises:		
(a) cash on hand	1.69	0.59
(b) balances with banks	-	-
(i) in current accounts	51.76	8.65
(ii) in EEFC accounts	34.27	68.08
(iii) in deposit accounts	0.25	0.20
(iv) in term loan accounts	0.00	0.00
(v) in Margin Account	3.60	1.12
(vi) Cheques on hand	-	-
Total of Balances with banks	89.87	78.05
Total Cash and Cash Equivalent at the end of the year	**91.57**	**78.64**

THE OFFER

The following table sets forth details of the Offer:

Offer(1)(2)	Up to 7,664,994 Offered Shares aggregating to ₹ [●] million
The Offer consists of:	
Offer for sale by Prakash Damodar Kamat	Up to 1,530,005 Offered Shares aggregating up to ₹ [●] million
Offer for sale by Mukesh Maganlal Shah jointly with Jayshree Mukesh Shah	Up to 824,397 Offered Shares aggregating up to ₹ [●] million
Offer for sale by Jyotsna Ramesh Shah	Up to 1,544,976 Offered Shares aggregating up to ₹ [●] million
Offer for sale by Jayen Ramesh Shah jointly with Neeta Jayen Shah	Up to 1,530,003 Offered Shares aggregating up to ₹ [●] million
Offer for sale by Tushar Ramesh Shah jointly with Bina Tushar Shah	Up to 1,530,004 Offered Shares aggregating up to ₹ [●] million
Offer for sale by Bimal Mukesh Shah jointly with Mukesh Maganlal Shah	Up to 705,609 Offered Shares aggregating up to ₹ [●] million
The Offer consists of:	
A) QIB portion(3)(4)	Not more than 3,832,496 Offered Shares
of which	
(i) Anchor Investor Portion	Up to 2,299,497 Offered Shares
(ii) Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	1,532,999 Offered Shares
of which	
Available for allocation to Mutual Funds only 5% of the QIB Portion (excluding the Anchor Investor Portion)	76,650 Offered Shares
Balance of QIB Portion for all QIBs including Mutual Funds	1,456,349 Offered Shares
B) Non-Institutional Portion(4)	Not less than 1,149,750 Offered Shares
C) Retail Portion(4)	Not less than 2,682,748 Offered Shares
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer	30,659,976 Equity Shares
Equity Shares outstanding after the Offer	30,659,976 Equity Shares
Utilisation of proceeds	For details, see "*Objects of the Offer*" on page 102 for information about the use of proceeds from the Offer. Our Company will not receive any proceeds from the Offer

(1) *The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on November 3, 2017 and shareholders' resolution dated November 6, 2017.*

(2) *The Promoter Group Selling Shareholders have specifically confirmed that the Offered Shares held by the Promoter Group Selling Shareholders are eligible for being offered for sale in the Offer as required by the SEBI ICDR Regulations. The Offer has been authorised by the Promoter Group Selling Shareholders pursuant to the consent letters dated February 7, 2018.*

(3) *Our Company and the Promoter Group Selling Shareholders, in consultation with the Book Running Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Allocation price in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Post-allocation to Anchor Investors, the QIB Portion will be reduced by such number of Offered Shares. 76,650 Offered Shares (representing 5% of the Net QIB Portion) shall be available for allocation to QIBs (other than Anchor Investors) including Mutual Funds. However, if the aggregate demand from the Mutual Funds is less than 76,650 Offered Shares, the balance Offered Shares available for Allotment in the Mutual Fund Portion will*

be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than the Anchor Investors) in proportion to their Bids. For further details, see "Offer Procedure" beginning on page 477.

(4) *Subject to valid Bids received at or above Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company and the Promoter Group Selling Shareholders, in consultation with the Book Running Lead Managers and the Designated Stock Exchange.*

Allocation to investors in all categories, except the Retail Portion and the Anchor Investor Portion, if any, shall be made on a proportionate basis subject to valid bids received at or above the Offer Price.

For details, including in relation to grounds for rejection of Bids, refer to "*Offer Structure*" and "*Offer Procedure*" on pages 474 and 477 respectively. For details of the terms of the Offer, see "*Terms of the Offer*" on page 470.

GENERAL INFORMATION

Our Company was incorporated as 'Fine Organic Industries (Mumbai) Private Limited' on May 24, 2002 in the state of Maharashtra at Mumbai as a private limited company under the Companies Act, 1956, as amended. Thereafter, the name of our Company was changed to 'Fine Organic Industries Private Limited' and a fresh certificate of incorporation consequent upon change of name dated February 16, 2009 was issued by the RoC. Subsequently, our Company was converted into a public limited company, the word 'private' was struck off from the name of our Company and consequently, a fresh certificate of incorporation dated November 2, 2017 was issued by the RoC pursuant to conversion recording the change of our Company's name to 'Fine Organic Industries Limited'. For details of change in the name of our Company, see "*History and Certain Corporate Matters*" on page 154.

For details of the business of our Company, see "*Our Business*" beginning on page 137.

Registered Office / Corporate Office

Fine Organic Industries Limited
Fine House
Anandji Lane
Ghatkopar (East)
Mumbai 400 077
Tel: (91 22) 2102 5000
Fax: (91 22) 2102 8899
E-mail: investors@fineorganics.com
Website: www.fineorganics.com
Corporate Identity Number: U24119MH2002PLC136003
Registration Number: 136003

Address of the RoC

Our Company is registered with the RoC situated at 100, Everest, Marine Drive, Mumbai 400 002.

Board of Directors

The following table sets forth details of our Board as on the date of this Red Herring Prospectus:

Name	Designation	DIN	Address
Prakash Damodar Kamat	Executive Director and Chairman	00107015	Neelkant Tirth CHS, Bungalow No. 3, Road No. 6, Chembur, Mumbai 400 071
Mukesh Maganlal Shah	Managing Director	00106799	Flat No. 2501 Evita Building, Central Avenue, Hiranandani Gardens, Powai, Mumbai 400 076
Jayen Ramesh Shah	Executive Director and Chief Executive Officer	00106919	Indraprastha, Block No. 1002, Neelkanth Valley, M. G. Road, Ghatkopar East, Mumbai 400 077
Tushar Ramesh Shah	Executive Director and Chief Financial Officer	00107144	1104, 10th Floor, Indraprashta, Neelkanth Valley, Ghatkopar East, Mumbai 400 077
Bimal Mukesh Shah	Executive Director	03424880	2401, Evita Building, Central Avenue, Hiranandani Gardens, Powai, Mumbai 400 076
Prakash Krishnaji Apte	Independent Director	00196106	B 803, Blossom Boulevard, CHS, Lane 7, South Main Road, Near Pingle Farms, Koregaon Park, Pune 411 001
Kaushik Dwarkadas Shah	Independent Director	00124756	A-502, Gagandeep, Gulmohar Cross Road No. 6, J.V.P.D. Scheme, Juhu, Mumbai 400 049
Mahesh Pansukhlal Sarda	Independent Director	00023776	Flat No. 701, Godavari Apartment, Sir Pochkanwala Road, Opp. RTO Head Quarter, Worli Sea Face, Mumbai 400 030
Parthasarathi Thiruvengadam	Independent Director	00016375	Flat No. 201, Yadugiri Nest, 60, 11th Main Road, Opp. Cluny Convent, Malleswaram, Bangalore 560 003
Pratima Umarji	Independent Director	05294496	B 702, Patliputra, 4 Bungalows, Near Kokilaben Hospital, Andheri West, Azad Nagar, Mumbai 400 053

For further details of our Directors, see "*Our Management*" on page 161.

Chief Financial Officer

Tushar Ramesh Shah
Fine Organics
Fine House, Off M.G. Road
Ghatkopar East
Mumbai 400 077
Tel: (91 22) 2102 5000
Fax: (91 22) 2102 8899
E-mail: investors@fineorganics.com

Company Secretary & Compliance Officer

Pooja Gaonkar
Fine Organics
Fine House, Off M.G. Road
Ghatkopar East
Mumbai 400 077
Tel: (91 22) 2102 5000
Fax: (91 22) 2102 8899
E-mail: investors@fineorganics.com

Investor grievances

Investors can contact the Company Secretary and Compliance Officer, the Book Running Lead Managers or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of Allotment Advice, non-credit of Allotted Offered Shares in the respective beneficiary account, refund orders, unblocking of funds and non-receipt of funds by electronic mode.

All Offer related grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of the Offered Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Bidders shall also enclose a copy of the Acknowledgement Slip duly received from the Designated Intermediaries in addition to the documents / information mentioned hereinabove.

Book Running Lead Managers

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Tel: (91 22) 6630 3030
Fax: (91 22) 6630 3330
E-mail: foil.ipo@jmfl.com
Investor grievance e-mail: grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact person: Prachee Dhuri
SEBI registration number: INM000010361

Edelweiss Financial Services Limited
14th Floor, Edelweiss House
Off. C.S.T. Road
Kalina
Mumbai 400 098
Tel: (91 22) 4009 4400
Fax: (91 22) 4086 3610
E-mail: foil.ipo@edelweissfin.com
Investor grievance e-mail:
customerservice.mb@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Mohit Kapoor
SEBI Registration Number: INM0000010650

Legal Counsel to our Company as to Indian law

Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013
Tel: (91 22) 2496 4455

Fax: (91 22) 2496 3666

Legal Counsel to the Book Running Lead Managers as to Indian law

Luthra & Luthra
Law Offices
20th Floor, Tower 2, Unit A2
Indiabulls Finance Centre
Elphinstone Road, Senapati Bapat Marg
Lower Parel
Mumbai 400 013

International Legal Counsel to the Book Running Lead Managers

Duane Morris & Selvam LLP
16 Collyer Quay #17-00
Singapore 049318
Tel: +65 6311 0030
Fax: +65 6311 0058

Registrar to the Offer

Karvy Computershare Private Limited
Karvy Selenium, Tower B
Plot number 31 & 32 Gachibowli
Financial District
Nanakramguda
Hyderabad 500 032
Tel: (91 40) 6716 2222
Fax: (91 40) 2343 1551
E-mail: einward.ris@karvy.com
Investor grievance e-mail: foil.ipo@karvy.com
Website: https://karisma.karvy.com
Contact Person: M Murali Krishna
SEBI registration no.: INR000000221

Statutory Auditor to our Company

B.Y. & Associates
510-513, Appejay House
130, Mumbai Samachar Marg, Fort
Mumbai 400 023
Tel: (91 22) 4321 5000/15
Fax: (91 22) 4321 5014
E-mail: office@byca.in
Firm Registration Number: FRN123423W
Website: www.byca.in
Peer Review No.: 010483

Syndicate Members

JM Financial Services Limited
2, 3 & 4, Kamanwala Chambers
Sir. PM Road, Fort
Mumbai 400 001
Tel: (91 22) 6136 3400
Fax: Nil
E-mail: Surajit.mishra@jmfl.com
Website: www.jmfinancialservices.in
Contact person: Mr. Surajit Misra
SEBI Registration No.: INB231054835, INB011054831

Edelweiss Securities Limited
2nd Floor, M.B. Towers
Plot No. 5, Road No. 2
Banjara Hills
Hyderabad 500 034
Tel: (91 22) 4063 5569
Fax: (91 22) 6747 1347
E-mail: foil.ipo@edelweissfin.com
Website: www.edelweissfin.in
Contact Person: Prakash Boricha
SEBI Registration No: INZ000166136

Bankers to the Offer

Escrow Collection Bank, Public Offer Bank and Refund Bank

HDFC Bank Limited
FIG-OPS Department - Lodha
I Think Techno Campus O-3 Level
Next to Kanjurmarg Railway Station
Kanjurmarg (East)
Mumbai- 400042
Tel: 022-30752927/28/2914
Fax: 022- 25799801
E-mail: Vincent.Dsouza@hdfcbank.com, Siddharth.Jadhav@hdfcbank.com, Prasanna.Uchil@hdfcbank.com, Neerav.Desai@hdfcbank.com
Website: www.hdfcbank.com
Contact person: Vincent Dsouza, Siddharth Jadhav, Prasanna Uchil
SEBI Registration No.: INBI00000063

Bankers to our Company

Union Bank of India
Silver Court Building, M.G. Road
Ghatkopar East, Mumbai 400 077
Tel: +91-8146 6816 / 06
Fax: 022-2102 7736
E-mail: cbsghatkopar@unionbankofindia.com
Website: https://www.unionbankonline.com
Contact Person: Ajay Kumar Sharma

Citibank, N.A.
FIFC, 9th floor, C-54&55
G Block, Bandra Kurla Complex
Mumbai 400 051
Tel: 022-6175 6129
E-mail: aditya.agarwal@citi.com
Fax: Not Available
Website: https://www.online.citibank.co.in/
Contact Person: Aditya Agarwal

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or such other website as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, refer to the above-mentioned link.

Registered Brokers

Bidders could submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, or such other website as updated from time to time.

RTAs

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other website as updated from time to time.

CDPs

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the BSE and the NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other website as updated from time to time.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditor namely, B.Y. & Associates, Chartered Accountants to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as "expert" as defined under section 2(38) of the Companies Act, 2013 in respect of the reports of the Statutory Auditor on the Restated Financial Statements, dated May 18, 2018 included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent from the independent chartered accountant, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 in respect of the statement of tax benefits dated May 21, 2018 included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated May 21, 2018 from Dilip R. Panchamia, chartered engineer, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as "expert" as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Monitoring Agency

The Offer being an offer for sale, our Company will not receive any proceeds from the Offer and has accordingly not appointed any monitoring agency for the Offer.

Appraising Entity

The Offer being an offer for sale, the objects of the Offer have not been appraised. Accordingly, no appraising entity has been appointed for the Offer.

Credit Rating

The Offer being an offer for sale of Offered Shares, there is no credit rating for the Offer.

IPO Grading

No credit rating agency registered with SEBI has been appointed for grading the Offer.

Trustees

The Offer being an offer for sale of Offered Shares, there are no trustees appointed for the Offer.

Inter-se allocation of responsibilities

The following table sets forth the inter-se allocation of responsibilities for various activities among the Book Running Lead Managers:

Sr. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring with the relative components and formalities, such as composition of debt and equity, type of instruments, etc.	BRLMs	JM Financial
2.	Pre - Offer – Due Diligence on the Company, drafting and design of the DRHP, RHP, Prospectus or memorandum containing salient features of the offer document and compliance and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of RHP and Prospectus, RoC filing and co-ordination of all agreements namely the Offer agreement, Registrar agreement, Syndicate agreement, Escrow agreement and Underwriting agreement.	BRLMs	JM Financial
3.	Coordinating approval of all statutory advertisement	BRLMs	JM Financial
4.	Coordinating approval of all publicity material other than statutory advertisement as mentioned above including corporate advertisement, brochure, and media compliance report etc.	BRLMs	Edelweiss

Sr. No.	Activity	Responsibility	Co-ordination
5.	Appointment of intermediaries including bankers to the Offer, printers, public relations agency, registrar, share escrow agent, syndicate member, underwriters and other intermediaries.	BRLMs	JM Financial
6.	Preparation of the roadshow presentation	BRLMs	JM Financial
7.	Preparation of FAQ	BRLMs	JM Financial
8.	International Institutional marketing which will cover, *inter alia*, Finalising the list and division of investors for one to one meetings; and Finalizing road show schedule, investor meeting schedules and preparation of publicity budget	BRLMs	JM Financial
9.	Domestic Institutional marketing which will cover, *inter alia*, Finalising domestic road show schedule, investor meeting schedules and preparation of publicity budget	BRLMs	Edelweiss
10.	Conduct Non-Institutional Marketing of the Offer	BRLMs	Edelweiss
11.	Conduct Retail Marketing of the Offer; Selection of ad-media and finalising centers for holding conferences for brokers etc.; Finalising collection centers as per schedule III of the SEBI ICDR Regulations; Follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the stationery and quantum of issue material; and Finalising Media and Public Relations Strategy	BRLMs	Edelweiss
12.	Finalisation of pricing in consultation with the Company and the Promoter Group Selling Shareholders (if any)	BRLMs	Edelweiss
13.	Managing the book, co-ordination with the Stock Exchanges for book building software, bidding terminals and mock trading	BRLMs	Edelweiss
14.	Post-Bidding activities - management of escrow accounts, co-coordinating underwriting, underwriting arrangement, co-ordination of non-institutional allocation, announcement of allocation and dispatch of refunds to Bidders, follow-up with bankers to the issue and SCSB to get quick estimates of collection and advising the Company about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, despatch of certificates or demat credit and co-ordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, SCSBs, etc.	BRLMs	Edelweiss

Book Building Process

The book building, in the context of the Offer, refers to the process of collection of Bids on the basis of this Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band, which will be decided by our

Company and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Managers, and advertised in all editions of the English national newspaper the Financial Express, all editions of the Hindi national newspaper Jansatta and Mumbai edition of the Marathi newspaper Navshakti (which are widely circulated English, Hindi and Marathi newspapers respectively, Marathi being the regional language of Maharashtra, where our Registered Office is located), at least five Working Days prior to the Bid / Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their website. The Offer Price shall be determined by our Company and the Promoter Group Selling Shareholders, in consultation with the Book Running Lead Managers after the Bid / Offer Closing Date.

All Bidders, except Anchor Investors, shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the QIB Portion and Non-Institutional Bidders Bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Offered Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid / Offer Period and withdraw their Bids until the Bid / Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid / Offer Period. Allocation to the Anchor Investors will be on a discretionary basis.

The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI. Bidders are advised to make their own judgement about an investment through this process prior to submitting a Bid.

For further details, see "*Offer Structure*" and "*Offer Procedure*" beginning on pages 474 and 477, respectively.

Illustration of Book Building and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Offer Procedure – Part B – Basis of Allocation – Illustration of Book Building Process and Price Discovery Process*" on page 505.

Underwriting Agreement

After the determination of the Offer Price, but prior to the filing of the Prospectus with the RoC, our Company and the Promoter Group Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters for the Offered Shares proposed to be offered through the Offer. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters will be several and will be subject to certain conditions specified therein.

The following table sets forth the number of Offered Shares for which the Underwriters have indicated their intention to underwrite:

(This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC.)

Name, address, telephone number, fax number and e-mail address of the Underwriters	Indicative Number of Offered Shares to be Underwritten	Amount Underwritten (in ₹ million)
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

The above-mentioned is indicative underwriting and will be finalised after determination of the Offer Price and finalisation of the Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or are registered as brokers with the Stock Exchange(s). Our Board / IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment.

In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure purchases for or purchase of the Offered Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The following table sets forth the share capital of our Company as on the date of this Red Herring Prospectus:

(in ₹, except share data)

Sr. No.	Particulars	Aggregate value at face value	Aggregate value at Offer Price
A	**Authorised Share Capital**		
	40,000,000 Equity Shares	200,000,000	
B	**Issued, Subscribed and Paid-up Share Capital before the Offer**		
	30,659,976 Equity Shares	153,299,880	
C	**Present Offer**		
	Offer for sale of up to 7,664,994 Offered Shares(1)(2)	38,324,970	[●]
D	**Issued, Subscribed and Paid-up Share Capital after the Offer**		
	30,659,976 Equity Shares	153,299,880	
E	**Share Premium Account**		
	Before the Offer	Nil	Nil
	After the Offer	Nil	Nil

(1) *The Offer has been authorised by a resolutions dated November 3, 2017 and November 6, 2017 passed by our Board and Shareholders, respectively.*

(2) *The Promoter Group Selling Shareholders, severally and not jointly, specifically confirm that the portion of the Offered Shares offered by each of the Promoter Group Selling Shareholders are eligible for the Offer in accordance with the SEBI ICDR Regulations. The Promoter Group Selling Shareholders specifically confirm that the Offer has been authorised by each of the Promoter Group Selling Shareholders by way of consent letters issued by the Promoter Group Selling Shareholders dated February 7, 2018.*

Changes in the Authorised Share Capital of our Company

For details of changes in the authorised share capital of our Company, see "*History and Certain Corporate Matters – Amendments to our Memorandum of Association*" on page 154.

Notes to the Capital Structure

1. **Equity Share Capital History of our Company**

(a) The following table sets forth the history of the equity share capital of our Company:

Date of allotment of the equity shares	No. of equity shares	Face value per equity share (₹)	Issue price per equity share (₹)	Nature / reason of allotment	Nature of consideration	Cumulative no. of equity shares	Cumulative paid-up equity share capital (₹)
May 24, 2002	10,000	10	10	Subscription to the Memorandum of Association(1)	Cash	10,000	100,000
July 26, 2004	90,000	10	10	Further issue(2)	Cash	100,000	1,000,000
July 15, 2005	10,000	10	10	Further issue(3)	Cash	110,000	1,100,000
July 25, 2006	20	10	10	Further issue(4)	Cash	110,020	1,100,200
August 7, 2008	390,000	10	10	Further issue(5)	Cash	500,020	5,000,200
October 8, 2008	1,499,975	10	10	Further issue(6)	Cash	1,999,995	19,999,950
August 13, 2010	1	10	100	Further issue(7)	Cash	1,999,996	19,999,960
August 11, 2011	2,830,000	10	N.A.	Pursuant to scheme of amalgamation(8)	Other than cash	4,829,996	48,299,960
July 5, 2017	280,000	10	N.A.	Pursuant to scheme of amalgamation(9)	Other than cash	5,109,996	51,099,960

Date of allotment of the equity shares	No. of equity shares	Face value per equity share (₹)	Issue price per equity share (₹)	Nature / reason of allotment	Nature of consideration	Cumulative no. of equity shares	Cumulative paid-up equity share capital (₹)
October 16, 2017	10,219,992	10	N.A.	Bonus issue[(10)]	Bonus issue of two equity shares for every one equity share held on the record date, i.e. August 10, 2017	15,329,988	153,299,880
November 6, 2017	Pursuant to a resolution passed by our Shareholders on November 6, 2017, our Company sub-divided the face value of its equity shares from ₹ 10 each to ₹ 5 each with effect from November 6, 2017. Therefore, the cumulative number of issued, subscribed and paid-up equity shares pursuant to sub-division is 30,659,976 Equity Shares of the face value of ₹ 5 each.						

(1) *Subscription to 2,000 equity shares of face value of ₹ 10 each by each of the five subscribers to the Memorandum of Association i.e. Ramesh Maganlal Shah (2,000 equity shares), Prakash Damodar Kamat (2,000 equity shares), Mukesh Maganlal Shah (2,000 equity shares), Jayen Ramesh Shah (2,000 equity shares) and Tushar Ramesh Shah (2,000 equity shares).*

(2) *Further issue of 90,000 equity shares of face value of ₹ 10 each to 15 allottees i.e. Ramesh Maganlal Shah (10,000 equity shares), Jyotsna Ramesh Shah (8,000 equity shares), Prakash Damodar Kamat (10,000 equity shares), Savita Prakash Kamat (8,000 equity shares) Mukesh Maganlal Shah (10,000 equity shares), Jayshree Mukesh Shah (4,000 equity shares), Bimal Mukesh Shah (4,000 equity shares), Jayen Ramesh Shah (10,000 equity shares), Neeta Jayen Shah (4,000 equity shares), Jayen Ramesh Shah as natural guardian of Shaili Nirav Doshi (2,000 equity shares), Jayen Ramesh Shah as natural guardian of Manali Jinesh Bhayani (2,000 equity shares), Tushar Ramesh Shah (10,000 equity shares), Bina Tushar Shah (4,000 equity shares), Tushar Ramesh Shah as natural guardian of Rhea Tushar Shah (2,000 equity shares) and Tushar Ramesh Shah as natural guardian of Esha Tushar Shah (2,000 equity shares).*

(3) *Further issue of 10,000 equity shares of face value of ₹ 10 each to one allottee i.e. Jyotsna Ramesh Shah (10,000 equity shares).*

(4) *Further issue of 20 equity shares of face value of ₹ 10 each to four allottees, i.e. Miti Gandhi (five equity shares), Jayantilal P. Gandhi – HUF (five equity shares), Muktaben Jitendra Gandhi (five equity shares), Vaibhav Jitendra Gandhi (five equity shares).*

(5) *Further issue of 390,000 equity shares of face value of ₹ 10 each to 13 allottees i.e. Jyotsna Ramesh Shah (78,000 equity shares), Mukesh Maganlal Shah (38,000 equity shares), Jayshree Mukesh Shah (20,000 equity shares), Bimal Mukesh Shah (20,000 equity shares), Jayen Ramesh Shah (38,000 equity shares), Neeta Jayen Shah (20,000 equity shares), Manali Jayen Shah (10,000 equity shares), Shaili Nirav Doshi (10,000 equity shares), Tushar Ramesh Shah (28,000 equity shares), Bina Tushar Shah (20,000 equity shares), Rhea Tushar Shah (15,000 equity shares), Esha Tushar Shah (15,000 equity shares) and Prakash Damodar Kamat (78,000 equity shares).*

(6) *Further issue of 1,499,975 equity shares of face value of ₹ 10 each to five allottees i.e. Jyotsna Ramesh Shah (299,995 equity shares), Jayen Ramesh Shah (299,995 equity shares), Tushar Ramesh Shah (299,995 equity shares), Prakash Damodar Kamat (299,995 equity shares) and Mukesh Maganlal Shah (299,995 equity shares).*

(7) *Further issue of one equity shares of face value of ₹ 10 each to one allottee i.e. R M Shah HUF.*

(8) *Allotment of 2,830,000 equity shares of face value of ₹ 10 each to 17 allottees i.e. Mukesh Maganlal Shah (457,894 equity shares), Jayen Ramesh Shah (457,328 equity shares), Prakash Damodar Kamat (543,360 equity shares), Tushar Ramesh Shah (519,588 equity shares), Harsha Jitendra Gandhi (566 equity shares), Mukesh Maganlal Shah – HUF (23,206 equity shares), R M Shah HUF (51,506 equity shares), Jyotsna Ramesh Shah (514,494 equity shares), Jayshree Mukesh Shah (56,600 equity shares), Bina Tushar Shah (28,300 equity shares), Neeta Jayen Shah (56,600 equity shares), Tushar R Shah HUF (16,980 equity shares), Bimal Mukesh Shah (28,300 equity shares), Prakash Damodar Kamat- HUF (22,640 equity shares), Jayen R Shah HUF (50,940 equity shares), Smoothex Chemicals (1,132 equity shares), and Miti J. Gandhi (566 equity shares) pursuant to scheme of amalgamation approved by the High Court of Bombay by its order dated June 17, 2011 in relation to amalgamation of Oleofine Organics (India) Private Ltd with our Company. For details, see "History and Certain Corporate Matters – Details regarding acquisition of business / undertakings, mergers, amalgamations and revaluation of assets" on page 157".*

(9) *Allotment of 280,000 equity shares of face value of ₹ 10 each to 18 allottees i.e. Mukesh Maganlal Shah jointly with Jayshree Mukesh Shah (27,462 equity shares), Jayen Ramesh Shah jointly with Neeta Jayen Shah (17,150 equity shares), Prakash Damodar Kamat (47,868 equity shares), Tushar Ramesh Shah jointly with Bina Tushar Shah (10,816 equity shares), Jyotsna Ramesh Shah (55,988 equity shares), Jayshree Mukesh Shah jointly with Mukesh Maganlal Shah (14,162 equity shares), Bimal Mukesh Shah jointly with Mukesh Maganlal Shah (14,162 equity shares), Neeta Jayen Shah jointly with Jayen Ramesh Shah (29,382 equity shares), Shaili Nirav Doshi jointly with Jayen Ramesh Shah (8,483 equity shares), Manali Jinesh Bhayani jointly with Jayen Ramesh Shah (769 equity shares), Bina Tushar Shah jointly with Tushar Ramesh Shah (43,430 equity shares), Rhea Tushar Shah jointly with Tushar Ramesh Shah (769 equity shares), Esha Tushar Shah jointly with Tushar*

Ramesh Shah (770 equity shares), Jayen R Shah HUF (218 equity shares), Tushar R Shah HUF (218 equity shares), Mukesh Maganlal Shah – HUF (218 equity shares), Prakash Damodar Kamat – HUF (218 equity shares) and Nikhil Dattatraya Kamat (7,917 equity shares) pursuant to scheme of amalgamation approved by the National Company Law Tribunal, Mumbai by its order dated June 19, 2017 in relation to amalgamation of Fine Research and Development Centre Private Limited and Fine Speciality Surfactants Private Limited with our Company. For details, see "History and Certain Corporate Matters – Details regarding acquisition of business / undertakings, mergers, amalgamations and revaluation of assets" on page 157".

(10) *Bonus issue through a resolution dated September 22, 2017 passed by our Shareholders and allotment by our Board through a resolution dated October 16, 2017 of 10,219,992 equity shares of face value of ₹ 10 each to 18 allottees i.e. Mukesh Maganlal Shah jointly with Jayshree Mukesh Shah (862,814 equity shares), Jayen Ramesh Shah jointly with Neeta Jayen Shah (1,651,210 equity shares), Prakash Damodar Kamat (1,994,280 equity shares), Tushar Ramesh Shah jointly with Bina Tushar Shah (1,743,062 equity shares), Jyotsna Ramesh Shah (1,956,954 equity shares), Jayshree Mukesh Shah jointly with Mukesh Maganlal Shah (189,524 equity shares), Bimal Mukesh Shah jointly with Mukesh Maganlal Shah (940,812 equity shares), Neeta Jayen Shah jointly with Jayen Ramesh Shah (219,964 equity shares), Shaili Nirav Doshi jointly with Jayen Ramesh Shah (40,966 equity shares), Manali Jinesh Bhayani jointly with Jayen Ramesh Shah (25,538 equity shares), Bina Tushar Shah jointly with Tushar Ramesh Shah (191,460 equity shares), Rhea Tushar Shah jointly with Tushar Ramesh Shah (35,538 equity shares), Esha Tushar Shah jointly with Tushar Ramesh Shah (35,540 equity shares), Jayen R Shah HUF (102,326 equity shares), Tushar R Shah HUF (34,406 equity shares), Mukesh Maganlal Shah – HUF(46,858 equity shares), Prakash Damodar Kamat – HUF (45,726 equity shares), and R. M. Shah – HUF (103,014 equity shares).*

(b) We have issued Equity Shares in the preceding two years

For details of issue of Equity Shares by our Company in the last two preceding years, see "*Capital Structure – Notes to the Capital Structure – Equity Share Capital History of our Company*" on page 84.

(c) Issue of Equity Shares through bonus issue or for consideration other than cash

The following table sets forth details of the equity shares of our Company issued through bonus issue or for consideration other than cash

Date of allotment	Name of the allottees	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason for allotment	Benefits accrued to our Company
August 11, 2011	Allotment to the shareholders of Oleofine Organics (India) Private Limited as of the record date, being August 11, 2011(1).	2,830,000	10	Other than cash	Allotment pursuant to a scheme of amalgamation of Oleofine Organics (India) Private Limited with our Company approved by the High Court of Bombay by its order dated June 17, 2011. For further details, see "*History and Certain Corporate Matters*" on page 154.	-
July 5, 2017	Allotment to the shareholders of Fine Speciality Surfactants Private Limited and Fine Research and Development Centre Private Limited as of the record date, being June 26, 2017(2)	280,000	10	Other than cash	Allotment pursuant to a scheme of amalgamation of Fine Speciality Surfactants Private Limited and Fine Research and Development Centre Private Limited with our Company approved by National Company Law Tribunal, Mumbai by its order dated June 19, 2017. For further details, see "*History and Certain Corporate Matters*" on page 154.	-
October 16, 2017	Allotment to our Shareholders as of the record date, being August 10, 2017(3)	10,219,992	10	N.A.	Bonus issue of two equity shares for every one equity share held on the record date being August 10, 2017, was authorised by our Shareholders through a resolution dated September 22, 2017 and allotment was made by our Board through a resolution dated October 16, 2017.	

(1) *Allotment of 2,830,000 equity shares of face value of ₹ 10 each to 17 allottees. For details, see "Capital Structure – Equity Share Capital History of our Company*" on page 84.

(2) *Allotment of 280,000 Equity Shares to 18 allottees. For details, see "Capital Structure – Equity Share Capital History of our Company*" on page 84.

(3) *Allotment of 10,219,992 Equity Shares to 18 allottees. For details, see "Capital Structure – Equity Share Capital History of our Company*" on page 84.

(d) *Issue of equity shares of our Company in the last one year below the Offer Price*

Other than the equity shares of our Company issued pursuant to the bonus issue on October 16, 2017 and the issue of equity shares of our Company pursuant to a scheme of amalgamation on July 5, 2017, our Company has not issued any Equity Shares at a price that may be lower than the Offer Price during the last one year. All allottees form part of the Promoter Group. For details in relation to the bonus issuance and scheme of amalgamation, see "*Capital Structure – Notes to Capital Structure – Issue of Equity Shares through bonus issue or for consideration other than cash*" on page 86.

2. **History of the equity share capital held by our Promoters**

As on the date of this Red Herring Prospectus, our Promoters directly or indirectly hold 30,659,976 Equity Shares (including Equity Shares held jointly with their family members and HUF, each forming part of the Promoter Group), constituting 100% of the issued, subscribed and paid-up equity share capital of our Company. The details regarding our Promoters' shareholding is set out below.

Build-up of our Promoters' shareholding in our Company

The following table sets forth details of the build-up of the shareholding of our Promoters since incorporation of our Company:

Date of allotment / transfer	Nature of transaction	No. of equity shares allotted / transferred	Nature of consideration	Face value per equity share (₹)	Issue price / transfer price per equity share (₹)	Percentage of the pre-Offer equity capital (%)	Percentage of the post-Offer equity capital (%)
Prakash Damodar Kamat							
May 24, 2002	Subscription to the Memorandum of Association	2,000	Cash	10	10	Negligible	Negligible
July, 26, 2004	Further issue	10,000	Cash	10	10	0.03	0.03
December 5, 2007	Transmission from Savita Prakash Kamat	8,000	N.A.	10	Nil	0.03	0.03
May 21, 2008	Transfer to Prakash Damodar Kamat – HUF	(5)	Cash	10	10	Negligible	Negligible
August 7, 2008	Further issue	78,000	Cash	10	10	0.25	0.25
October 8, 2008	Further issue	299,995	Cash	10	10	0.99	0.99
August 11, 2011	Pursuant to amalgamation*	543,360	Other than cash	10	N.A.	1.77	1.77
July 4, 2015	Transfer from Heman V. Mehta	5	Cash	10	10	Negligible	Negligible
July 5, 2017	Pursuant to amalgamation**	47,868	Other than cash	10	N.A.	0.16	0.16
August 9, 2017	Transfer from Nikhil Dattatraya Kamat	7,917	Cash	10	607.30	0.03	0.03
October 16, 2017	Bonus issue of equity shares	1,994,280	Bonus issue	10	N.A.	6.50	6.50
Total		**2,991,420**					
November 6, 2017	Pursuant to a resolution passed by our Shareholders on November 6, 2017, our Company sub-divided the face value of its equity shares from ₹ 10 each to ₹ 5 each with effect from November 6, 2017. Therefore, the aggregate number of equity shares pursuant to sub-division held by Prakash Damodar Kamat is 5,982,840 Equity Shares of the face value of ₹ 5 each.						
Mukesh Maganlal Shah							
May 24, 2002	Subscription to the Memorandum of Association	2,000	Cash	10	10	Negligible	Negligible

Date of allotment / transfer	Nature of transaction	No. of equity shares allotted / transferred	Nature of consideration	Face value per equity share (₹)	Issue price / transfer price per equity share (₹)	Percentage of the pre-Offer equity capital (%)	Percentage of the post-Offer equity capital (%)
July, 26, 2004	Further issue	10,000	Cash	10	10	0.03	0.03
May 21, 2008	Transfer to Mukesh Maganlal Shah – HUF	(5)	Cash	10	10	Negligible	Negligible
August 7, 2008	Further issue	38,000	Cash	10	10	0.12	0.12
October 8, 2008	Further issue	299,995	Cash	10	10	0.99	0.99
August 11, 2011	Pursuant to amalgamation*	457,894	Other than cash	10	N.A.	1.49	1.49
March 31, 2014	Transfer from Mukesh Maganlal Shah	807,884[1]	Gift	10	N.A	2.63	2.63
March 31, 2014	Transfer to Mukesh Maganlal Shah jointly with Jayshree Mukesh Shah	(807,884)	Gift	10	N.A	2.63	2.63
March 31, 2014	Transfer from Bimal Mukesh Shah	52,300[2]	Gift	10	N.A	0.17	0.17
March 31, 2014	Transfer from Jayshree Mukesh Shah	80,600[3]	Gift	10	N.A	0.26	0.26
July 4, 2015	Transfer from Vaibhav Jitendra Gandhi	5[4]	Cash	10	10	Negligible	Negligible
March 2, 2016	Transfer to Bimal Mukesh Shah jointly with Mukesh Maganlal Shah	(403,944)[5]	Gift	10	N.A.	1.32	1.32
March 2, 2016	Transfer to Bimal Mukesh Shah jointly with Mukesh Maganlal Shah	403,944[6]	Gift	10	N.A.	1.32	1.32
July 5, 2017	Pursuant to amalgamation**	27,462[7]	Other than cash	10	N.A.	0.09	0.09
July 5, 2017	Pursuant to amalgamation**	14,162[8]	Other than cash	10	N.A.	0.05	0.05
July 5, 2017	Pursuant to amalgamation**	14,162[9]	Other than cash	10	N.A.	0.05	0.05
October 16, 2017	Bonus issue of equity shares	862,814[10]	Bonus issue	10	N.A.	2.81	2.81
October 16, 2017	Bonus issue of equity shares	189,524[11]	Bonus issue	10	N.A.	0.62	0.62
October 16, 2017	Bonus issue of equity shares	940,812[12]	Bonus issue	10	N.A.	3.07	3.07
Total		**2,989,725**					
November 6, 2017	Pursuant to a resolution passed by our Shareholders on November 6, 2017, our Company sub-divided the face value of its equity shares from ₹ 10 each to ₹ 5 each with effect from November 6, 2017. Therefore, the aggregate number of equity shares pursuant to sub-division held by Mukesh Maganlal Shah is 5,979,450 Equity Shares (including Equity Shares held jointly) of the face value of ₹ 5 each.						

(1) Equity shares of our Company transferred to Mukesh Maganlal Shah jointly with Jayshree Mukesh Shah
(2) Equity shares of our Company transferred to Bimal Mukesh Shah jointly with Mukesh Maganlal Shah
(3) Equity shares of our Company transferred to Jayshree Mukesh Shah jointly with Mukesh Maganlal Shah
(4) Equity shares of our Company transferred to Mukesh Maganlal Shah jointly with Jayshree Mukesh Shah
(5) Equity shares of our Company held by Mukesh Maganlal Shah jointly with Jayshree Mukesh Shah
(6) Equity shares of our Company gifted to Bimal Mukesh Shah jointly with Mukesh Maganlal Shah
(7) Equity shares of our Company allotted to Mukesh Maganlal Shah jointly with Jayshree Mukesh Shah.
(8) Equity shares of our Company allotted to Jayshree Mukesh Shah jointly with Mukesh Maganlal Shah.
(9) Equity shares of our Company allotted to Bimal Mukesh Shah jointly with Mukesh Maganlal Shah
(10) Equity shares of our Company allotted to Mukesh Maganlal Shah jointly with Jayshree Mukesh Shah.
(11) Equity shares of our Company allotted to Jayshree Mukesh Shah jointly with Mukesh Maganlal Shah.

Date of allotment / transfer	Nature of transaction	No. of equity shares allotted / transferred	Nature of consideration	Face value per equity share (₹)	Issue price / transfer price per equity share (₹)	Percentage of the pre-Offer equity capital (%)	Percentage of the post-Offer equity capital (%)
(12) Equity shares of our Company allotted to Bimal Mukesh Shah jointly with Mukesh Maganlal Shah							
Jyotsna Ramesh Shah							
July, 26, 2004	Further issue	8,000	Cash	10	10	0.03	0.03
July 15, 2005	Further issue	10,000	Cash	10	10	0.03	0.03
April 25, 2008	Transmission from Ramesh Maganlal Shah	11,990	N.A.	10	Nil	0.04	0.04
August 7, 2008	Further issue	78,000	Cash	10	10	0.25	0.25
October 8, 2008	Further issue	299,995	Cash	10	10	0.98	0.98
August 11, 2011	Pursuant to amalgamation*	514,494	Other than cash	10	N.A.	1.68	1.68
July 4, 2015	Transfer from Smoothex Chemicals	10	Cash	10	10	Negligible	Negligible
July 5, 2017	Pursuant to amalgamation**	55,988	Other than cash	10	N.A.	0.18	0.18
October 16, 2017	Bonus issue of equity shares	1,956,954	Bonus issue	10	N.A.	6.38	6.38
Total		**2,935,431**					
November 6, 2017	Pursuant to a resolution passed by our Shareholders on November 6, 2017, our Company sub-divided the face value of its equity shares from ₹ 10 each to ₹ 5 each with effect from November 6, 2017. Therefore, the aggregate number of equity shares pursuant to sub-division held by Jyotsna Ramesh Shah is 5,870,862 Equity Shares of the face value of ₹ 5 each.						
Jayen Ramesh Shah							
May 24, 2002	Subscription to the Memorandum of Association	2,000	Cash	10	10	Negligible	Negligible
July, 26, 2004	Further issue	10,000	Cash	10	10	0.03	0.03
January 12, 2005	Transfer to Dagli Rasiklal Amarchand	(10)	Cash	10	10	Negligible	Negligible
December 31, 2007	Transfer to Jayen R Shah HUF	(5)	Cash	10	10	Negligible	Negligible
August 7, 2008	Further issue	38,000	Cash	10	10	0.12	0.12
October 8, 2008	Further issue	299,995	Cash	10	10	0.98	0.98
October 8, 2009	Transfer to V.D. Mehta HUF	(5)	Cash	10	10	Negligible	Negligible
September 7, 2010	Transfer from Vanlila V. Vora	5	Cash	10	10	Negligible	Negligible
August 11, 2011	Pursuant to amalgamation*	457,328	Other than cash	10	N.A.	1.49	1.49
March 31, 2014	Transfer from Jayen Ramesh Shah	807,308(1)	Gift	10	N.A.	2.63	2.63
March 31, 2014	Transfer to Jayen Ramesh Shah jointly with Neeta Jayen Shah	(807,308)	Gift	10	N.A.	2.63	2.63
March 31, 2014	Transfer from Neeta Jayen Shah	80,600(2)	Gift	10	N.A.	0.26	0.26
March 31, 2014	Transfer from Manali Jayen Shah	12,000(3)	Gift	10	N.A.	0.04	0.04
March 31, 2014	Transfer from Shaili Nirav Doshi	12,000(4)	Gift	10	N.A.	0.04	0.04
July 4, 2015	Transfer from Smoothex Chemicals	1,132(5)	Cash	10	10	Negligible	Negligible
July 4, 2015	Transfer from Bina V. Mehta	5(6)	Cash	10	10	Negligible	Negligible
July 4, 2015	Transfer from Muktaben J. Gandhi	5(7)	Cash	10	10	Negligible	Negligible

Date of allotment / transfer	Nature of transaction	No. of equity shares allotted / transferred	Nature of consideration	Face value per equity share (₹)	Issue price / transfer price per equity share (₹)	Percentage of the pre-Offer equity capital (%)	Percentage of the post-Offer equity capital (%)
July 4, 2015	Transfer from V.D. Mehta HUF	5(8)	Cash	10	10	Negligible	Negligible
July 5, 2017	Pursuant to amalgamation**	17,150(9)	Other than cash	10	N.A.	0.06	0.06
July 5, 2017	Pursuant to amalgamation**	29,382(10)	Other than cash	10	N.A.	0.10	0.10
July 5, 2017	Pursuant to amalgamation**	8,483(11)	Other than cash	10	N.A.	0.03	0.03
July 5, 2017	Pursuant to amalgamation**	769(12)	Other than cash	10	N.A.	Negligible	Negligible
October 16, 2017	Bonus issue of shares	1,651,210(13)	Bonus issue	10	N.A.	5.39	5.39
October 16, 2017	Bonus issue of shares	219,964(14)	Bonus issue	10	N.A.	0.72	0.72
October 16, 2017	Bonus issue of shares	40,966(15)	Bonus issue	10	N.A.	0.13	0.13
October 16, 2017	Bonus issue of shares	25,538(16)	Bonus issue	10	N.A.	0.08	0.08
November 6, 2017	Pursuant to a resolution passed by our Shareholders on November 6, 2017, our Company sub-divided the face value of its equity shares from ₹ 10 each to ₹ 5 each with effect from November 6, 2017. Therefore, the aggregate number of equity shares pursuant to sub-division held by Jayen Ramesh Shah is 5,813,034 Equity Shares (including Equity Shares held jointly) of the face value of ₹ 5 each.						
January 15, 2018	Transfer to Shaili Nirav Doshi	(122,898)(17)	Gift	5	N.A.	0.40	0.40
Total		**5,690,136**					

(1) Equity shares of our Company transferred to Jayen Ramesh Shah jointly with Neeta Jayen Shah
(2) Equity shares of our Company transferred to Neeta Jayen Shah jointly with Jayen Ramesh Shah.
(3) Equity shares of our Company transferred to Manali Jinesh Bhayani jointly with Jayen Ramesh Shah.
(4) Equity shares of our Company transferred to Shaili Nirav Doshi jointly with Jayen Ramesh Shah.
(5) Equity shares of our Company transferred to Jayen Ramesh Shah jointly with Neeta Jayen Shah
(6) Equity shares of our Company transferred to Jayen Ramesh Shah jointly with Neeta Jayen Shah
(7) Equity shares of our Company transferred to Jayen Ramesh Shah jointly with Neeta Jayen Shah
(8) Equity shares of our Company transferred to Jayen Ramesh Shah jointly with Neeta Jayen Shah
(9) Equity shares of our Company allotted to Jayen Ramesh Shah jointly with Neeta Jayen Shah.
(10) Equity shares of our Company allotted to Neeta Jayen Shah jointly with Jayen Ramesh Shah.
(11) Equity shares of our Company allotted to Shaili Nirav Doshi jointly with Jayen Ramesh Shah.
(12) Equity shares of our Company allotted to Manali Jinesh Bhayani jointly with Jayen Ramesh Shah.
(13) Equity shares of our Company allotted to Jayen Ramesh Shah jointly with Neeta Jayen Shah.
(14) Equity shares of our Company allotted to Neeta Jayen Shah jointly with Jayen Ramesh Shah.
(15) Equity shares of our Company allotted to Shaili Nirav Doshi jointly with Jayen Ramesh Shah.
(16) Equity shares of our Company allotted to Manali Jinesh Bhayani jointly with Jayen Ramesh Shah.
(17) Transfer of Equity shares of our Company jointly held by Shaili Nirav Doshi with Jayen Ramesh Shah.

Tushar Ramesh Shah

Date of allotment / transfer	Nature of transaction	No. of equity shares allotted / transferred	Nature of consideration	Face value per equity share (₹)	Issue price / transfer price per equity share (₹)	Percentage of the pre-Offer equity capital (%)	Percentage of the post-Offer equity capital (%)
May 24, 2002	Subscription to the Memorandum of Association	2,000	Cash	10	10	Negligible	Negligible
July, 26, 2004	Further issue	10,000	Cash	10	10	0.03	0.03
January 19, 2006	Transfer to Vanlila V. Vora	(5)	Cash	10	10	Negligible	Negligible
January 19, 2006	Transfer to Heman V. Vora	(5)	Cash	10	10	Negligible	Negligible
January 19, 2006	Transfer to Vasantiben D. Mehta	(5)	Cash	10	10	Negligible	Negligible
January 19, 2006	Transfer to Bina Vinod Mehta	(5)	Cash	10	10	Negligible	Negligible
January 19, 2006	Transfer to Vinodrai C. Vora	(5)	Cash	10	10	Negligible	Negligible
March 25, 2006	Transfer to Harsha Jitendra Gandhi	(1)	Cash	10	10	Negligible	Negligible
March 31, 2008	Transfer from Vasantiben D. Mehta	5	Cash	10	10	Negligible	Negligible

Date of allotment / transfer	Nature of transaction	No. of equity shares allotted / transferred	Nature of consideration	Face value per equity share (₹)	Issue price / transfer price per equity share (₹)	Percentage of the pre-Offer equity capital (%)	Percentage of the post-Offer equity capital (%)
May 21, 2008	Transfer to Tushar R Shah HUF	(5)	Cash	10	10	Negligible	Negligible
August 7, 2008	Further issue	28,000	Cash	10	10	0.09	0.09
October 8, 2008	Further issue	299,995	Cash	10	10	0.98	0.98
September 7, 2010	Transfer from Dagli Rasiklal Amarchand	10	Cash	10	10	Negligible	Negligible
September 7, 2010	Transfer from Vinodrai C. Vora	5	Cash	10	10	Negligible	Negligible
August 11, 2011	Pursuant to amalgamation*	519,588	Other than cash	10	N.A.	1.69	1.69
March 31, 2014	Transfer to Tushar Ramesh Shah jointly with Bina Tushar Shah	(859,572)	Gift	10	N.A.	2.80	2.80
March 31, 2014	Transfer from Tushar Ramesh Shah	859,572(1)	Gift	10	N.A.	2.80	2.80
March 31, 2014	Transfer from Bina Tushar Shah	52,300(2)	Gift	10	N.A.	0.17	0.17
March 31, 2014	Transfer from Rhea Tushar Shah	17,000(3)	Gift	10	N.A.	0.06	0.06
March 31, 2014	Transfer from Esha Tushar Shah	17,000(4)	Gift	10	N.A.	0.06	0.06
July 4, 2015	Transfer from Miti J. Gandhi	571(5)	Cash	10	10	Negligible	Negligible
July 4, 2015	Transfer from Jayantilal P. Gandhi HUF	5(6)	Cash	10	10	Negligible	Negligible
July 4, 2015	Transfer from Harsha J. Gandhi	567(7)	Cash	10	10	Negligible	Negligible
July 5, 2017	Pursuant to amalgamation**	10,816(8)	Other than cash	10	N.A.	0.04	0.04
July 5, 2017	Pursuant to amalgamation**	43,430(9)	Other than cash	10	N.A.	0.14	0.14
July 5, 2017	Pursuant to amalgamation**	769(10)	Other than cash	10	N.A.	Negligible	Negligible
July 5, 2017	Pursuant to amalgamation**	770(11)	Other than cash	10	N.A.	Negligible	Negligible
October 16, 2017	Bonus issue of equity shares	1,743,062(12)	Bonus issue	10	N.A.	5.69	5.69
October 16, 2017	Bonus issue of equity shares	191,460(13)	Bonus issue	10	N.A.	0.62	0.62
October 16, 2017	Bonus issue of equity shares	35,538(14)	Bonus issue	10	N.A.	0.12	0.12
October 16, 2017	Bonus issue of equity shares	35,540(15)	Bonus issue	10	N.A.	0.12	0.12
November 6, 2017	Pursuant to a resolution passed by our Shareholders on November 6, 2017, our Company sub-divided the face value of its equity shares from ₹ 10 each to ₹ 5 each with effect from November 6, 2017. Therefore, the aggregate number of equity shares pursuant to sub-division held by Tushar Ramesh Shah is 6,016,800 Equity Shares (including Equity Shares held jointly) of the face value of ₹ 5 each.						
January 15, 2018	Transfer to Esha Tushar Shah	(106,620)(16)	Gift	5	N.A.	0.35	0.35
Total		**5,910,180**					

(1) Equity shares of our Company transferred to Tushar Ramesh Shah jointly with Bina Tushar Shah.
(2) Equity shares of our Company transferred to Bina Tushar Shah jointly with Tushar Ramesh Shah.
(3) Equity shares of our Company transferred to Rhea Tushar Shah jointly with Tushar Ramesh Shah.
(4) Equity shares of our Company transferred to Esha Tushar Shah jointly with Tushar Ramesh Shah

Date of allotment / transfer	Nature of transaction	No. of equity shares allotted / transferred	Nature of consideration	Face value per equity share (₹)	Issue price / transfer price per equity share (₹)	Percentage of the pre-Offer equity capital (%)	Percentage of the post-Offer equity capital (%)
(5) Equity shares of our Company transferred to Tushar Ramesh Shah jointly with Bina Tushar Shah (6) Equity shares of our Company transferred to Tushar Ramesh Shah jointly with Bina Tushar Shah (7) Equity shares of our Company transferred to Tushar Ramesh Shah jointly with Bina Tushar Shah (8) Equity shares of our Company allotted to Tushar Ramesh Shah jointly with Bina Tushar Shah. (9) Equity shares of our Company allotted to Bina Tushar Shah jointly with Tushar Ramesh Shah. (10) Equity shares of our Company allotted to Rhea Tushar Shah jointly with Tushar Ramesh Shah. (11) Equity shares of our Company allotted to Esha Tushar Shah jointly with Tushar Ramesh Shah. (12) Equity shares of our Company allotted to Tushar Ramesh Shah jointly with Bina Tushar Shah. (13) Equity shares of our Company allotted to Bina Tushar Shah jointly with Tushar Ramesh Shah. (14) Equity shares of our Company allotted to Rhea Tushar Shah jointly with Tushar Ramesh Shah. (15) Equity shares of our Company allotted to Esha Tushar Shah jointly with Tushar Ramesh Shah. (16) Transfer of Equity shares of our Company jointly held by Esha Tushar Shah with Tushar Ramesh Shah.							
Bimal Mukesh Shah							
July 26, 2004	Further issue	4,000	Cash	10	10	0.01	0.01
August 7, 2008	Further issue	20,000	Cash	10	10	0.07	0.07
August 11, 2011	Pursuant to amalgamation*	28,300	Other than cash	10	N.A.	0.09	0.09
March 31, 2014	Transfer to Bimal Mukesh Shah jointly with Mukesh Maganlal Shah	(52,300)	Gift	10	N.A	0.17	0.17
March 31, 2014	Transfer from Bimal Mukesh Shah	52,300	Gift	10	N.A	0.17	0.17
March 2, 2016	Transfer from Mukesh Maganlal Shah jointly with Jayshree Mukesh Shah	403,944(1)	Gift	10	N.A.	1.32	1.32
July 5, 2017	Pursuant to amalgamation**	14,162(2)	Other than cash	10	N.A.	0.05	0.05
October 16, 2017	Bonus issue of equity shares	940,812(3)	Bonus issue	10	N.A.	3.07	3.07
Total		**1,411,218**					
November 6, 2017	Pursuant to a resolution passed by our Shareholders on November 6, 2017, our Company sub-divided the face value of its equity shares from ₹ 10 each to ₹ 5 each with effect from November 6, 2017. Therefore, the aggregate number of equity shares pursuant to sub-division held by Bimal Mukesh Shah is 2,822,436 Equity Shares (including Equity Shares held jointly) of the face value of ₹ 5 each.						
(1) Equity shares of our Company transferred to Bimal Mukesh Shah jointly with Mukesh Maganlal Shah (2) Equity shares of our Company allotted to Bimal Mukesh Shah jointly with Mukesh Maganlal Shah. (3) Equity shares of our Company allotted to Bimal Mukesh Shah jointly with Mukesh Maganlal Shah.							

* *Amalgamation of Oleofine Organics (India) Private Limited with our Company approved by the High Court of Bombay by its order dated June 17, 2011.*

** *Amalgamation of Fine Speciality Surfactants Private Limited and Fine Research and Development Centre Private Limited with our Company approved by the National Company Law Tribunal, Mumbai by its order dated June 19, 2017.*

All the Equity Shares held by the Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

As of the date of this Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

3. **Details of Promoter's contribution and lock-in:**

Pursuant to the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer equity share capital of our Company held by our Promoters shall be locked-in for a period of three years from the date of Allotment and our Promoters' shareholding in excess of 20% shall be locked-in for a period of one year from the date of Allotment.

The following table sets forth details of the Equity Shares held by our Promoters, which shall be locked-in for a period of three years from the date of Allotment:

Date of allotment / transfer	Nature of transaction	Consideration	No. of equity shares allotted / transferred	Face value (₹)	Issue / acquisition price per equity share (₹)	No. of Equity Shares locked-in(1)(2)	Percentage of pre-Offer paid-up equity share capital (%)	Percentage of post-Offer paid-up equity share capital (%)
Prakash Damodar Kamat								
August 11, 2011	Pursuant to amalgamation	Other than cash	543,360	10	N.A.	352,695	1.15	1.15
July 4, 2015	Transfer	Cash	5	10	10	10	0.00	0.00
October 16, 2017	Bonus issue	Bonus issue	1,994,280	10	N.A.	871,299	2.84	2.84
Mukesh Maganlal Shah								
October 16, 2017	Bonus issue	Bonus issue	862,814	10	N.A.	659,518	2.15	2.15
Jyotsna Ramesh Shah								
August 11, 2011	Pursuant to amalgamation	Other than cash	514,494	10	N.A.	299,982	0.98	0.98
July 4, 2015	Transfer	Cash	10	10	10	20	0.00	0.00
October 16, 2017	Bonus issue	Bonus issue	1,956,954	10	N.A.	935,979	3.05	3.05
Jayen Ramesh Shah								
August 11, 2011	Pursuant to amalgamation	Other than cash	457,328	10	N.A.	84,613	0.28	0.28
July 4, 2015	Transfer	Cash	1,132	10	10	2,264	0.01	0.01
July 4, 2015	Transfer	Cash	5	10	10	10	0.00	0.00
July 4, 2015	Transfer	Cash	5	10	10	10	0.00	0.00
July 4, 2015	Transfer	Cash	5	10	10	10	0.00	0.00
October 16, 2017	Bonus issue	Bonus issue	1,651,210	10	N.A.	1,137,096	3.71	3.71
Tushar Ramesh Shah								
August 11, 2011	Pursuant to amalgamation	Other than cash	519,588	10	N.A.	189,140	0.62	0.62
July 4, 2015	Transfer	Cash	571	10	10	1142	0.00	0.00
July 4, 2015	Transfer	Cash	5	10	10	10	0.00	0.00
July 4, 2015	Transfer	Cash	567	10	10	1134	0.00	0.00
October 16, 2017	Bonus issue	Bonus issue	1,743,062	10	N.A.	1,032,577	3.37	3.37
Bimal Mukesh Shah								
March 2, 2016	Transfer	Other than cash	403,944	10	N.A.	206,879	0.67	0.67
October 16, 2017	Bonus issue	Bonus issue	940,812	10	N.A.	357,608	1.17	1.17
Total						**6,131,996**	**20.00**	**20.00**

(1) *For a period of three years from the date of Allotment. All Equity Shares were fully paid-up at the time of allotment or acquisition of such equity shares.*

(2) *Pursuant to a resolution passed by our Shareholders on November 6, 2017, our Company sub-divided the face value of its equity shares from ₹ 10 each to ₹ 5 each with effect from November 6, 2017. Therefore, the number of equity shares of our Company to be locked-in are adjusted for the aforementioned sub-division.*

The minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' contribution in terms of Regulation 33 of the SEBI ICDR Regulations. Our Promoters have confirmed to our Company and the Book Running Lead Managers that the Equity Shares held by our Promoters which shall be locked-in for a period of three years as Promoters' contribution have been financed from their internal accruals and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

In this connection, we confirm the following:

(i) The Equity Shares offered for Promoters' contribution have not been acquired in the last three years (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets; or (b) have resulted from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or resulted from bonus issue against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;

(ii) The Promoters' contribution includes Equity Shares acquired during the preceding one year and at a price lower than the price at which the Equity Shares are being offered to the public in the Offer in terms of one scheme under the Companies Act as approved by the National Company Law Tribunal, Mumbai by promoters in lieu of business and invested capital that had been in existence for a period of more than one year prior to such approval;

(iii) Our Company has not been formed by the conversion of a partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Red Herring Prospectus pursuant to conversion from a partnership firm; and

(iv) The Equity Shares held by the Promoters and offered for Promoters' contribution are not subject to any pledge; and

(v) All the Equity Shares of our Company held by the Promoters are held in dematerialised form.

Other requirements in respect of lock-in:

Besides 20% of the fully diluted post-Offer shareholding of our Company held by our Promoters and locked-in for three years as specified above, the entire pre-Offer equity share capital of our Company will be locked-in for a period of one year from the date of Allotment except the Equity Shares which are successfully transferred as a part of the Offer for Sale.

The Equity Shares held by our Promoters which are locked-in for one year may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

The Equity Shares held by our Promoters which are locked-in may be transferred to and among the Promoters Group or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in the SEBI ICDR Regulations has expired.

The Equity Shares held by persons other than our Promoters and locked-in for a period of one year from the date of Allotment may be transferred to any other person holding the Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Regulations and such transferee shall not be eligible to transfer them till the lock-in period stipulated in the SEBI ICDR Regulations has expired.

The lock-in would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock Exchanges before the listing of the Equity Shares.

Lock-in of the Offered Shares to be Allotted, if any, to the Anchor Investors

Any Offered Shares allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

4. **Shareholding of our Promoters and Promoter Group**

Our Promoters and Promoter Group together hold 30,659,976 Equity Shares, which is equivalent to 100% of the total equity share capital of our Company.

Shareholding of our Promoter is given below:

Sr. no.	Name of the Promoter	Pre-Offer		Post-Offer	
		No. of Equity Shares	Percentage of pre-Offer capital	No. of Equity Shares	Percentage of post-Offer capital
1.	Prakash Damodar Kamat	5,982,840	19.51	4,452,835	14.52
2.	Mukesh Maganlal Shah	5,979,450	19.50	5,155,053	16.81
3.	Jyotsna Ramesh Shah	5,870,862	19.15	4,325,886	14.11
4.	Jayen Ramesh Shah	5,690,136	18.56	4,160,133	13.57

Sr. no.	Name of the Promoter	Pre-Offer		Post-Offer	
		No. of Equity Shares	Percentage of pre-Offer capital	No. of Equity Shares	Percentage of post-Offer capital
5.	Tushar Ramesh Shah	5,910,180	19.28	4,380,176	14.29
6.	Bimal Mukesh Shah	2,822,436	9.21	2,116,827	6.90

Note:

- *2,822,436 Equity Shares are held by Bimal Mukesh Shah jointly with Mukesh Maganlal Shah. Therefore, 2,822,436 Equity Shares have been included in the shareholding of Bimal Mukesh Shah and Mukesh Maganlal Shah in the aforementioned table.*
- *The aforementioned shareholding includes the Equity Shares which are held by the Promoters, if any, jointly with persons forming part of the Promoter Group.*

5. **Shareholding Pattern of our Company**

The following table sets forth details of the shareholding pattern of our Company as on as on the date of this Red Herring Prospectus:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying depository receipts (VI)	Total nos. shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX) – No of Voting Rights – Class eg: Equity Shares	Number of voting rights held in each class of securities (IX) – No of Voting Rights – Class eg: others (including preference shares)	Number of voting rights held in each class of securities (IX) – No of Voting Rights – Total	Number of voting rights held in each class of securities (IX) – Total as a % of (A+B+ C)	No. of shares underlying outstanding convertible securities (including warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII) – No. (a)	Number of locked in shares (XII) – As a % of total Shares held (b)	Number of shares pledged or otherwise encumbered (XIII) – No. (a)	Number of shares pledged or otherwise encumbered (XIII) – As a % of total share s held (b)	Number of equity shares held in dematerialized form (XIV)
(A)	**Promoter & Promoter Group**	18	30,659,976	Nil	Nil	30,659,976	100	30,659,976	Nil	30,659,976	100	Nil	100		Nil		Nil	30,659,976
(B)	**Public**	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil		Nil		Nil	Nil
(C)	**Non Promoter-Non Public**	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil		Nil		Nil	Nil
(C1)	**Shares underlying DRs**	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil		Nil		Nil	Nil
(C2)	**Shares held by Employee Trusts**	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil		Nil		Nil	Nil
	Total	18	30,659,976	Nil	Nil	30,659,976	100	30,659,976	Nil	30,659,976	100	Nil	100		Nil		Nil	30,659,976

6. The following tables set forth the list of top 10 Shareholders and the number of Equity Shares held by them:

(a) The top 10 Shareholders as of the date of filing of this Red Herring Prospectus are as follows:

	Name of the Shareholder	Pre-Offer	
		No. of Equity Shares	Percentage (%)
1.	Prakash Damodar Kamat	5,982,840	19.51
2.	Jyotsna Ramesh Shah	5,870,862	19.15
3.	Tushar Ramesh Shah jointly with Bina Tushar Shah	5,229,186	17.06
4.	Jayen Ramesh Shah jointly with Neeta Jayen Shah	4,953,630	16.16
5.	Bimal Mukesh Shah jointly with Mukesh Maganlal Shah	2,822,436	9.21
6.	Mukesh Maganlal Shah jointly with Jayshree Mukesh Shah	2,588,442	8.44
7.	Neeta Jayen Shah jointly with Jayen Ramesh Shah	659,892	2.15
8.	Bina Tushar Shah jointly with Tushar Ramesh Shah	574,380	1.87
9.	Jayshree Mukesh Shah jointly with Mukesh Maganlal Shah	568,572	1.85
10.	Jayen Ramesh Shah (as the karta of Ramesh Maganlal Shah – Hindu Undivided Family)	309,042	1.01
	Total	**29,559,282**	**96.41**

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(b) The top 10 Shareholders as of 10 days prior to the date of filing of this Red Herring Prospectus are as follows:

	Name of the Shareholder	Pre-Offer	
		No. of Equity Shares	Percentage (%)
1.	Prakash Damodar Kamat	5,982,840	19.51
2.	Jyotsna Ramesh Shah	5,870,862	19.15
3.	Tushar Ramesh Shah jointly with Bina Tushar Shah	5,229,186	17.06
4.	Jayen Ramesh Shah jointly with Neeta Jayen Shah	4,953,630	16.16
5.	Bimal Mukesh Shah jointly with Mukesh Maganlal Shah	2,822,436	9.21
6.	Mukesh Maganlal Shah jointly with Jayshree Mukesh Shah	2,588,442	8.44
7.	Neeta Jayen Shah jointly with Jayen Ramesh Shah	659,892	2.15
8.	Bina Tushar Shah jointly with Tushar Ramesh Shah	574,380	1.87
9.	Jayshree Mukesh Shah jointly with Mukesh Maganlal Shah	568,572	1.85
10.	Jayen Ramesh Shah (as the karta of Ramesh Maganlal Shah – Hindu Undivided Family)	309,042	1.01
	Total	**29,559,282**	**96.41**

(c) The top 10 Shareholders as of two years prior to the date of filing of this Red Herring Prospectus are as follows:

	Name of the Shareholder	Pre-Offer	
		No. of Equity Shares	Percentage (%)
1.	Prakash Damodar Kamat	941,355	19.49
2.	Jyotsna Ramesh Shah	922,489	19.10
3.	Tushar Ramesh Shah jointly with Bina Tushar Shah	860,715	17.82
4.	Jayen Ramesh Shah jointly with Neeta Jayen Shah	808,455	16.74
5.	Mukesh Maganlal Shah jointly with Jayshree Mukesh Shah	807,889	16.73
6.	Neeta Jayen Shah jointly with Jayen Ramesh Shah	80,600	1.67
7.	Jayshree Mukesh Shah jointly with Mukesh Maganlal Shah	80,600	1.67
8.	Bina Tushar Shah jointly with Tushar Ramesh Shah	52,300	1.08
9.	Bimal Mukesh Shah jointly with Mukesh Maganlal Shah	52,300	1.08
10.	R.M. Shah – Hindu Undivided Family	51,507	1.07
	Total	**4,658,210**	**96.45**

7. Except as disclosed in "*Our Management*" on page 161, none of our Directors or Key Management Personnel holds any Equity Shares in our Company.

8. As on the date of this Red Herring Prospectus, the Book Running Lead Managers and their respective associates (in accordance with the definition of "associate company" as provided under Section 2(6) of the Companies Act, 2013

and as per the definition of the term "associate" under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares. The BRLMs and their affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiaries, for which they may in the future receive customary compensation.

9. Other than the allotment of 2,830,000 Equity Shares by our Company pursuant to a scheme of amalgamation approved by the High Court of Bombay by its order dated June 17, 2011 and the allotment of 280,000 Equity Shares by our Company pursuant to a scheme of amalgamation approved by National Company Law Tribunal, Mumbai by its order dated June 19, 2017, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 / or Sections 230 to 232 of the Companies Act, 2013.

10. Except as disclosed below, none of the members of the Promoter Group, the Promoters, our Directors and their relatives (as defined under the Companies Act, 2013) have purchased or sold any equity shares of our Company during the period of six months immediately preceding the date of the Draft Red Herring Prospectus with the SEBI and this Red Herring Prospectus.

Date of Transaction	Name of Transferor	Name of Transferee	Promoter / Promoter Group / Directors	Total number of equity shares transferred of face value of ₹ 10	Percentage of pre-Offer capital	Transaction Price per equity share (in ₹)
August 9, 2017*	Nikhil Dattatraya Kamat	Prakash Damodar Kamat	Transferee – Director and Promoter	7,917	0.05%	607.30

* For *details, see "Capital Structure – Notes to Capital Structure – History of the equity share capital held by our Promoters"* on page 87.

11. None of the members of the Promoter Group, the Promoters, our Directors and their relatives (as defined under the Companies Act, 2013) have they purchased or sold any equity shares in any of our Subsidiaries, during the period of six months immediately preceding the date of the Draft Red Herring Prospectus with the SEBI and this Red Herring Prospectus.

12. Our Company has not issued any employee stock options in the past.

13. As of the date of the filing of this Red Herring Prospectus, the total number of Shareholders is 18.

14. Neither our Company nor any of our Directors have entered into any buy-back and / or standby arrangements for purchase of Equity Shares from any person. Further, the Book Running Lead Managers have not entered into any buy-back and / or standby arrangements for purchase of Equity Shares from any person.

15. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Red Herring Prospectus.

16. Our Company has not issued any Equity Shares out of revaluation reserves or unrealised profits.

17. Our Promoter and Promoter Group will not participate in the Offer except to the extent of their Offered Shares.

18. There will be no further issue of Equity Shares whether by way of bonus, preferential or rights issue or otherwise from the date of the Draft Red Herring Prospectus till listing of the Equity Shares on the Stock Exchanges pursuant to the Offer.

19. All Offered Shares Allotted pursuant to the Offer will be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus.

20. There have been no financing arrangements whereby our Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company, during a period of six months preceding the date of the Draft Red Herring Prospectus and this Red Herring Prospectus, other than in the normal course of business of the financing entity.

21. No person connected with the Offer, including, but not limited to, the Book Running Lead Managers, the members of the Syndicate, our Company, Directors, Promoters, members of our Promoter Group and Group Companies, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

22. Our Company presently does not intend or propose or is under negotiations or considerations to alter its capital structure within a period of six months from the Bid / Offer Opening Date, by way of split or consolidation of the

denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.

23. Subject to valid Bids being received at or above the Offer Price. The Offer is being made in accordance with Rule 19(2)(b)(ii) of the SCRR and under Regulation 26(1) of the SEBI ICDR Regulations. The Offer shall be made through the Book Building Process wherein 50% of the Offer has been made available for allocation on a proportionate basis to QIBs, provided that our Company and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Managers may allocate 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which at least one-third shall be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Offer Price. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

24. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

25. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

26. Under-subscription if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company, in consultation with the Book Running Lead Managers and the Designated Stock Exchange.

27. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group during the period between the date of registering this Red Herring Prospectus with the RoC and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.

OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing Equity Shares on the Stock Exchanges and to carry out the sale of up to 7,664,994 Offered Shares by the Promoter Group Selling Shareholders. The listing of Equity Shares will enhance our Company's brand name and provide liquidity to the existing Shareholders. The listing will also provide a public market for Equity Shares in India. Our Company will not receive any proceeds from the Offer and all the proceeds from the Offer, less Offer related expenses, will go to the Promoter Group Selling Shareholders.

Offer Expenses

The total Offer-related expenses are estimated to be approximately ₹ [●] million. All expenses with respect to the Offer (other than listing fees which shall be payable by our Company) will be borne by the Promoter Group Selling Shareholders in proportion to the Offered Shares offered by each of them in the Offer. Payments, if any, made by our Company in relation to the Offer shall be on behalf of the Promoter Group Selling Shareholders and such payments will be (other than listing fees which shall be payable by our Company) reimbursed by the Promoter Group Selling Shareholders to our Company. The following table sets forth details of the break-up for the Offer expenses:

Activity	Estimated Expense(1) (₹ million)	As a % of total estimated Offer expense(1)	As a % of total Offer size(1)
Fees payable to the BRLMs (including underwriters fees and selling commission)	[●]	[●]	[●]
Selling commission and processing fees for SCSBs(2)	[●]	[●]	[●]
Selling commission, brokerage, and bidding charges for the Syndicate members / members of the Syndicate, Registered Brokers, RTAs and CDPs(3)	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationery expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Others: (i) Listing fees; (ii) SEBI and Stock Exchanges processing fees; (iii) Book building fees payable to Stock Exchanges; (iv) Miscellaneous.	[●]	[●]	[●]
Total Offer Expenses	[●]	[●]	[●]

(1) *Amounts will be finalised at the time of filing the Prospectus and on determination of the Offer Price and other details.*

(2) *Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the SCSBs would be as follows:*

*Portion for Retail Individual Bidders**	*0.35% of the Amount Allotted (plus applicable GST)*
*Portion for Non-Institutional Bidders**	*0.20% of the Amount Allotted (plus applicable GST)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid book of BSE or NSE.
No processing fees shall be payable by the Company and the Promoter Group Selling Shareholders to the SCSBs on the applications directly procured by them.
Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/Sub-syndicate Members/Registered Brokers/RTAs/CDPs and submitted to SCSBs for blocking would be as follows:

*Portion for Retail Individual Bidders**	*₹10 per valid application (plus applicable GST)*
*Portion for Non-Institutional Bidders**	*₹10 per valid application (plus applicable GST)*

**Based on valid applications.*

(3) *Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their Sub-syndicate Members), Registered Brokers, RTAs and CDPs would be as follows:*

*Portion for Retail Individual Bidders**	*0.35% of the Amount Allotted (plus applicable GST)*
*Portion for Non-Institutional Bidders**	*0,20% of the Amount Allotted (plus applicable GST)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

Bidding Charges payable to the members of the Syndicate (including their Sub-syndicate Members), Registered Brokers, RTAs and CDPs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by them and submitted to SCSBs for blocking would be as follows: ₹10, plus applicable GST, per valid application bid by the Syndicate (including their Sub-syndicate Members), RTAs and CDPs.

The selling commission and Bidding Charges payable to the Registered Brokers, RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid book of BSE or NSE.

RETAIL KITTY

A Retail Kitty of ₹ 500 million is being proposed for incentivizing broker performance in the retail category (Plus applicable GST). Please find below further details regarding the same:

- *Qualifying Criteria: 5,000 or more valid applications in the retail category (Registrar data shall be considered final and binding in this regard)*
- *Retail Kitty shall be applicable only for Syndicate ASBA*
- *Amount to be paid on actuals, and shall be capped at ₹ 750 million that would be paid on a proportionate basis based on the qualifying criteria.*

Important Note:

(1) *The Brokerage / Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the Bid cum Application Form number / series, provided that the application is also bidded by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bidded by an SCSB, the Brokerage / Selling Commission will be payable to the SCSB and not to the Syndicate / Sub-Syndicate Member.*

(2) *The Brokerage / Selling Commission payable to the SCSBs, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.*

(3) *The Bidding Charges payable to the Syndicate / Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.*

(4) *Payment of Brokerage / Selling Commission payable to the sub-brokers / agents of the Sub-Syndicate Members needs to be handled directly by the Sub-Syndicate Members, and the necessary records for the same shall be maintained by the respective Sub-Syndicate Member.*

Monitoring of Utilisation of Funds

Since the Offer is an offer for sale and our Company will not receive any proceeds from the Offer, our Company has therefore not appointed a monitoring agency for the Offer.

Other Confirmations

Except to the extent of any proceeds received pursuant to the sale of Offered Shares proposed to be offered by them, none of our Promoters, Directors, KMPs or Group Companies will receive any proceeds from the Offer.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Promoter Group Selling Shareholders in consultation with the BRLMs, on the basis of assessment of market demand for the Offered Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 5 each and the Offer Price is [●] times at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to "*Our Business*", "*Risk Factors*", "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 137, 15, 189 and 422 respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe the following are our competitive strengths:

1. Largest Producer of Oleochemical-based Additives in India and One of the Few Large Players in the Oleochemical-based Additives Industry in the World
2. Diversified Product Portfolio Catering to a Variety of High Growth Industries
3. Specialised Business Model with High Entry Barriers
4. Flexible and Strategically Located Production Facilities with In-house Development Capabilities
5. Strong R&D Capability with a Focus on Innovation
6. Diversified Customer Base with Long Term Relationships with Marquee Customers
7. Strong Management Team

For further details, see "*Our Business –Strengths*" from pages 138 to 140.

Quantitative Factors

Some of the information presented in this section relating to our Company is based on the Restated Financial Statements.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

I. Basic and Diluted Earnings per Share (face value of ₹ 5 each):

On standalone basis:

Year ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2017	26.24	26.24	3
March 31, 2016	25.26	25.26	2
March 31, 2015	19.09	19.09	1
Weighted Average	**24.72**	**24.72**	
Nine month period ended December 31, 2017*	**28.25***	**28.25***	

**Not annualized*

On consolidated basis:

Year ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2017	25.56	25.56	3
March 31, 2016	24.95	24.95	2
March 31, 2015	18.35	18.35	1
Weighted Average	**24.16**	**24.16**	
Nine month period ended December 31, 2017*	**26.38***	**26.38***	

**Not annualized*

Notes:

1. *The face value of each Equity Share is ₹ 5 each.*
2. *Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard 33 'Earnings per Share', notified by the Companies (Indian Accounting Standards) Rules, 2015, as amended.*

3. *The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in the Financial Statements.*

4. *Basic EPS (₹) is net profit attributable to equity shareholders divided by weighted average number of Equity Shares outstanding during the year / period.*

5. *Diluted EPS (₹) is net profit attributable to equity shareholders divided by weighted average number of Equity Shares outstanding during the year / period as adjusted for the effects of all potential dilutive equity shares.*

6. *The above figures have been computed after considering the impact of (i) the allotment of bonus equity shares in the ratio of 2 equity shares for every equity share held, to the then equity shareholders; and (ii) the sub-division of every equity share of face value of ₹ 10 each into 2 equity shares of face value of ₹ 5 each as approved by the Shareholders at their extra-ordinary general meeting held on November 6, 2017*

II. Price / Earning ("P / E") ratio in relation to Offer Price of ₹ [●] per Offered Shares of ₹ 5 each:

Particulars	P / E at the lower end of the Price Band (no. of times)	P / E at the higher end of the Price Band (no. of times)
Based on basic EPS for the year / period ended March 31, 2017 on a standalone basis	[●]	[●]
Based on basic EPS for the year / period ended March 31, 2017 on a consolidated basis	[●]	[●]
Based on diluted EPS for the year ended March 31, 2017 on a standalone basis	[●]	[●]
Based on diluted EPS for the year ended March 31, 2017 on a consolidated basis	[●]	[●]

Industry P / E ratio

Highest – 34.70x

Lowest – 34.70x

Average – 34.70x

The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section below.

III. Return on Net Worth ("RoNW")

As per Restated Standalone Financial Statements:

Fiscal / Period ended	RoNW (%)	Weight
March 31, 2017	24.83	3
March 31, 2016	31.79	2
March 31, 2015	26.31	1
Weighted Average	**27.40**	
Nine month period ended December 31, 2017*	**18.03***	

*Not annualized

As per Restated Consolidated Financial Statements:

Fiscal / Period ended	RoNW (%)	Weight
March 31, 2017	24.65%	3
March 31, 2016	31.91%	2
March 31, 2015	25.66%	1
Weighted Average	**27.24%**	
Nine month period ended December 31, 2017*	**17.34%***	

*Not annualized

Notes:

Return on net worth (%) is net profit attributable to equity shareholders divided by average net worth. Net Worth = Equity Share Capital + Reserves & Surplus (included General Reserves, Surplus in Profit & Loss Account and Share Premium) in accordance with section 2(57) of the Companies Act 2013.

IV. Minimum Return on Increased Net Worth required for maintaining pre-issue EPS as at March 31, 2017 is:

There will be no change in the Net Worth post-Offer, as the Offer is by way of Offer by the Promoter Group Selling Shareholders.

V. Net Asset Value per Equity Share (face value of ₹ 5 each)

NAV per Equity Share	Standalone (₹)	Consolidated ((₹)
As on December 31, 2017	118.04	114.65
As on March 31, 2017	105.70	103.70
As on March 31, 2016	79.48	78.18
As on March 31, 2015	72.57	71.52

As the Offer consists only of an offer for sale by the Promoter Group Selling Shareholders, there will be no change in the NAV post-Offer.

Offer Price: ₹ [●]

Note: Net asset value per Equity Share represents net worth as at the end of the Fiscal, as restated, divided by the number of Equity Shares outstanding at the end of the period / year.

VI. Comparison with Listed Industry Peers

Name of the company	Face value (₹)	Revenue from operations Fiscal 2017 (₹ million)	EPS (basic) (₹)	EPS (diluted) (₹)	P/E (Based on basic EPS)(3)	P/E (Based on diluted EPS) (3)	Return on net worth (%)	NAV per Equity Share (₹)
Fine Organic Industries Limited(1)	5	8,149.36	25.56	25.56	[●]	[●]	24.65	103.70
Peers								
Galaxy Surfactants Limited(2)	10	21,717.00	41.27	41.27	34.70x	34.70x	28.68	161.51
Industry Composite					34.70x	34.70x		

1. *Based on the Restated Consolidated Financial Statement for the year ended March 31, 2017 presented in accordance with Ind AS.*

2. *Based on restated financial statements for the financial year ended March 31, 2017 sourced from the prospectus dated February 1, 2018 issued by Galaxy Surfactants Limited*

3. *P/E Ratio has been computed as the closing market prices of the companies sourced from the NSE website as on May 21, 2018 as divided by the basic and diluted EPS.*

VII. The Offer Price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company and the Promoter Group Selling Shareholders, in consultation with the Book Running Lead Managers, on the basis of demand from investors for Offered Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" on pages 15, 137, 422, and 189 respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
Fine Organic Industries Limited
(Formerly Fine Organic Industries Private Limited)
Fine House, Anandji Street, Off M G Road,
Ghatkopar East, Mumbai 400 077

Dear Sirs,

Ref: STATEMENT OF SPECIAL TAX BENEFITS

Sub: Proposed initial public offering of equity shares of ₹ 5/- each (the "**Equity Shares**") of Fine Organic Industries Limited (Formerly Fine Organic Industries Private Limited) (the "**Company**" and such offering, the "**Offer**")

We, D. B. SHAH & ASSOCIATES, Chartered Accountants, report that the enclosed statement Annexure A, states the possible special tax benefits available to the Company and to its shareholders under the Income-Tax Act, 1961 presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither we are suggesting nor advising the investor to invest money based on this statement.

We do not express any opinion or provide any assurance as to whether:

i) the Company or its shareholders will continue to obtain these benefits in future; or

ii) the conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We also consent to the references to us as "Experts" under the Companies Act to the extent of the certification provided hereunder and included in the Draft Red Herring Prospectus of the Company or in any other documents in connection with the Offer.

We hereby give consent to include this statement of special tax benefits in the red herring prospectus, the Prospectus and in any other material used in connection with the Offer.

Sincerely,

For D. B. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN.NO: 109530W

DHARMEN B. SHAH
PROPRIETOR
MEMBERSHIP NO: 036324
PLACE: MUMBAI

DATED: May 21, 2018

Certificate No.: FOI/IPO/008

Enclosed: As above

CC:

1) JM Financial Limited
7th Floor, Cynergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai- 400 025

2) Edelweiss Financial Services Limited
14th Floor, Edelweiss House
Off CST Road, Kalina, Mumbai 400 098

Annexure A

There are no special tax benefits available to the company and to the shareholders.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

All information in this section is sourced from the CRISIL Research Report. The CRISIL Research Report is subject to the disclaimer set out in "Certain Conventions, Presentation of Financial, Industry and Market Data – Disclaimer of CRISIL" on page 13. All forward-looking statements, estimates and projections in this section are CRISIL Research's forward looking statements, estimates and projections. While we have taken reasonable action to ensure that information from the CRISIL Research Report has been reproduced in its proper form and context, none of our Company, the Book Running Lead Managers and our respective directors, employees, agents and professional advisors have conducted an independent review of the content or independently verified the accuracy thereof. Accordingly, prospective investors should not place undue reliance on the information contained in this section. This section also contains copies of certain tables and charts from the CRISIL Research Report.

GLOBAL AND INDIAN MACROECONOMIC OUTLOOK

Global Macroeconomic Outlook

International Monetary Fund ("IMF") expects global macroeconomic growth to gain momentum

The IMF believes that with buoyant financial markets and a long-awaited cyclical recovery in manufacturing and trade underway, world GDP growth is projected to rise from 3.1% in CY 2016 to 3.5% in CY 2017 and 3.6% in CY 2018. The main forces shaping the outlook differ, to some extent, between advanced economies, the emerging markets and developing economies. Among the advanced economies group, the United States is projected to gather steam as a result of expansionary fiscal policy. Elsewhere, especially in Europe, cyclical recovery from the crises of 2008–09 and 2011-12 will help keep growth modestly above potential over the next few years. In the medium term, however, the IMF expects demographic headwinds and weak trend productivity to restrain growth. Among emerging market and developing economies, especially those that rely heavily on energy or metal exports, the adjustment to reduce commodity prices remains a key influence on the outlook, in both the short and medium term.

Short-term global economy outlook

Country/Region	2016	2017P	2018P
World output	**3.10%**	**3.50%**	**3.60%**
Advanced economies	**1.70%**	**2.00%**	**2.00%**
United States	1.60%	2.30%	2.50%
Euro area	1.70%	1.70%	1.60%
Germany	1.80%	1.60%	1.50%
France	1.20%	1.40%	1.60%
Italy	0.90%	0.80%	0.80%
Spain	3.20%	2.60%	2.10%
Japan	1.00%	1.20%	0.60%
United Kingdom	1.80%	2.00%	1.50%
Canada	1.40%	1.90%	2.00%
Emerging market and developing economies	**4.10%**	**4.50%**	**4.80%**
Russia	-0.20%	1.40%	1.40%
China	6.70%	6.60%	6.20%
India	6.80%	7.20%	7.70%
Brazil	-3.60%	0.20%	1.70%
Mexico	2.30%	1.70%	2.00%
Saudi Arabia	1.40%	0.40%	1.30%
Nigeria	-1.50%	0.80%	1.90%
South Africa	0.30%	0.80%	1.60%

Source: IMF World Economy Outlook

The IMF forecasts global growth to increase marginally beyond CY 2018, reaching 3.8% by CY 2022. This pick-up in global activity will come entirely from developments in emerging markets and developing economies, where growth is projected to increase to 5% by the end of CY 2022. These economies' impact on global activity is further boosted by their rising weight in world GDP. This forecast assumes continued strengthening of growth in commodity exporters, albeit to rates much more modest than those witnessed between CY 2000 and CY 2015, an acceleration of activity in India resulting from the implementation of important structural reforms and a successful rebalancing of China's economy trend growth rates. Advanced economies' more modest medium-term growth rates reflect the structural headwinds they face once output gaps have closed. These include diminished growth of the labour force as the population ages, and persistently low productivity growth, barring significant structural reform efforts.

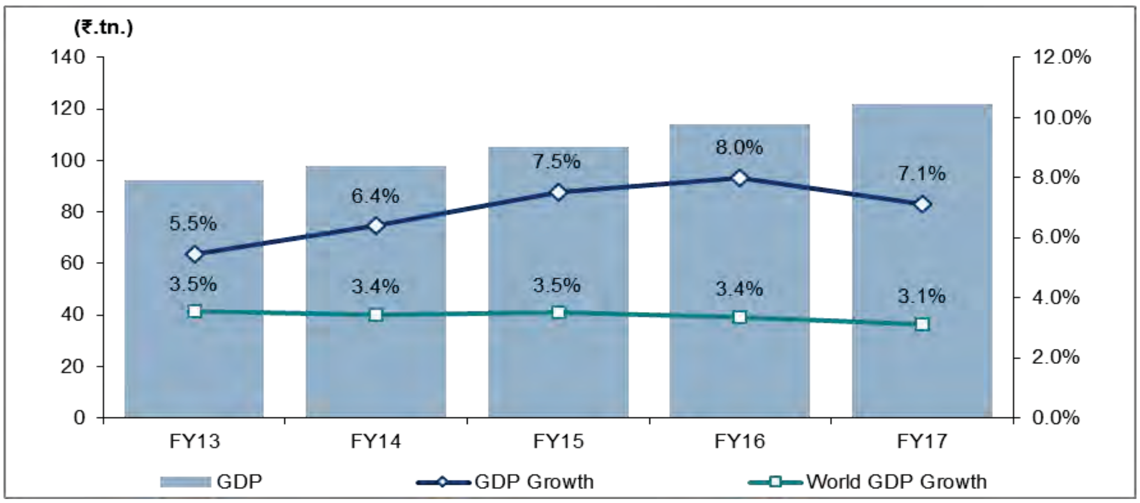
Macroeconomic Scenario in India

India, with a population of over 1.3 billion and gross domestic product (GDP) of approximately ₹ 121.9 trillion in 2016-2017, is the world's third-largest economy when adjusted for purchasing-power parity, according to CRISIL Research. The country also enjoys favourable demographics, with the world's largest young working population. According to World Bank data, over 52% of the population is in the working age group of 15-64 years, and more than half is below 25 years. To put this in perspective, the country's working population is more than the population of Russia, Brazil, and the United States. This growing working population, which expanded at approximately 2% compound annual growth rate (CAGR) over 2005-2006 to 2016-2017, is expected drive consumption growth, going forward.

Outlook on GDP in India

India's absolute GDP rose at 6.8% CAGR between 2011-12 and 2016-17 to ₹ 122 trillion. As per the Central Statistical Organisation's ("**CSO**") second advance estimates, the country's GDP was 7.1% in 2016-17, well above the world average of 3.1%.

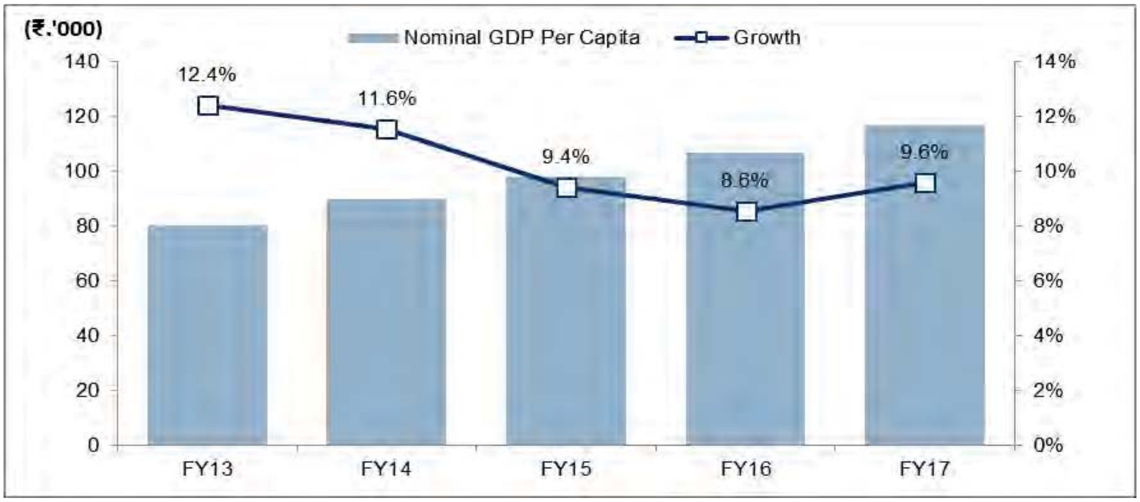
Real GDP growth in India (new GDP series)



Source: Central Statistics Office (CSO), CRISIL Research

In fact, the economy sustained a 7% on-year growth trajectory in the third quarter of 2016-17 (October-December) despite the Government's Demonetisation move in November 2016, which CRISIL Research expected would impact growth. The reason for this buoyancy is that the unorganised sector – presumably the hardest-hit by Demonetisation – does not get effectively captured in the initial GDP estimates. Therefore, subsequent estimates are likely to show a downward revision in growth, particularly in private consumption in 2017-18. At approximately 58%, private consumption is the biggest contributor to India's GDP. To gauge private consumption and income growth, nominal per capita GDP is used as a proxy. Nominal per capita GDP growth slowed till 2015-16. It picked up in 2016-17, rising 10.1% on-year compared with 8.6% in 2015-16.

Nominal per capita GDP growth



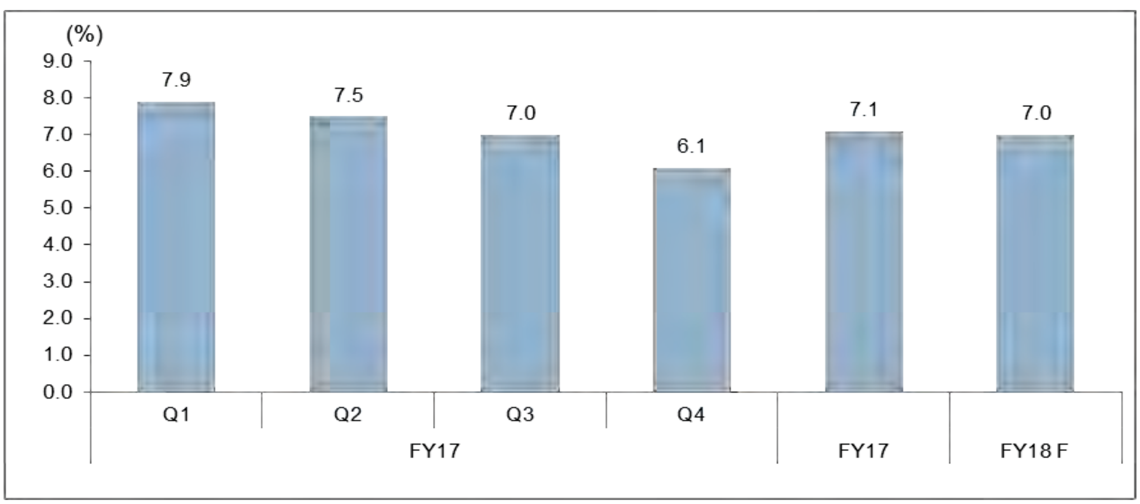
Source: CSO, CRISIL Research

CRISIL Research has trimmed its 2017-18 growth forecast for India by 40 basis points to 7% from 7.4% earlier, after data for the first quarter showed GDP growth at 5.7%, the slowest in the past three fiscal years. The Demonetisation-driven cash crunch hurt growth, especially of small enterprises, while the imminent rollout of the Goods and Services Tax (GST) spurred destocking even as the slowing production lowered manufacturing growth.

CRISIL Research believes the sharp decline in growth in the first quarter of 2017-18 is transitory and the economy will pick up slowly over the next few quarters as the impact of Demonetisation and destocking fades. At the same time, the benefit of 2016-17's extremely low commodity prices may not be available this year. Hence, the bottom line may remain under pressure.

Improvement in growth will be driven by a rebound in consumption demand, which was postponed after Demonetisation. Normal monsoon, benign inflation and softer interest rates will aid consumption growth. CRISIL Research assumes the monsoon to be normal (in terms of temporal and spatial distribution) in 2016-2017, which will support agricultural growth, and interest rates will soften owing to better transmission of policy rate cuts by the Reserve Bank of India. Subdued global growth and weak investment cycle, though, will curtail further acceleration in the growth rate. This fiscal would see some added headwinds in the form of GST-related disruptions, even as the economy tries to recover from Demonetisation.

Real GDP growth (% on-year)



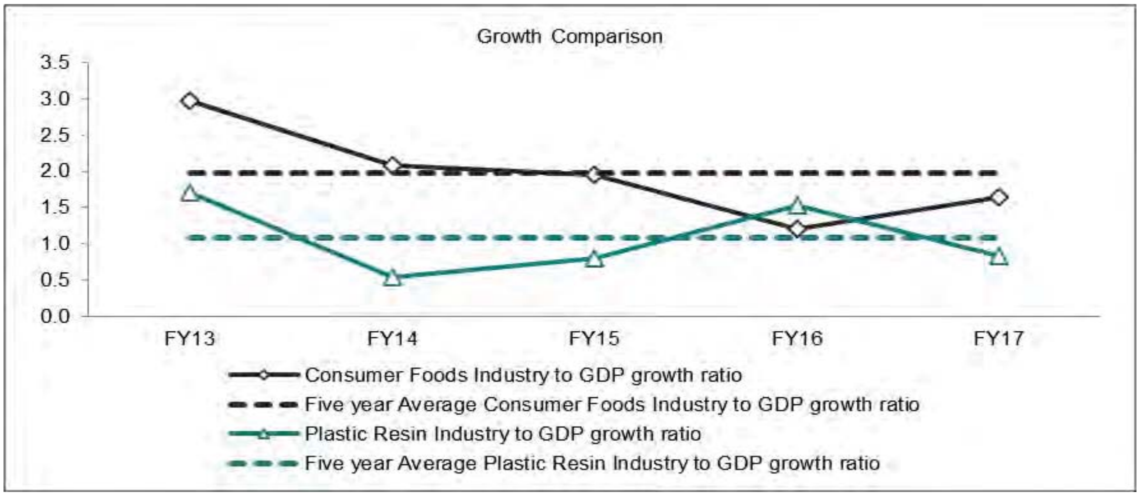
Source: CSO, CRISIL Research

Over the next 2-3 fiscal years, i.e., 2017-18 to 2019-20, CRISIL Research expects GDP growth to be in the range of 7.5-8.0%. CRISIL Research expects GDP to get a boost on account of the efficiency-enhancing structural reforms that the Government is undertaking, the key initiative being GST. The Government is also making a concerted effort to improve the ease of doing business, which will support growth. The focus on 'Make in India' may revive the manufacturing sector. There is also a thrust on improving the state of agriculture – the Government aims to double farm incomes by 2021-2022.

Consumer foods industry growth is higher than GDP growth in India

Demand for the food industry is dependent on economic growth and other associated indicators, such as per-capita income, urbanisation and rising population. As shown in the graph below, the Indian consumer food industry grew at a higher pace than GDP growth. With the economic growth expected to be healthy over the next 3-5 years, growth in the consumer food industry will also be robust. Due to lower crude oil prices, the plastic resin industry is also growing at a healthy pace, thereby boosting the growth for plastic additives.

GDP vs consumer foods industry vs plastic resin industry growth comparison



Source: CRISIL Research

Note: Consumer Foods Industry includes Bakery, Confectionery, Snacks and Ready to Eat/Cook segments

OVERVIEW AND EVOLUTION OF OLEOCHEMICALS-BASED GREEN ADDITIVES INDUSTRY

Oleochemicals are chemicals derived from natural oils and fats of plant origins. Oleochemicals can be categorised into basic oleochemicals such as fatty acids, fatty methyl esters, fatty alcohols, fatty amines and glycerol, and their downstream derivatives obtained from further chemical modifications of these basic oleochemicals. These oleochemicals exhibit special properties such as excellent emolliency, surface activity, emulsifying properties, as well as beneficial biological properties.

Since the 1950s, oleochemistry has grown in diversity thanks to technological developments due to research in various institutions and industries. New and niche oleochemicals have been developed for utilisation in industries such as cosmetics and polymers. Thus, these oleochemicals have become essential to a variety of industries such as coatings, surfactants, plasticisers, lubricant additives (slip and anti-block additives), cosmetics, soaps, detergents, textiles, plastics and organic pesticides. In polymer applications, derivatives of oils and fats are used as plastic additives. In recent years, there has been rapid increase in natural fatty acid derivatives usage as additive materials in several industries by replacing potentially harmful petrochemicals. Being derivatives of vegetable fats and oils, these products are also consumer- and environmentally-friendly.

Comparison of oleochemical-based additives with petrochemicals based additives

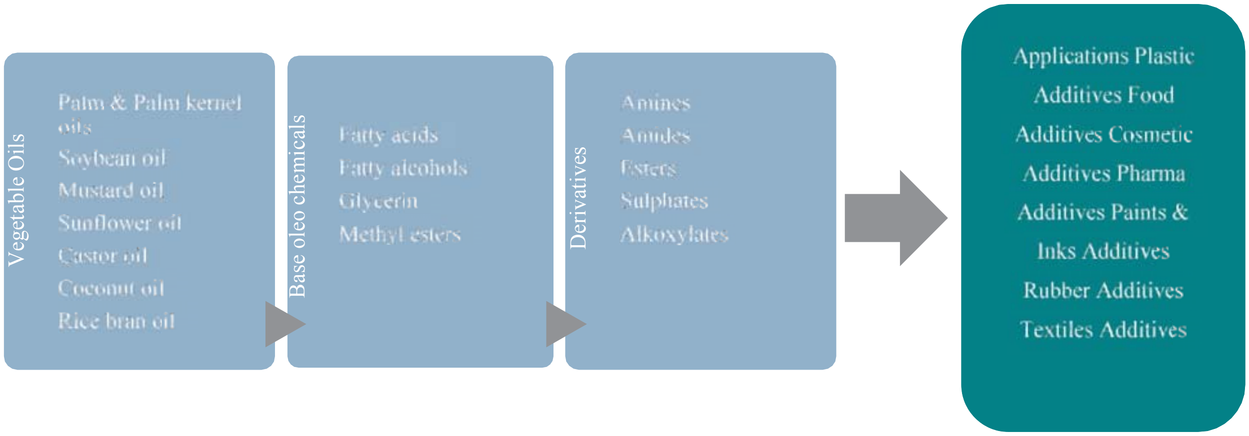
Parameter	Oleochemical based additives	Petrochemical based additives
Type	Natural	Synthetic
Raw material sources	Vegetable oil derivatives	Crude oil derivatives
Sustainability	Yes, as raw materials are from sustainable sources	No, as raw materials are derivatives of fossil fuels
Biodegradable	Yes	No
Environment	Friendly, as raw materials are vegetable sources	May cause pollution as raw materials are derivatives of fossil fuels

Manufacturing of green additives from base oleochemicals is a specialty process with only a few successful players globally

Base oleochemicals such as fatty acids, fatty alcohols and methyl esters are produced from vegetable oils through splitting, distillation and fraction process. This step in the oleochemical value chain is a simple process with many players globally. The technology is also easily available. Hence, this sub-segment of the value chain is non-specialised and base oleochemicals are commoditised products.

However, manufacturing of green additives from base oleochemicals is a highly specialised process. Hence, green additives are specialty products, and this industry enjoys premium margins with only a few players dominating the industry globally. The proprietary technology to manufacture these specialty additives is available with only a few global players.

Oleochemicals-based additives value chain



Source: CRISIL Research, Industry

Regulations in the Additives Industry

Global Food Additives Regulations

<u>Additives Industry is Governed by Strict Regulations across the World due to Human Health and Environmental Concerns</u>

Relevant regulatory body in each country sets its own standards for domestic and international trade of food additives. However, standards in most of the countries, barring the European Union, are based on the global Codex Alimentarius Commission ("**CAC**") standards. It is mandatory for any food additives player doing global trade to follow these regulations.

CAC is the central part of the Joint FAO/WHO Food Standards Programme and was established by the Food and Agriculture Organization of the United Nations ("**FAO**") and the World Health Organization ("**WHO**"), in 1963, to protect consumer health and promote fair practices in food trade.

<u>Standards of CAC based on JECFA Act - Reference for Food Additive Standards across the Globe</u>

The Joint FAO/WHO Expert Committee on Food Additives (JECFA) is an international scientific expert committee administered jointly by the FAO and WHO. It has been meeting since 1956, initially to evaluate the safety of food additives. JECFA has evaluated more than 2,600 food additives till 2016. JECFA performs risk assessments and provides advice to the FAO, WHO and CAC. Based on technical guidance from JECFA, the international food standards and guidelines are developed by CAC.

- CAC standards are the reference for national standards for consumer protection, and for international trade in food, so that consumers everywhere can be confident that the food they eat meets the agreed standards for safety and quality, no matter where it was produced.

- Food-related regulations of the European parliament also lay down rules on food additives used in foods. Although these standards are based on JECFA standards, European Commission standards are more stringent than JECFA.

Indian Food Additives Regulations

<u>Standards of Food Safety and Standards Authority ("FSSAI") of India follow Codex Standards</u>

Currently, the Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011, lay out standards for usage of food additives in India. This regulation contains the list of approved additives and the specifications requirements.

These standards were first published in 2011 based on standards published by the Bureau of Indian Standards ("**BIS**"). BIS standards are derived from the Codex standards. The FSSAI and BIS revise the approved additives list and specification requirements regularly in line with revisions in global Codex standards.

<u>Other than FAO/WHO and European Union ("EU") Regulations Compliance, Kosher and Halal Certifications are Required for Export to Many Countries</u>

Kosher foods are those that conform to the regulations of kashrut (Jewish dietary law). A Kosher certification agency verifies that the ingredients, production process, and/or food-service process complies with the standards of kashrut as stipulated in the Shulchan Arukh, the benchmark of religious Jewish law. So, for the export of food additives to regions where Jewish law is followed, Kosher certification is required.

Halal is a term from the Quran that means permitted or lawful. Therefore, in relation to food, Halal is used for food and other consumables that are permissible for consumption and used by Muslims, based on the Islamic law, the Shariah. Halal certification agencies verify whether food additive supplier follows the Halal practices. Accordingly, for the export of food additives to regions where Islam law is followed, Halal certification is required.

Both Kosher and Halal certification procedures are time consuming and expensive.

Sample regulations/Government bodies in various countries

Country	Food regulation agency
India	Food Safety and Standards Authority of India
USA	U S Food and Drug Administration
Canada	Canadian Food Inspection Agency
Europe	European Food Safety Authority
UAE	Abu Dhabi Food Control Authority
Australia	Food Standards Australia New Zealand
Taiwan	Taiwan Food and Drug Administration
Brazil	National Agency of Sanitary Surveillance

Source: CRISIL Research

Global Plastic Additives Regulations

Plastic Additives have to Comply with Regulations that Govern End-Use Sectors

The plastic additives industry has to follow health and environmental regulations and manufacture chemicals that are eco-friendly. Bans and regulatory impositions have been introduced in recent years on the usage of plastic additives, such as phthalates as plasticisers and a few halogenated flame retardants.

Plastic additives are used in various food packaging films. Hence, plastic additives that come in contact with food come under more stringent regulations governing food contact products, such as the EU Framework Regulation 1935/2004, the United States Food and Drug Administration ("**FDA**"), Japan Hygienic Olefin and Styrene Plastics Association ("**JHOSPA**"), and China food contact regulations. In India too, food contact products should comply with the Food Safety and Standards Regulations.

Plastic Additives have to Necessarily Comply with Regulations Governing Chemicals Industry Across the World

Along with regulations governing the end-use application of plastic additives, regulations governing chemicals across the world must be complied with. For example, the EU is one of the most active regulatory bodies imposing strict curbs on plasticisers, flame retardants and other additives due to their adverse effect on human health. The Registration, Evaluation, Authorisation and Restriction of Chemicals ("**REACH**"), 2007, is a regulation of the EU adopted to improve the protection of human health and the environment from risks posed by chemicals, while enhancing the competitiveness of the EU chemicals industry. It also promotes alternative methods for the hazard assessment of substances in order to reduce the number of tests on animals. Any plastic additives exporter to the EU has to be REACH compliant.

Indian Plastic Additives Regulations

Multiple legislations in India Regulate Chemicals Industry

At present, multiple legislations govern the chemicals industry in India. However, there is no specific Indian legislation related to registration of substances, preparation of a national inventory, restrictions on hazardous substances, banning of certain substances, detailed classification and labelling criteria and transport classification. Hence, India needs consolidated acts and rules related to chemical management, like REACH. Several countries such as Australia, Japan, Canada and China are adopting a consolidated regulations like REACH. Moving in this direction, in April 2017, the Ministry of Environment, Forests, and Climate Change formed the National Coordination Committee to create the National Action Plan for Chemicals in an attempt to create India's first national policy for chemicals.

Sample regulations/Government bodies in various countries

Country	Chemical regulation
India	Bureau of Indian standards
USA	Toxic Substances Control Act
Canada	Domestic Substances List and the Non-Domestic Substances List
Europe	European Inventory of Existing Commercial Chemical Substances
UAE	Environment, Health and Safety Management System
Australia	Australian Inventory of Chemical Substances
Taiwan	Toxic Chemical Substances Control Act
Brazil	Brazilian Health Regulatory Agency

FOOD EMULSIFIERS AND PLASTIC ADDITIVES - OVERVIEW AND OUTLOOK

Food Additives' Overview and Demand Outlook

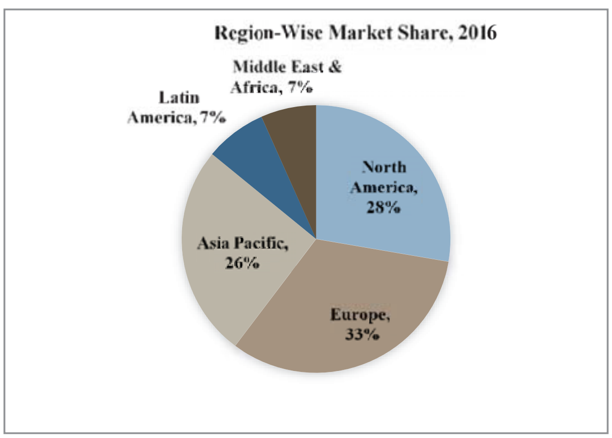
Any substance added to food can be termed broadly as food additive. In a stricter sense, any substance that is intended to affect the characteristics of food is a food additive. This includes any substance used in production, processing, treatment, packaging, transportation and storage of food. Food additives are used to preserve, flavour, blend, thicken and colour foods. Food additives are strictly regulated and monitored by Government to ensure safe health of people.

Food additives can be categorised into direct and indirect additives. Direct food additives are substances that are added to a food for a specific purpose in that food. For example, xanthan gum is a direct food additive that adds texture to foods such as salad dressings, chocolate milk, bakery fillings, and puddings. Most direct additives used in foods are mentioned in the ingredient list label of foods. Indirect food additives are substances that can be part of the food in trace amounts owing to packaging, storage or other handling.

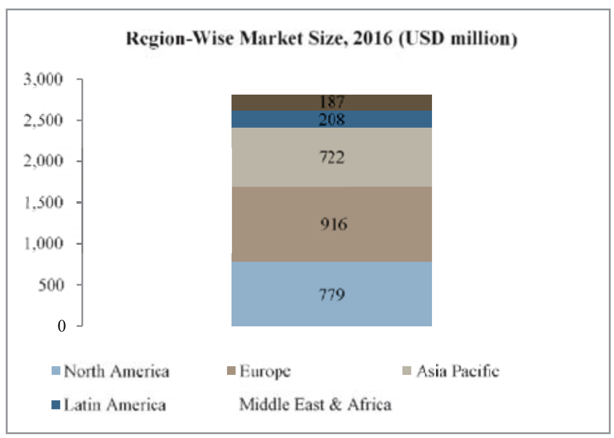
Global Food Emulsifiers Market is Estimated to be US$ 2.8 billion in CY 2016

In CY 2016, overall global food emulsifiers market size was estimated to be US$ 2.8 billion. Europe is the largest consuming region with 33% share of global market. Among product categories, mono- and di-glycerides and natural emulsifiers were the largest product categories.

Snapshot of global emulsifiers market (2016)



- *Source: CRISIL Research, Credence Research*



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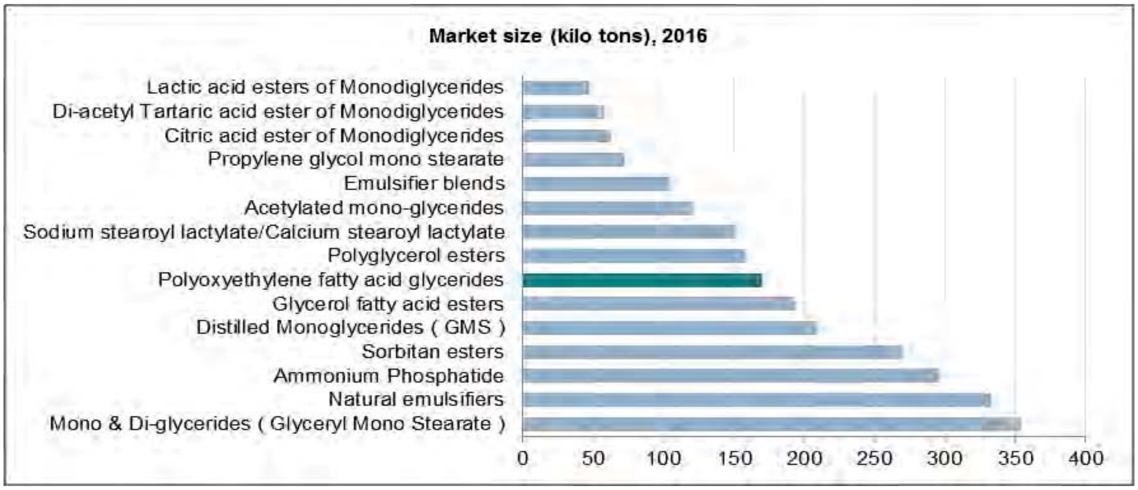


Source: CRISIL Research, Credence Research

*Coloured products not manufactured by Fine Organic Industries Limited ("**Fine Organics**")*

Global Food Emulsifiers Industry to Reach US$ 3.4 billion by CY 2021

The global food emulsifiers market size is expected by Credence Research to reach US$ 3.4 billion by CY 2021 by growing at CAGR of 4.1% over CY 2016- CY 2021, driven by higher growth in the Asia Pacific region (accounts for 26% global share), which is expected to record 4.6% CAGR. Within the Asia Pacific region, emerging economies such as China and India to record higher growth. Europe (which accounts for 33% global share) is expected to also propel demand by growing at 4.2% CAGR. Within Europe, key markets Germany and France will continue to grow at steady CAGR over the next five years. Among product categories, mono and di-glycerides and natural emulsifiers are expected to drive demand.

Market outlook on global food emulsifiers

Source: CRISIL Research, Credence Research

Source: CRISIL Research, Credence Research

Key Global Drivers of Growth

- Increasing awareness among food processors about advantages and applications of food emulsifiers in various applications like bakery and confectionary industry and dairy, as well as high consumption of ice creams, biscuits, mayonnaise, chocolates, bread, coffee, soft drinks, etc.

- Growing population, higher economic growth and disposable income, and changing lifestyles of emerging nations in Asia such as India, China and Vietnam, leading to high growth of packaged and convenience foods, which require food emulsifiers to sustain quality for longer hours and for enhanced taste, colour and appearance.

    - Rise in health awareness and quality consciousness of consumers in developed nations

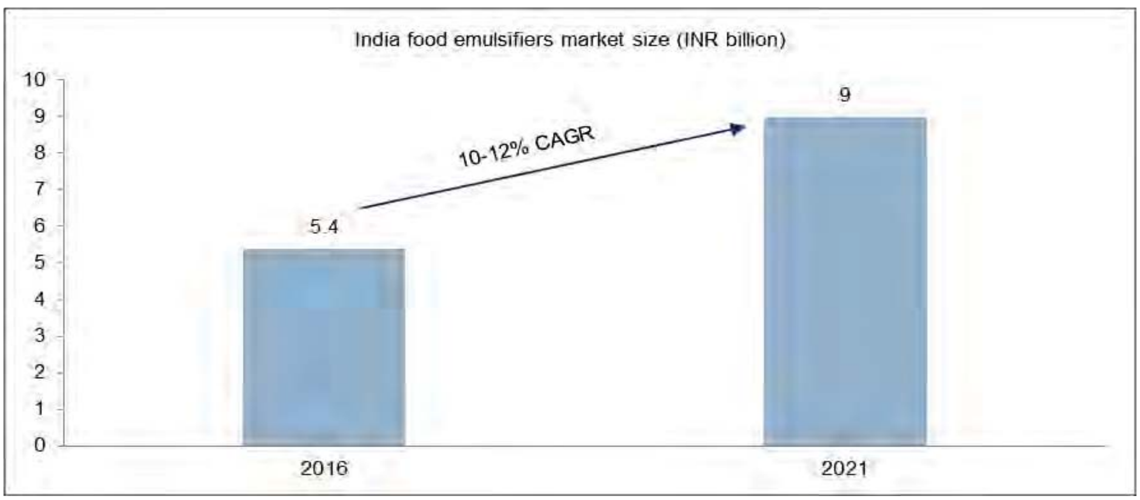
    - Modern lifestyles have increased the demand for healthy packaged and convenience foods. This has led to high consumer demand for trans-fat products, which is driving food processors to use emulsifiers to reduce calories and fat content.

    - Growing population and rising concerns regarding food quality and safety. Emulsifiers can aid in the decrease of salt and sugar content without changing texture and taste of food and associated products.

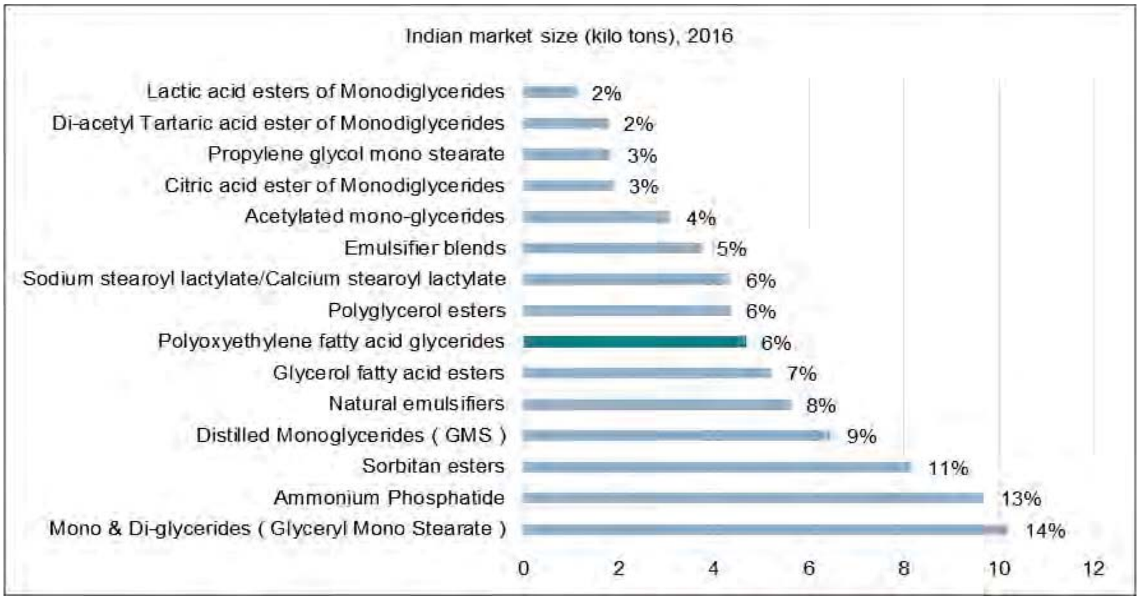
Indian Food Emulsifiers Market Size to Reach ₹ 9 billion by CY 2021

Indian food emulsifiers market size is estimated to be ₹ 5-6 billion in 2016. Going forward, between CY 2016 and CY 2021, CRISIL Research expects the Indian food emulsifiers market size to reach ₹ 9 billion by CY 2021 by growing at 10-12% CAGR driven by healthy growth in convenience and packaged food segments, especially the premium food segments. Changing lifestyles and hectic work schedules are widening the market for processed and packaged convenience foods. The booming organised retail sector further extends the reach of processed foods. Change in eating habits and frequent introduction of new products and product lines, particularly in the functional food and beverage market for low-fat, low-calorie products, necessitates usage of food emulsifiers.

Indian food emulsifiers market outlook



Source: CRISIL Research, Credence Research



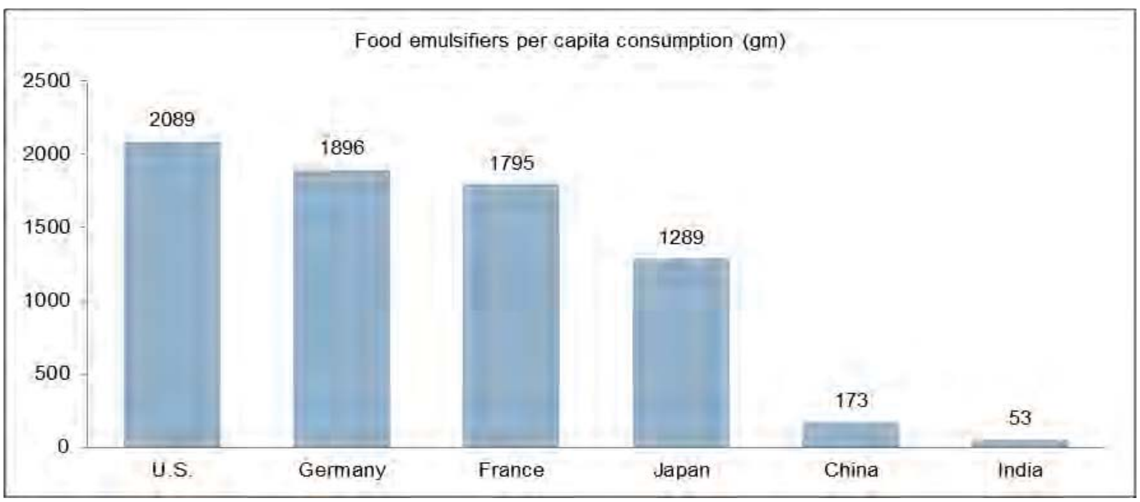
Source: CRISIL Research, Credence Research

Coloured products not manufactured by Fine Organics

Low Per Capita Consumption of Food Emulsifiers

India has a low food emulsifiers per capita consumption compared to developed countries. This is because, in developed countries, there has been increased demand for convenience and packaged foods due to high levels of urbanisation and higher disposable incomes. Packaged foods require various food additives to preserve quality of food for long hours, enhance taste, colour and appearance, etc. Consequently, growth in the consumption of convenience and packaged foods will also translate into demand for food emulsifiers. This will lead to rise in per capita consumption of food emulsifiers in India.

Food emulsifiers per capita consumption comparison



Source: CRISIL Research, Credence Research

Note: Per capita consumption is estimated based on the considered sample set of food emulsifiers

End-use Sector: Growth Outlook on Consumer Foods Industry

Food additives are predominantly used in consumer foods to keep food fresh for longer times, improve appearance, enhance taste, etc. Consumer foods that are packaged have special requirements, compared to home consumer food. Hence, food additives are a must for the consumer foods industry. Thus, the growth in consumer foods industry necessarily translates into growth of a food additives industry.

Indian consumer foods industry is growing at a healthy rate, led by increasing number of nuclear families, rising affluence of the middle class and increasing number of working women. The industry can be classified into four sub- segments: bread and bakery items; chocolates and confectionery; snacks; and ready-to-eat ("**RTE**")/ready-to-cook ("**RTC**") items. Between 2011-

12 and 2015-16, the industry grew at 12-14% CAGR to ₹ 1 trillion, led by improvement in the living standards, rising urbanisation and changing consumer preferences. Over the next five years, CRISIL Research expects Indian consumer foods industry to grow at a robust 13-15% CAGR, as players aim for higher market penetration in rural areas, wider variety of products and continuous innovation with changing consumer preferences for premium food products with increasing affluence in India following healthy GDP growth.

Growth prospects for end use sectors of food emulsifiers

Category	Market size (2016-17) ₹ billion	Estimated CAGR over 2011-12 to 2016-17	Forecasted CAGR over 2016-17 to 2021-22
Bakery Items	**400**	**12%**	**13-15%**
Biscuits	280	13%	13-15%
Breads and Others	120	10%	10-12%
Confectionery	**200**	**15%**	**14-16%**
Chocolate	108	14%	13-15%
Sugar based	92	15%	14-16%
Snacks	**440**	**14%**	**13-15%**
RTE/RTC	**90**	**10%**	**19-21%**

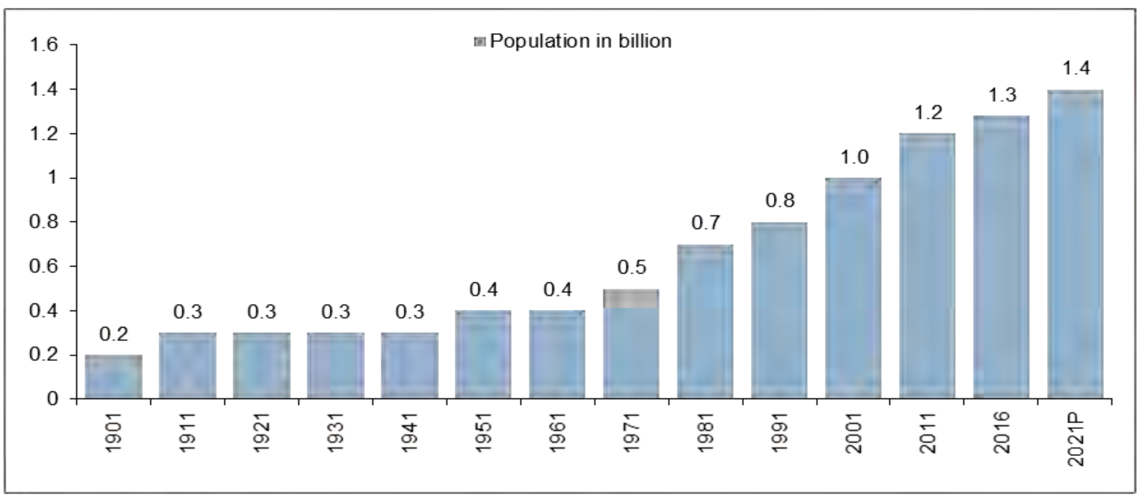
Source: CRISIL Research

Growth Drivers of Consumer Foods

<u>Population on the Rise; Urbanisation has Increased to 31%</u>

India's population as of 2011 was 1.2 billion, having registered annual growth at 1.64% from 2001 to 2011 and decadal growth of about 17.6%. It is expected to grow 13% till 2021 – a 1.18% annual growth rate.

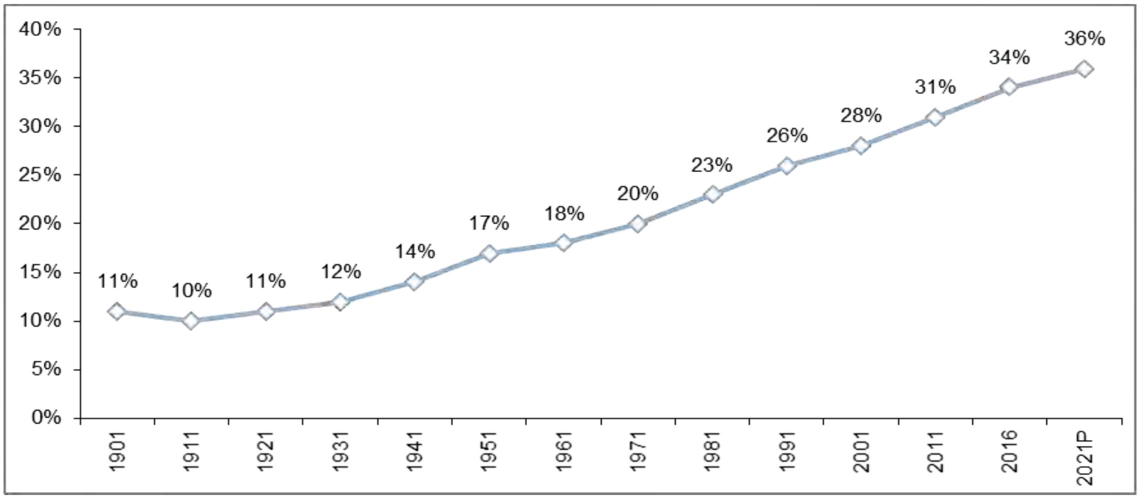
India's population growth



Source: Census 2011, CRISIL Research

The urban population as of 2011 was 377 million, marking annual growth of 2.8%; the rural population stood at 833 million, growing annually at 1.16%. Urbanisation levels have risen from 28% in 2001 to about 31% in 2011. As stated above, between 35-37% of the population is expected to live in urban areas by 2021. The rise in urban population will translate to higher demand for packaged and convenience foods.

Urban population as percentage of total population



Source: Census 2011, World Urbanisation Prospects: The 2011 Revision (UN), CRISIL Research

Higher Working Women Population

The Government has taken several steps to create a congenial work place like its decision to increase maternity leave to 26 weeks is expected to raise number of working women in coming years. This will lead to lesser cooking time at home and more dependence of families on packaged foods over the coming few years. Over the past decade, more women are working or are becoming self-employed, leading to lesser time spent by them at home in cooking. This has boosted sale of packaged foods, especially in the RTE/RTC segments. According to the World Bank, female participation in Indian labour force was 26% in 2016 vis-à-vis world average of 49.5%. Large gap in comparison to world average clearly indicates that going forward, number of working women in India will increase along with an improvement in economy, growing opportunities and Government initiatives.

Increasing Per Capita Income

India's per capita income grew at a healthy rate in three years up to 2015-16, rising to ₹ 93,653 in 2016-17 (base year 2011-12). In real terms, per capita income is estimated to have grown 5.9% in 2016-17 compared with 6.6% in the preceding Fiscal. The buoyant trend in per capita income is expected to continue. In the short-to-medium term, disposable income will rise as a result of the implementation of the Seventh Pay Commission's recommendations, the One Rank One Pension scheme, and sustained low inflation. This will be an enabler for domestic consumption.

Per capita income and Net National Income ("NNI") trend

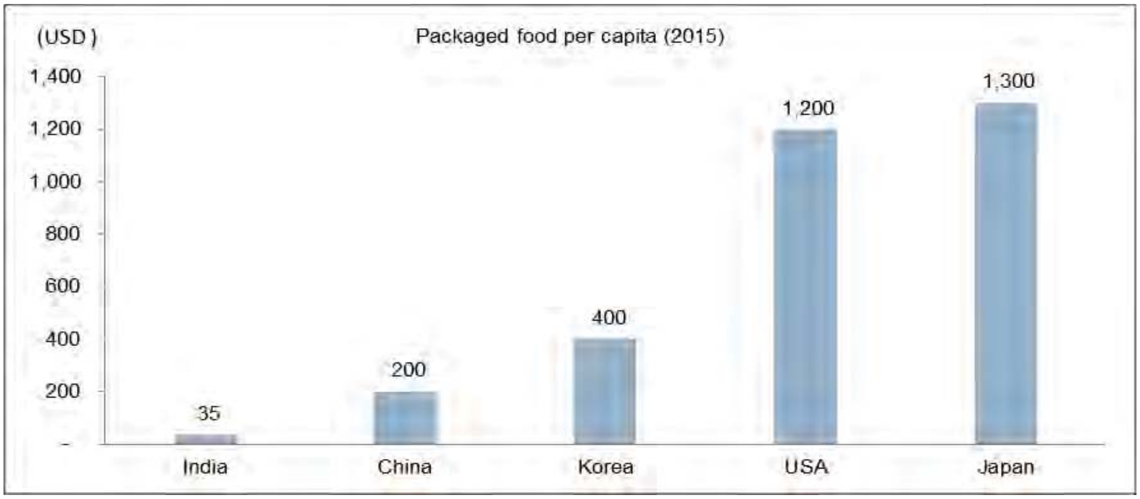
Item	Level in 2016-17 (INR)		Growth at constant prices (in per cent)			
	Current Prices	Constant Prices	2013-14	2014-15	2015-16	2016-17
Per Capita Income	117,406	93,653	5.20%	5.80%	6.60%	5.80%
Per Capita NNI	103,818	82,112	4.80%	5.80%	6.60%	5.90%

NNI Source: CSO, CRISIL Research

Low Penetration of Processed Foods

Penetration levels (defined as volume of processed foods divided by total volume of food in that segment, after adjusting for input-output norms) of consumer foods in India is only about 10% in 2016. Per capita consumption of packaged food is also low in India compared to other emerging countries and developed countries. Going forward, CRISIL Research expects that a rise in urbanisation and change in consumer life-styles, would lead to higher consumption of processed foods. Increasing preference for processed foods is likely to increase demand for food additives going forward.

Packaged food per capita comparison



Source: CRISIL Estimated figures

Innovation in Food Additives, Product Mix and Packaging, and Catering to Markets Across Price Points

Increasing focus on taste, quality, development of new food additives and better packaging is leading to higher shelf-life of products in the consumer foods industry. Companies are also increasingly manufacturing products across price points, and innovating products to cater to different consumers with varying tastes and preferences. CRISIL Research expects this to trigger a significant rise in penetration levels of various segments within the consumer foods industry, precipitating sharp industry growth over the medium term.

Healthy growth in consumer foods industry due to above-mentioned drivers will result in robust growth for food additives market in India. In addition, CRISIL Research expects that fundamental factors like increasing penetration of food additives due to awareness of advantages of food additives, increasing preference for natural additives, etc. will also dictate demand for oleochemical-based food additives in India.

List of key consumer foods industry players

Company	Bakery Items	Confectionery	RTE/RTC
Nestle India	N	Y	Y
Britannia Industries Ltd	Y	N	N
Mrs Bector's Food Specialities	Y	N	N
The Ravalgaon Sugar Farm	N	Y	N
Lotus Chocolate	N	Y	N
ADF Foods	N	N	Y
Bambino Agro Industries	N	N	Y

Source: CRISIL Research

Plastic Additives' Overview and Demand Outlook

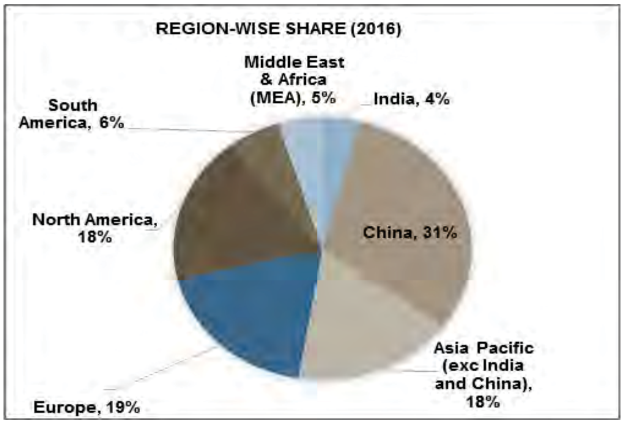
Overview and Applications

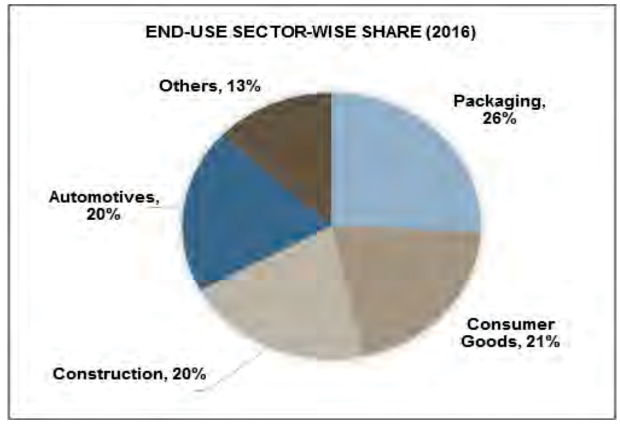
Plastics products are essentially made from polymers. However, basic polymer material is mixed with a complex blend of materials collectively called as plastic additives. Plastic additives impart key properties to plastics that are critical from functional perspective such as ease the plastic processing, improve aesthetics of plastics, save money by improving efficiency of plastic function, make plastics safe, make plastics clean and healthy, increase plastics life and make plastics environment friendly.

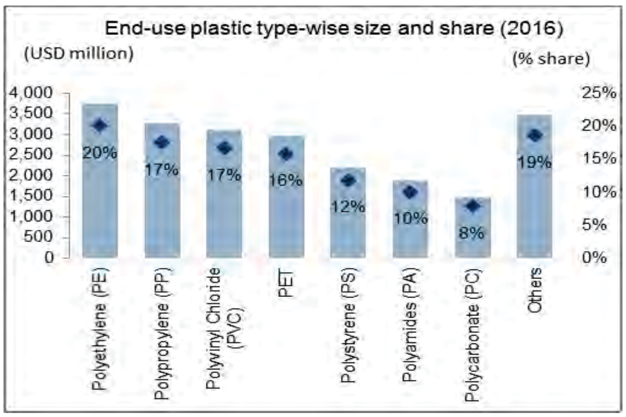
Global Plastic Additives Market Estimated to be US$22 billion in CY 2016

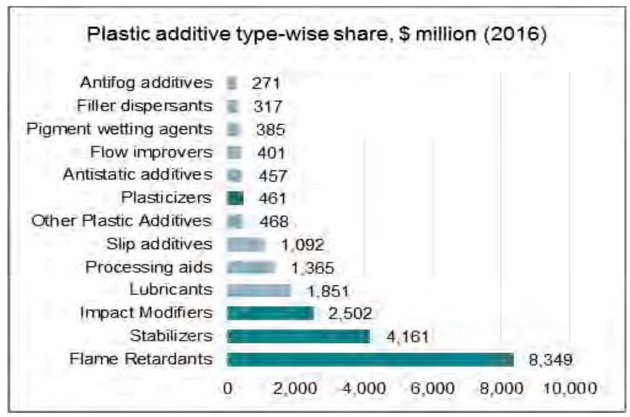
In CY 2016, the overall global plastic additives market size was estimated to be US$22 billion. Asia Pacific is the largest consuming region with a 53% share of global market. Among end-use sectors, the packaging sector dominated plastic additives offtake with a 25% share of global market. Among the end use plastic types, polyethylene category was the largest with a 16% share.

Snapshot of global plastic additives market









Source: CRISIL Research, Mordor Intelligence

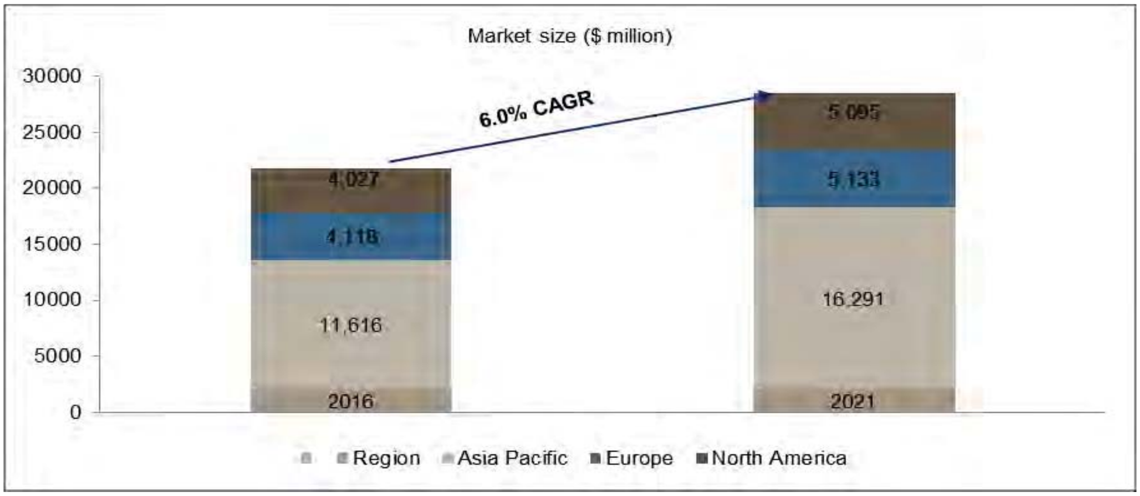
Coloured products not manufactured by Fine Organics

Global Plastic Additives Market Size to Reach US$ 30 billion by CY 2021

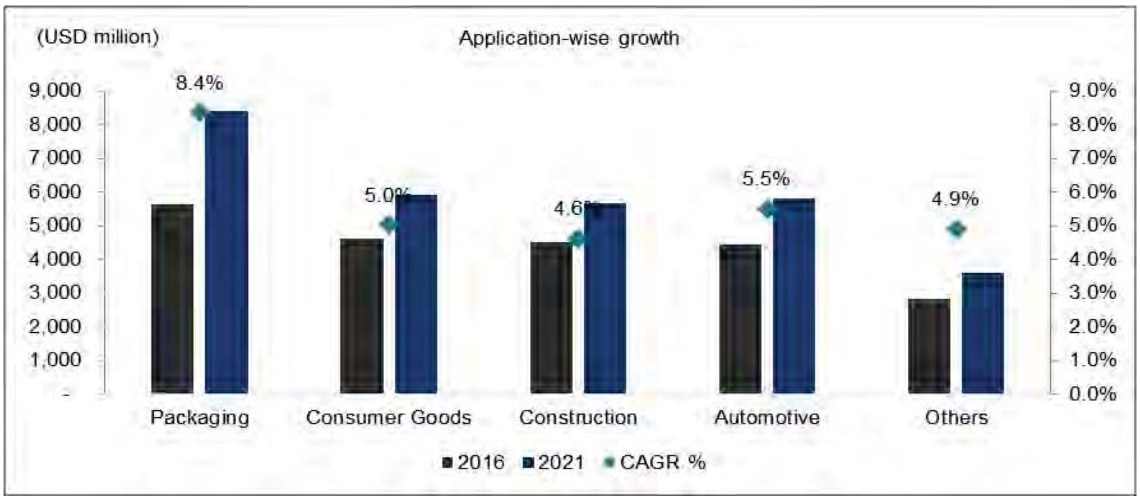
Mordor Intelligence expects global plastic additives market size to reach US$ 30 billion growing at 6.0% CAGR over CY 2016-CY 2021 driven by higher growth of 7% CAGR in the Asia Pacific region. Within the region, China and India are expected to record higher growth of 8% and 6.4% CAGR, respectively. Steady recovery in the economy of Europe and the United States is also expected to aid the demand for plastic additives from these regions.

The packaging sector will continue to drive demand by growing at 8.4% CAGR with increased usage of packaging in emerging Asian countries due to surging organised retail and e-commerce. Increasing plastic consumption in the automobile sector across the world will also benefit the plastic additives market. Demand from the automotive sector for plastic additives is expected to grow at 5.5% CAGR over CY 2016 to CY 2021. Among the end-use plastic types, polyethylene segment will drive the demand by growing at 7.2% CAGR over CY 2016 to CY 2021.

Global plastic additives market outlook



Source: CRISIL Research, Mordor Intelligence



Source: CRISIL Research, Mordor Intelligence

<u>Global Plastic Additives - Key Growth Drivers</u>

Plastic additives' demand growth is linked to the growth of plastic industry where they are used as secondary materials.

<u>High Growth in Asia Pacific Region</u>

Asia Pacific is the largest and fastest-growing market for plastic additives in the world. The growing packaging industry coupled with increased demand from the retail industry drives the plastic additives market in the region. The automobiles industry in India and China is expected to grow at a healthy pace, thereby increasing the demand for plastic additives. Plastic resin industries are witnessing high growth in developing nations such as India and Brazil.

<u>Increased Substitution by Plastic Materials</u>

Globally, substitution of traditional materials such as metal, paper, and glass by plastic materials such as PE, PP, and PVC has increased in the recent years, and this trend will continue over the coming years. Plastic material usage is being driven by low cost (especially due to low crude oil prices), better aesthetics, long life, superior properties and easy transportation. Higher demand for plastic products will also translate into healthy demand for plastic additives.

<u>Development of New Plastic Additives</u>

Development of novel plastic additives to meet the emerging needs is also increasing the market potential for plastic additives. These polymers and plastic additives are majorly used as property modifiers to enhance the quality of products such as upholstered furniture, wires and cables, construction, and wood composites.

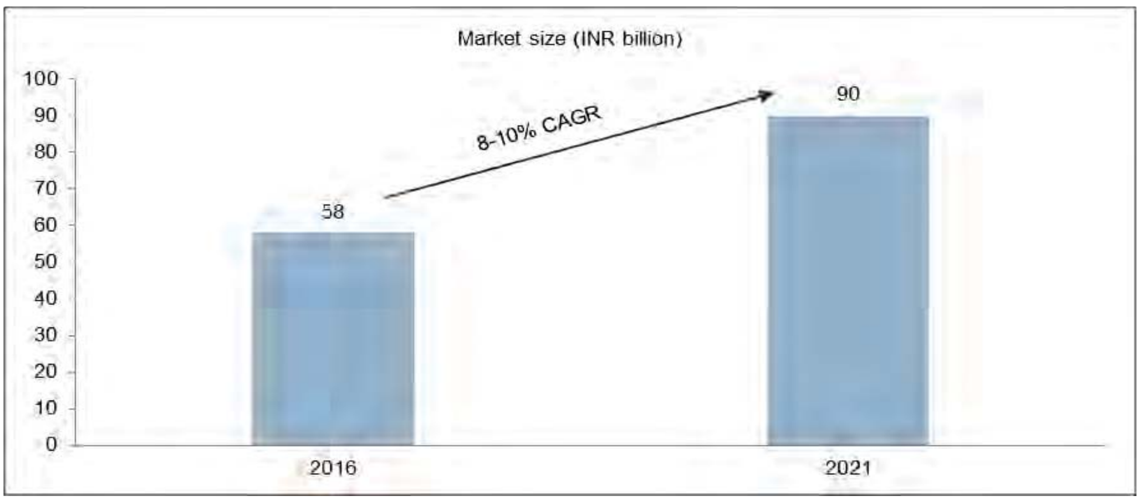
Increasing Preference for Non-Toxic Plastic Additives will Drive Demand for Natural Derivatives like Vegetable Oil-Based Oleochemical Derivatives

Increasing environmental awareness and intervention by Governments of various countries to promote non-toxic plastic additives are promoting production and usage of natural raw material based plastic additives. For example, in the United States, application of phthalates in the manufacturing of toys and other children's product is banned under the guidance of the Consumer Products Safety Improvement Act. In response, the industry started developing natural and/or biodegradable plasticisers with low toxicity and good compatibility with several plastics, resins, rubber and elastomers, for substitution of conventional plasticisers such as phthalates. As oleochemical-based additives are derivatives of vegetable oils, which are natural sources, demand for these products is expected to be even higher than overall plastic additives growth.

India Plastic Additives Industry

The Indian plastic additives market size is estimated to be ₹ 55-60 billion in CY 2016. Going forward, between CY 2016 and CY 2021, Indian plastic additives market size to reach ₹ 90 billion by growing at 8-10% CAGR driven by increased usage in the polymer (PE, PP, and PVC) sectors, which are expected by CRISIL Research to grow at a healthy 8-10% CAGR driven by the factors mentioned below. In particular, CRISIL Research expects premium packaging segments to drive the growth for plastic additives.

Indian plastic additives market outlook

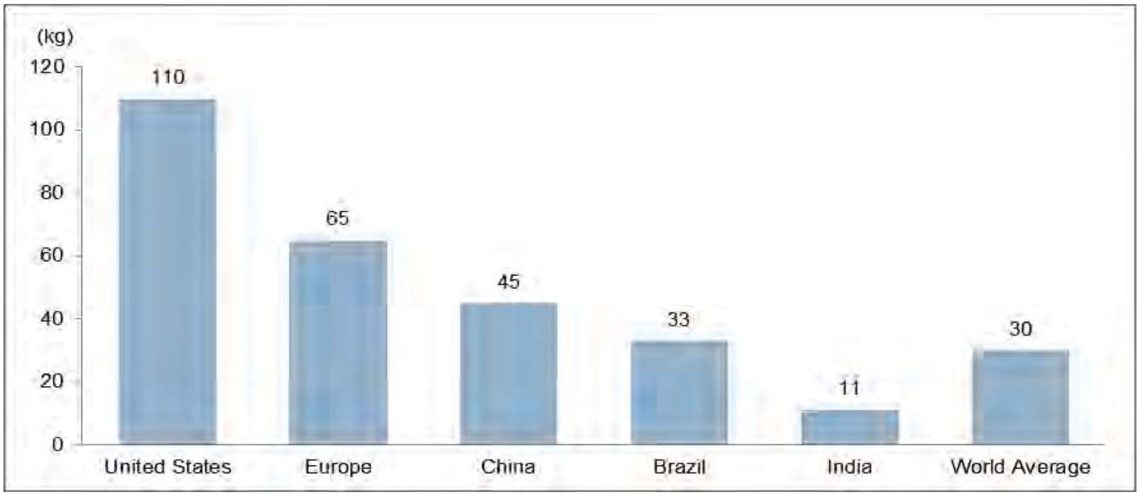


Source: CRISIL Research, Mordor Intelligence

India has Low Per Capita Plastic Consumption

India has very low per capita plastic consumption of approximately 11 kg compared with the global average of 30 kg. Traditional materials dominate the application areas of plastic. However, over the past two-three years, low crude oil prices along with superior properties of plastic have increased plastic usage in India. Hence, CRISIL Research expects per capita consumption to slowly inch up towards the global average. This will lead to higher demand growth for Indian plastic resin industry. High plastic resin growth will increase the demand for plastic additives as well.

India's per capita plastic consumption comparison



Source: CRISIL Research, industry

Healthy Growth in Downstream Plastic Raw Material Industry

Growth in plastic additives consumption parallels the growth of plastic resins. Hence, higher growth in plastic resins translates into higher demand for plastic additives. CRISIL Research expects plastic resins demand to grow at 9-10% CAGR between 2016-17 and 2021-22 because of recovery in major consumer segments such as packaging, automobiles, irrigation, construction and consumer durables. Additionally, demand could also come from continued substitution of metal pipes with plastic pipes and glass and metal containers with plastic containers, as well as from increasing use of plastics for packaging due to its superior quality and cost effectiveness.

Key plastic resins growth outlook

Plastic Material	Industry size (KTPA) in FY17	Growth CAGR (FY12 to FY17)	Growth CAGR (FY17 to FY22)	Growth Drivers
Polymers				
Polyethylene (PE)	4,200	7.10%	9-10%	*Pick-up in demand from major end-user segments, such as packaging, automobiles and infrastructure *HDPE demand to be driven by films segment *LLDPE demand to be driven by general packaging and liquid packaging segments *LDPE demand to be driven by increased demand from processed foods and retail packaging segments
Polypropylene (PP)	4,200	2.00%	9-10%	*Offtake from the raffia segment, which traditionally accounts for nearly 35% of PP demand to be supported by healthy demand from end-user segments such as cement and fertilisers. *Offtake from the fibre & filament and impact copolymer segments will be led by growing applications in end-use segments such as technical textiles and blow-moulded packaging applications.
Polyvinyl chloride (PVC)	3,200	8.40%	9-10%	accounts for over 70% PVC resin coonsumption will drive the growth *Pipes growth to be driven by investments in the irrigation, water-supply and sanitation segments, as well as continuing substitution of metal pipes with PVC pipes.
Styrenics				
Acrylonitrile butadiene styrene (ABS)	220	10.70%	6-7%	*Demand from the home appliances and electronics segments to drive the ABS growth *Demand from automobiles segment also expected to drive the ABS offtake
Polystyrene (PS)	260	2.00%	8-9%	*High growth in end use-segments such as refrigerators, television sets, washing machines, and air-conditioners will drive the demand

Source: CRISIL Research

Polyethylene Demand to Increase at 9-10% CAGR over 2016-17 to 2021-22

Over 2016-17 to 2021-22, CRISIL Research expects domestic PE demand to increase a higher 9-10% CAGR, as demand from major end-user segments such as packaging, automobiles and infrastructure, pick up. Within PE, low density polyethylene

(“**HDPE**”) to grow 8-9% CAGR, and low density polyethylene (“**LDPE**”) and linear low density polyethylene (“**LLDPE**”), 9-10% CAGR, driven by offtake from the films sub-segment.

- Over the next five years, HDPE demand to be driven by the films segment (22% share of HDPE demand) that CRISIL Research expects to grow by 10-11% CAGR. Demand from blow moulding and high-molecular HDPE blow moulding segments is projected by CRISIL Research to rise 7-10% CAGR, driven by growing substitution of glass and metal with HDPE for packaging purposes, accounting for over 30% of HDPE demand by 2021-22. Additionally, CRISIL Research expects demand from the pipes segment to grow at a healthy 8-9% CAGR, owing to the thrust on infrastructure. While demand from the bulk packaging segment (raffia) is expected by CRISIL Research to be 7-8% CAGR, it will continue to face competition from the polypropylene segment because of the price differential.

- Over the next five years, CRISIL Research expects LLDPE demand will be driven by general packaging and liquid packaging segments. Higher demand from processed foods and retail packaging segments will also fuel demand for LLDPE films.

- Over the next five years, CRISIL Research expects LDPE demand will be propelled by higher demand from the processed foods and retail packaging segments. While general purpose packaging is expected to grow 10-11% CAGR over the period, demand for extrusion coating will also rise with growing number of applications.

CRISIL Research Expects PP Demand to Increase at 9-10% CAGR over 2016-17 to 2021-22

CRISIL Research projects domestic PP offtake to rise approximately 9-10% CAGR between 2016-17 and 2021-22. Growth in economic activity will revive demand from the cement packaging and automobiles segments.

- Offtake from the raffia segment, which traditionally accounts for nearly 35% of PP demand, is expected by CRISIL Research to improve at 8.5% CAGR, supported by healthy demand from end-user segments such as cement and fertilisers.

- Offtake from the fibre and filament and impact copolymer segments is expected by CRISIL Research to record 10-11% CAGR each, led by growing applications in end-use segments such as technical textiles and blow- moulded packaging applications.

- Greater usage of random copolymer (primarily used in rigid containers, bottles and housewares) would support 14% CAGR.

CRISIL Research Expects PVC Demand to Increase at 9-10% CAGR over 2016-17 to 2021-22

CRISIL Research expects PVC demand to increase at 9-10 % CAGR from 2016-17 to 2021-22, on account of higher offtake from the pipes and fittings segment.

- Offtake from the pipes and fittings segment is projected to record 10% CAGR. Main sub-segments propelling the offtake will be investments in the irrigation, water supply and sanitation segments, as well as continuing substitution of metal pipes with PVC pipes. The Government's focus on increasing irrigation in areas not fed by rains, through the Prime Minister Krishi Sinchayee Yojana (allocation ₹ 500 billion), is expected to increase demand for PVC pipes and keep industry growth strong over the next five years. The Government's ‘Housing for All by 2022' scheme to provide 20 million houses in urban areas and 40 million houses in rural areas, will also generate demand for pipes.

- Offtake from films and sheets, and calendering is projected by CRISIL Research to grow at 10-11% CAGR, led by demand from consumer-driven sectors, such as pharmaceuticals and packaging.

- CRISIL Research expects offtake from the profiles, wires and cables segments is expected to be moderate

CRISIL Research Expects Polystyrene Demand to Increase at 8-9% CAGR over 2016-17 to 2021-22

CRISIL Research expects polystyrene offtake to rise at 8-9% CAGR between 2016-17 and 2021-22, led by rising demand from the electrical and electronics, and thermoforming and extrusion segments. Demand for these segments will, in turn, be spurred by the demand from end-user industries such as automobiles and consumer durables.

Between 2016-17 and 2021-22, CRISIL Research expects demand for major products such as refrigerators, television sets, washing machines, and air conditioners to register approximately 9% CAGR, vis-à-vis 2.5% over the past five years. This, in turn, will translate into strong growth for polystyrene. Demand from the automobiles segment is also expected by CRISIL Research to witness 11% CAGR, led by growth in automobiles production. Applications such as disposable trays and hot/cold beverage glasses from the thermoforming and extrusion segment, and demand from other applications such as stationery, toys, and household articles will contribute to approximately 7.5% CAGR.

CRISIL Research Expects Acrylonitrile Butadiene Styrene ("ABS") Demand to Increase at 8-9% CAGR over 2016-17 to 2021-22

Going forward, during 2016-17 to 2021-22, CRISIL Research expects demand for ABS to increase 6-7% CAGR, driven by demand from home appliances and electronics segments, which CRISIL Research expects to increase 8- 9% CAGR. ABS demand from the automobiles segment is also expected by CRISIL Research to witness 11% CAGR, led by expected growth in automobiles production.

Healthy growth for the above-mentioned plastic resins will result in healthy growth for the plastic additives market in India. In addition, fundamental factors like increasing penetration of plastic additives, increasing awareness of advantages of plastic additives, increasing preference for premium aesthetic packaging materials, which require plastic additives, increasing preference for natural additives, etc., will drive the demand for plastic additives in India.

List of key plastic resin players

Category	Polymers			Styrenics	
Company	**PE**	**PP**	**PVC**	**ABS**	**PS**
Reliance Industries	Y	Y	Y	N	N
OPAL	Y	Y	N	N	N
Haldia Petrochemicals	Y	Y	N	N	N
Indian Oil	Y	Y	N	N	N
Brahmaputra Cracker and Polymer Limited	Y	Y	N	N	N
GAIL	Y	N	N	N	N
Mangalore Refinery and Petrochemicals	N	Y	N	N	N
Hindustan Mittal Energy Limited	N	Y	N	N	N
Chemplast Sanmar	N	N	Y	N	N
Finolex Industries	N	N	Y	N	N
DCW	N	N	Y	N	N
DCM Shriram	N	N	Y	N	N
Styrolution ABS	N	N	N	Y	N
Bhansali Engineering Polymers	N	N	N	Y	N
Supreme Petrochem	N	N	N	N	Y
LG Polymers	N	N	N	N	Y
BASF	N	N	N	N	Y

Source: CRISIL Research

OVERVIEW OF OTHER ADDITIVES AND END-USE SECTORS GROWTH OUTLOOK

Cosmetic and pharmaceutical Additives Overview and End-Use Sector Growth Outlook

Cosmetic and pharmaceutical additives are ingredients added in cosmetic and related pharmaceutical products to achieve certain specific properties. They have various functions such as enabling the manufacturing of cosmetic and pharmaceutical products with different structures like creams, gels, pastes, lotions, solutions, varnishes, sticks, powders and aerosols. They aid cosmetic products in achieving long-term physical stability for transport and storage; inhibit germination through moulds, yeast and bacteria; increase chemical stability of sensitive active agents towards atmospheric oxygen; and influence sensory perception like consistency, dispersion on the skin, scent (fragrance) and colour.

Outlook for Indian Cosmetics Sector

Cosmetic additive demand growth in India will depend on growth prospects for end-use cosmetics sector. CRISIL Research expects cosmetics industry revenues that are estimated to be ₹ 24-25 billion in 2016-17 to grow at 10-12% CAGR over 2016-17 to 2021-22 vis-à-vis 8-10% CAGR over 2011-12 to 2016-17 with volume growth coming largely from rural areas through increasing penetration and marketing initiatives. Monsoons, however, remain a crucial factor that will influence extent of recovery in rural spending. The roll-out of Seventh Pay Commission will help demand growth. Growth in demand for relatively under-penetrated products like shampoos, hair dyes, and hair colours is being driven by better availability, increase in per capita consumption. Strong growth has been witnessed in emerging categories across various product lines. Market trends like spread of organized retail to Tier II cities, development of non-traditional segments like men's cosmetics (with products like hair gels and fairness creams) and development of a wide range of products at different price points could contribute to growth of domestic cosmetics sector.

At a global level, CRISIL Research expects the cosmetics industry to grow at 4-4.5% CAGR over 2017-2022. Growth will be driven by a rise in disposable incomes, changing lifestyles, rising demands of skin and sun care products due to varying climatic conditions. A shift of preference towards natural and organic beauty products, particularly in the United States and European countries, is also driving the growth of the cosmetics market.

Rubber Additives Overview and End Use Sector Growth Outlook

An elastomer without additives is normally not strong. It would not be able to maintain its shape after deformation, is very sticky, has less resistance to solvents and is vulnerable to attack by oxygen and ozone. So, elastomers need to be modified to make useful articles out of it. Additives are added to elastomers to make them meet the performance parameters of specific applications. Compounded rubber (rubbed added with other ingredients) has many unique characteristics that are not present in other traditional materials, such as dampening properties, high elasticity and abrasion resistance. Consequently, rubber is used in applications such as tyres, conveyor belts, dock fenders, building foundations, automotive engine components, hoses, shoe soles and a wide range of domestic appliances.

Outlook for end-use sectors of rubber additives

Styrene-butadiene Rubber ("SBR") and Poly-butadiene Rubber ("PBR") demand to grow at a 6-7% CAGR over 2016-17 to 2021-22

Demand growth for rubber additives in India will depend on the growth prospects for the end-use elastomers sector. CRISIL Research expects both SBR and PBR domestic demand to grow at a CAGR of 6-7% between 2016-17 and 2021-22. Recovery in automobile sales will drive the offtake in SBR. Growth in auto sales would be aided by the improving industrial activity, steady agricultural output, and the Government's focus on infrastructure. Consequently, tyre sales are also projected to record a 6-8% CAGR, backed by higher auto sales. Demand from the non-tyre or other general rubber goods segment is estimated by CRISIL Research to grow at a 7-8% CAGR over this period.

At the global level, CRISIL Research expects SBR and PBR demand to grow at a 3-4% CAGR over the next five years, driven by healthy growth in automobile production in the Asia region.

Paint and coating additives overview and end-use sector growth outlook

The main components present in coating materials, such as paints, are binders, pigments and extenders, solvents and additives. Other than these key ingredients, the additives in a paint composition also have a major influence on the various paint properties. Additives can also significantly modify the properties of the main ingredients of paint such as binder, pigments/extenders and solvents. The typical proportion of a single additive in a formulation is generally around 1.5% of the total quantity of the coating formulation. Although used in very small quantities, additives have a significant impact on application properties and performance of coatings and inks. Additives used in the correct order, at appropriate time, and at right levels, are capable of improving the appearance and durability of a coating, the flow of paints and inks, the efficiency of the manufacturing process, and the sustainability of formulations.

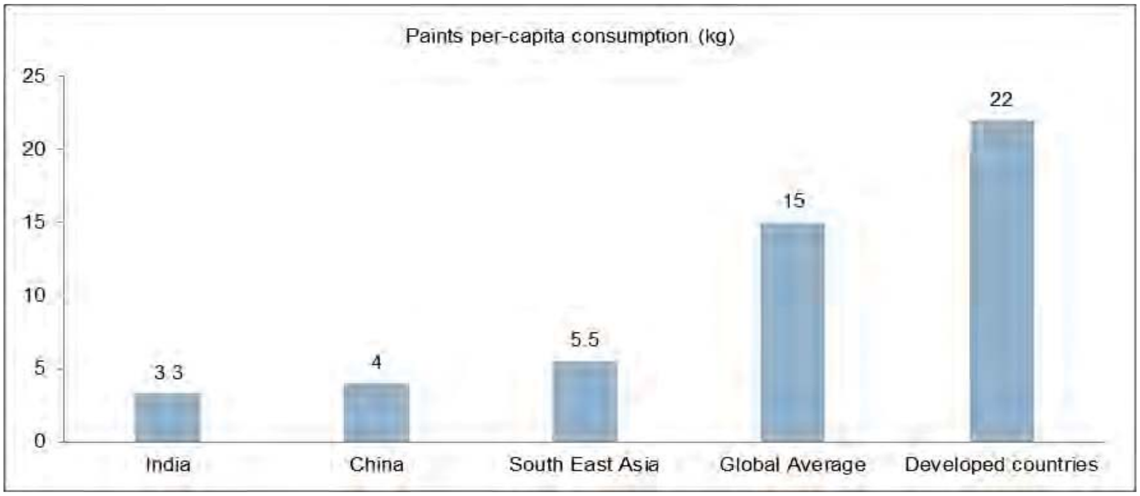
There are many varieties of coating additives, if classified based on their functions.

Outlook for the Indian paints and coatings sector

Paints and coatings additives demand growth in India will depend on the growth prospects for end-use paints and coatings sector. CRISIL Research forecasts the paints and coatings industry to grow at an 8-10% CAGR between 2016-17 and 2021-22. Apart from macroeconomic drivers such as a rise in population, income, Government initiatives, urbanisation, number of nuclear families, and the availability of retail financing options, demand for the paints industry to be guided by the following factors:

A pick-up in the economy: Despite the steady climb, per-capita paint demand in India is still very low at 3.4 kg per year, compared with 4 kg in China, 20 kg in developed countries, and the global average of 15 kg. As the economy picks up pace, disposal income, housing supply and industrial activity will rise resulting in increased consumption of paints. Consequently, India's per-capita paints consumption is bound to increase.

Paints per-capita consumption comparison



Source: CRISIL Research

Increase in the penetration of paints in rural and non-metro cities: In rural and non-metro cities, distemper is the primary product. With the rising household incomes in rural and non-metro cities, CRISIL Research expects the preference for superior aesthetics to rise and, with it, demand for paints. Also, the augmentation of distribution networks in these regions to tap the rising paint demand will contribute to the sector's growth.

At a global level, CRISIL Research expects the paints industry to be driven by factors such as increasing construction spending, rapid urbanization, increasing household consumption expenditure and accelerating economic growth. In addition, CRISIL Research believes the growing popularity for waterborne paints and coatings to offer potential growth opportunities. Niche products such as nano-coatings and green coatings will also gain momentum in the coming years.

OUTLOOK ON RAW MATERIAL VEGETABLE OILS

As discussed in earlier sections, oleochemical-based additives are manufactured from base oleochemicals, that are produced from vegetable oils. Hence additive player's procurement costs are linked to vegetable oil prices. Base oleochemicals are not exchange traded and prices are negotiated between parties.

Global vegetable oils demand and price outlook

CRISIL Research projects the global demand for vegetable oils to slow down over the next five years, because of the decline in biofuel consumption

Vegetable oil demand grew at a 5-6% CAGR over 2011 to 2016, mainly driven by the biodiesel consumption in the past five years, as per CRISIL Research. However, over 2016 to 2021, CRISIL Research expects vegetable oils demand to grow at only 2-3% CAGR, mainly due to a slowdown in biofuel consumption growth.

Supported by the policies to stimulate biofuel production in the second half of 2000s, world ethanol and biodiesel production increased strongly, leading to a rapid growth in the share of global vegetable oil production for biodiesel consumption. For vegetable oils consumption, the share of biofuels grew from less than 1% in CY 2000 to 13% in CY 2016, as per the FAO. However, CRISIL Research does not expect much policy support for biodiesel production, thereby resulting in a decline in the offtake of vegetable oils.

Indonesia and Malaysia will continue to be the major producers of vegetable oils for global consumption in the next five years

Indonesia and Malaysia account for 21% and 12% share of global vegetable oils production, respectively, in CY 2016. About two-thirds of Indonesian and more than 80% of Malaysian vegetable oil production is exported. CRISIL Research believes vegetable oil exports will continue to be dominated by these two countries. CRISIL Research expects the expansion of soybean and palm oil production will depend on the availability of additional new land, which could be constrained by new legislation seeking to protect the environment. This concerns notably oil palm plantations. Biofuel policies in the United States, the EU and Indonesia are also major sources of uncertainty, as they account for a considerable share of vegetable oil demand in these countries.

Despite a slowdown in the expansion of the mature oil palm area, production growth in Indonesia and Malaysia over the next five years, i.e., 2016 to 2021, will be able to meet the incremental demand.

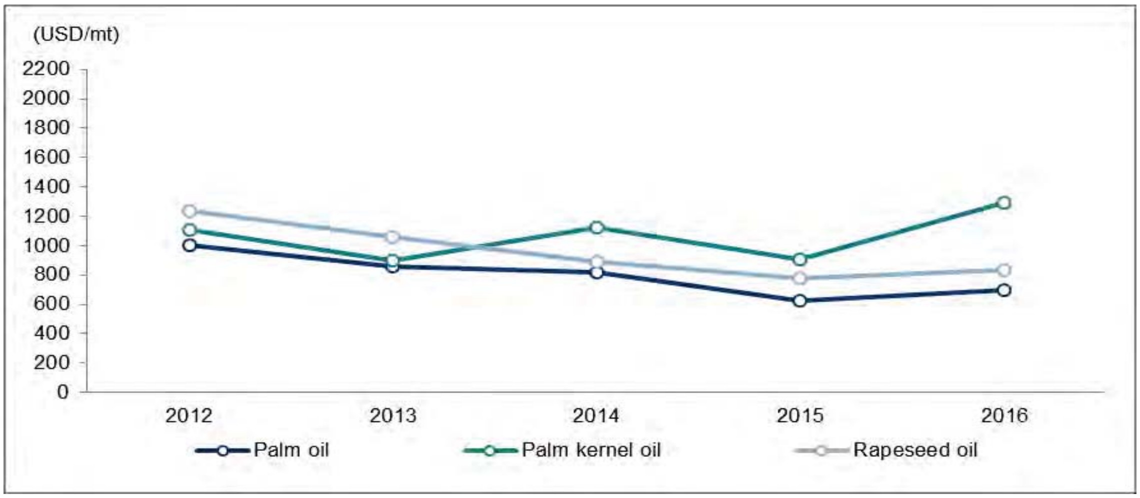
Slowdown in global vegetable oil demand will keep the prices subdued in the next five years

Compared to 2011-2016, demand for vegetable oil is slowing down considerably, due to a decline in the offtake for biodiesel production. However, existing key exporters/suppliers, Indonesia and Malaysia are in a position to meet the incremental demand. Thus, subdued demand amid healthy supply potential will keep the vegetable oil prices range bound.

Vegetable oil types are inter-substitutable for the manufacture of base oleochemicals and derivatives

Base oleochemical manufacturers change vegetable oil type for processing based on market prices. For edible applications also, vegetable oils can be interchanged. Hence, prices of vegetable oils are interlinked with each other due to this mutual substitutability. Typically vegetable oil prices are stable over the years, except in some years hit by disruptions due to natural events. For example, in 2016, El Nino resulted in reduced palm output in the Southeast Asian nations, raising palm oil prices.

Global vegetable oil prices trend



Source: World Bank, CRISIL Research

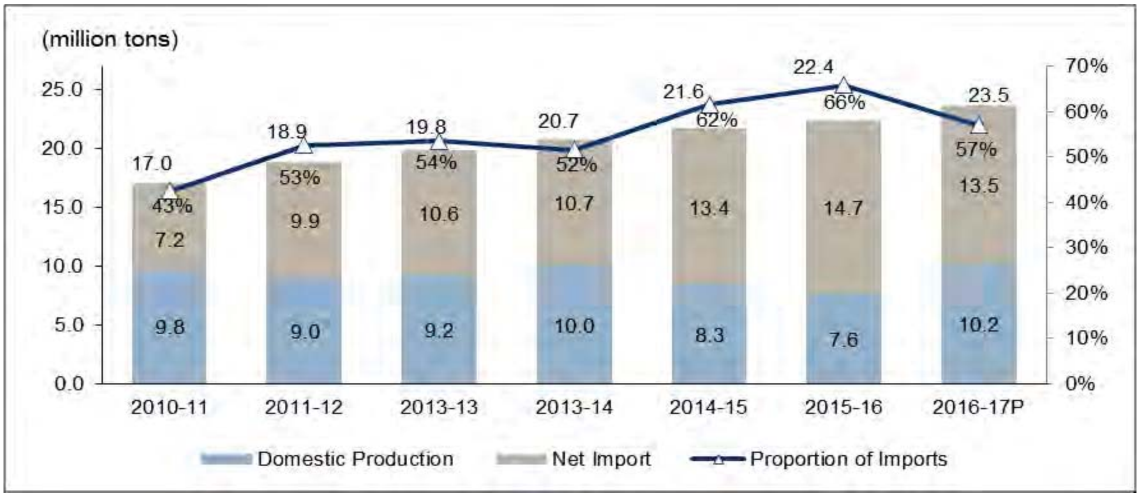
Indian Vegetable Oils – Demand-Supply Scenario

Indian vegetable oil production is short of domestic demand, but competitive imports from Indonesia and Malaysia cater to the needs of domestic vegetable oil consumers

Oilseed production is India is concentrated in seven major oilseed producing states – Madhya Pradesh, Maharashtra, Rajasthan, Karnataka, Uttar Pradesh, Andhra Pradesh and Gujarat, which cover close to 75% of the country's oilseed production. Since most oilseeds are kharif crops, which are grown along the country's western belt, rainfall from the southwest monsoon winds is critical.

However, domestic production, which stood at 10.2 million tonnes in 2016-17, is insufficient to meet the domestic demand. Hence, the country imports vegetable oil to meet the deficit demand. Imports stood at 57% of overall domestic demand in 2016-17. Key global vegetable oil suppliers, Indonesia and Malaysia are key exporters to India also. Prices at which these countries supply vegetable oils to India is also lower compared with domestic supplier prices. Thus vegetable oil consumers such as base oleochemical manufacturers not facing any issues in sourcing.

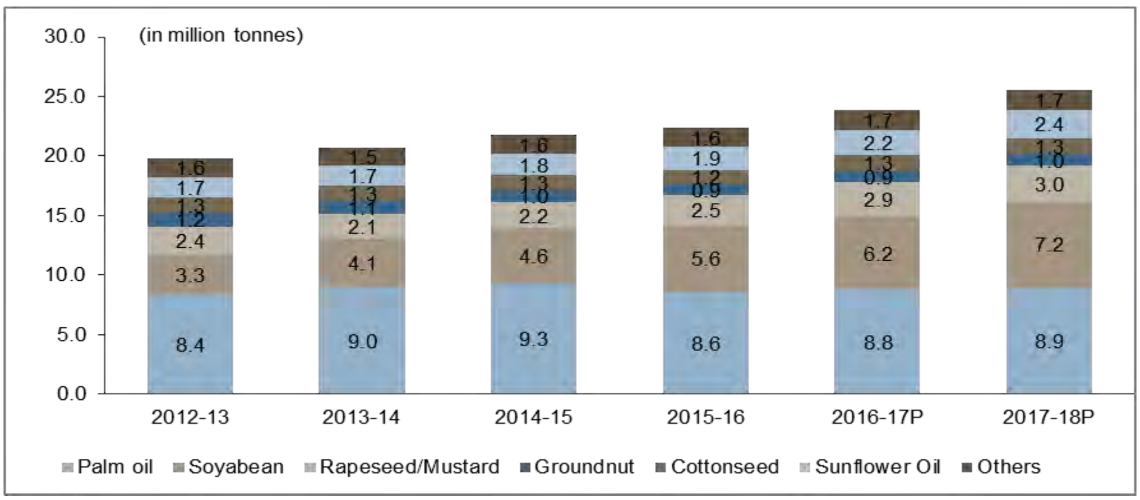
Imports as a proportion of total vegetable oil consumption



P: Projected; MT: Million tonnes

Source: Indexmundi, Ministry of Agriculture, CRISIL Research

Key vegetable oils consumption trend in India



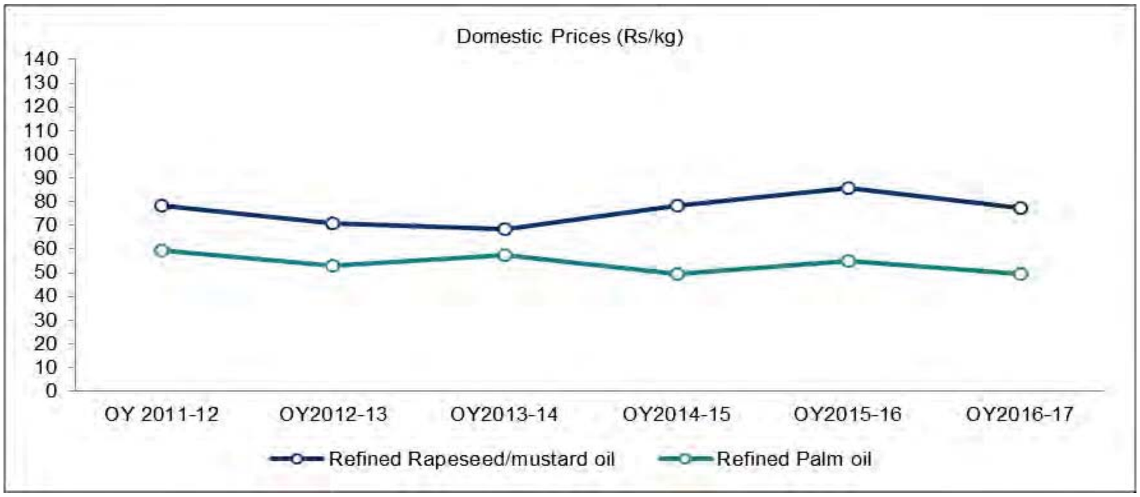
P: Projected; MT: Million tonnes

Source: Indexmundi, Ministry of Agriculture, CRISIL Research

Domestic vegetable oil prices

Domestic vegetable oil prices depend on global demand-supply dynamics as well as domestic output. Duty changes (by the Indian Government and exporting countries) can result in price fluctuations, and hence volatility in demand. Climatic changes and a weak monsoon could impact production of oilseeds as well, and consequently supply. Also, foreign exchange rate volatility impacts prices in the short term.

Domestic prices



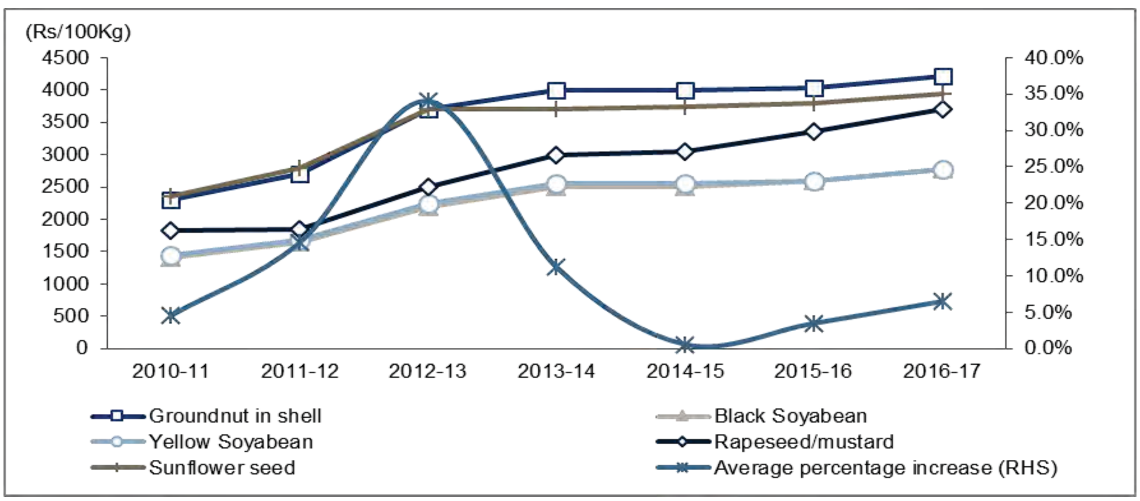
Source: Solvent Extractors' Association of India, CRISIL Research OY: Oil Year (November to October)

MSP does not affect vegetable oil procurement costs

While hiking minimum support prices ("**MSP**") of oilseeds, the Government looks to balance the interests of consumers, farmers and companies. An MSP encourages farmers to increase cultivation and assists proper sales and distribution. When weak monsoons lower crop output, an MSP ensures steady returns for farmers but not so for edible-oil manufacturers.

From 2011-12 to 2013-14, the MSP has been increased by 47%. The hike came at a time when the Indian vegetable oil industry was already battling an oilseed supply crunch. However, MSPs are still lower than the market-determined prices; hence, CRISIL Research believes it will not significantly impact the vegetable oil consumers' procurement costs.

Trends in minimum support prices (MSPs)



Source: Solvent Extractors' Association of India, CRISIL Research

Duty on palm oil imports

Over the years, the Indian Government has gradually increased the import duty on crude palm oil from 0% in April 2008 to 12.5% in September 2015. However, in September 2016, it reduced the import duty on crude palm oil to 7.73% and refined palm oil to 15.5% to boost supply and curb food inflation.

Indonesia changed the export duty on palm oil many times over years and eventually brought it down to 0% in September 2014. However, from March 2015, the Government introduced palm oil export levies, as it failed to generate tax income from the 0% export tax regime. The new policy imposed a US$ 50 per metric tonne levy on crude palm oil exports, and a US$ 30 per metric tonne levy on exports of processed palm oil products. The levy only needs to be paid by exporters when the Government's benchmark CPO price falls below the US$ 750 per metric tonne threshold. Between April 2017 and September 2017, CPO prices ranged US$ 650-750 per metric tonne.

Malaysia, the second-largest exporter of palm oil, also changed the export duty on crude palm oil over years and eventually brought it down to 0% in September 2014, following the reduction by Indonesia to be competitive. However, the Malaysian

Government revised its export duty to 7.5% in February 2017 after a decline in demand.

Import duty structure - India (%)

India (Import duty)	Apr 2008	Jan 2013	Jan 2014	Dec 2014	Sep 2015	Sep 2016
CPO	0	2.5	2.5	7.5	12.5	7.7
Refined Palm Oil	7.5	7.5	10	15	20	15.5

Export duty structure – Indonesia (%)

Indonesia (export duty)	Sep 2011	Oct 2011	Apr 2012	Apr 2913	Sep 2014
CPO	15	16.5	22.5	10.5	0
Refined Palm Oil	15	8	8	4	0

Indonesia	Post Mar 2015
CPO	US$50 per metric ton when CPO prices are below US$750 per metric ton
	Incremental tax structure (which can rise up to 22.5%) when CPO prices are above US$750 per metric ton
Refined Palm Oil	0

Export duty structure – Malaysia (%)

Malaysia (export duty)	Oct 2012	Jan 2013	Sep 2014	Feb 2017
CPO/Refined Palm Oil	23 (0 for first 5 MT)	4.5-8.5	0	7.5

Note: All figures are in percentage points

Source: Press releases, Solvent Extractors Association of India, CRISIL Research

ADDITIVES INDUSTRY – STRUCTURE AND COMPETITION

Industry structure of the oleochemical-based additives industry

Key Industry Factor	Comments
New product development and product formulations	*Typically requires high R&D expenses *Only large scale players can afford *Product formulations kept confidential.
Capex costs	*Process design costs are very high.
Process Technology	*Only a few players have proprietary technology and not sold to other new players.
Customer product approval process	*Lengthy (3-5 years) and costly, so customers prefer approved suppliers.
Quality conscious customers	*Additives are typically under 2% weight in their application materials. Hence customers prefer consistent quality over the additive prices.
Availability of raw materials	*Raw material availability and procurement costs are crucial to be competitive.
Access to markets	*Nearness of manufacturing plants to emerging markets will give logistics cost advantages.

Global oleochemical-based additives industry is dominated by a few large players

There are only a few large players (see the table below) in the global oleochemical-based additives industry. The reason for the presence of only a few players is due to multiple entry barriers, such as product formulations, process technology and customer stickiness to established players. All the established players are enjoying their first-mover advantages. For an entry into this industry, new players won't be able to procure product formulations and process technology from established players, which are reluctant to share their technology and other intellectual properties. Proprietary technology and product formulations with established players is as a result of continuous R&D over decades, in response to the changing needs of food and plastic for environmental and human-friendly materials usage.

List of key companies

Sr. No.	Company	Headquarters
Food Additives		
1	Fine Organics	India
2	Kerry Group	Ireland
3	Danisco	Denmark
4	Palsgaard	Denmark
5	Riken Vitamin	Japan
6	Taiyo	Japan
Plastic Additives		
1	Fine Organics	India
2	Croda	United Kingdom
3	Emery	Malaysia
4	PMC Biogenix	United States
5	Peter Greven	Germany

Lengthy, expensive customer product approval process and innovative technology restrict smaller and new players from entering the additives industry

Additives, although used in minor quantities, are very critical in terms of performance in end-use material, be it food products, plastic products or rubber products. This makes it imperative for the customer using the additive to validate the additive's quality and performance thoroughly. In addition to performance, as many of these additives are used in food, they also need to comply with stringent health and environment-related regulations globally, as explained in the regulatory section. This validation process for additive quality and safety standards is not just time-consuming, but also expensive. Many customers typically take 3-5 years for product approval, after which the additive manufacturer can supply on a commercial basis. This forces additive customers to source tested additives from established suppliers to avoid expensive and lengthy validation tests, if they source from new additive suppliers. Lengthy customer approval process also restricts the entry of new players, as they have to wait for 3-5 years to supply their products on a commercial basis.

Manufacturing additives with high quality requirement needs innovative technology and incurs high manufacturing cost. Capex cost will also be high if players do not have own process design. Innovative technology is also required in testing labs for stringent quality and safety standards of additives. Only large players can enter this industry and develop proprietary technology and manufacturing costs. Hence, unorganised small players are absent in this industry.

Long-term supply contracts prevalent in the additives industry

Prices of oleochemical-based additives' base raw materials, i.e., vegetable oils, are relatively less volatile compared with other commodity prices. This enables additive players to enter into long-term supply contracts with pre-fixed prices, typically of one-year tenure, without being much impacted by the change in vegetable oil prices. Customers also prefer to opt for long-term contracts, as they source from the limited number of suppliers, which have passed the customer's approval processes. Additives are used in minor quantities - typically under 1% weight in plastic materials and under 2% weight in food materials. However, their functional usage is very critical for end-use product applications. Hence, customers don't compromise on the quality of additives to save costs. This means only additive manufacturers that can maintain high additive quality and performance standards can survive in this industry. The criticality also restricts the entry of new players, which want to compete on a cost basis by lowering the quality standards.

Global additive players expanded to emerging nations to tap the growth opportunity

The development of oleochemical additives requires high R&D investments over years by large companies. Thus, regularly coming up with new additives over years through the development and innovation has strengthened the position of these companies globally. As discussed in the earlier sections, additive consumers across the world, such as automotive companies, consumer food companies and plastic product companies, confine to established preferred suppliers, due to issues such as long product-testing periods, criticality of additives and expensive additive- testing costs. When MNC companies in end-use applications expand globally, these end-use companies prefer to source additives for their regional plants from their established additive sources. Thus, the additive companies' market reach is spread across the globe along with end-use application MNC companies.

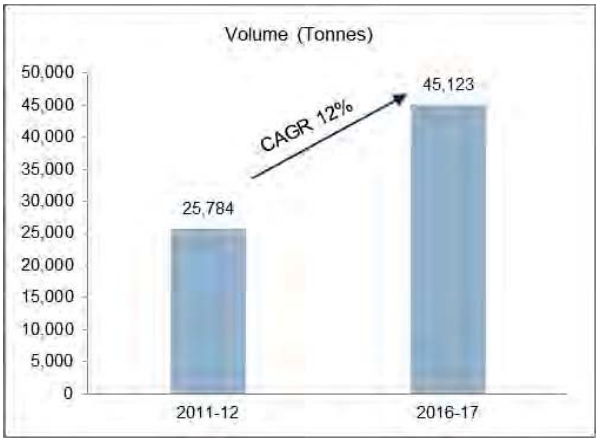
Emerging nations are making a number of efforts to attract manufacturing companies, while developed nations are making chemical companies tough to operate by coming up with stringent environmental regulations. In addition, demand for specialty chemicals (including additives) is growing strong in emerging nations, with the end-use domestic and MNC companies setting up their manufacturing units in emerging nations. As a result, global chemical companies started shifting their manufacturing bases to emerging nations. They are not just catering to the domestic requirement of these emerging nations, but also exporting the surplus to other markets due to manufacturing-cost competitiveness.

Export market offers huge opportunity alongside domestic demand

India traditionally has the advantages of low-cost labour and easy agro-based raw material availability for manufacturers of various natural derivatives. High growth opportunity in India has also encouraged many multi- national companies (MNCs) to start manufacturing plants in India. In fact, many MNCs started setting up excess capacities in India to export the surplus to other countries. Implementation of stringent environmental norms like Europe's REACH regulations in many key developed regions has forced MNCs' to gradually shift their manufacturing bases to India and other developing regions. Consequently, Indian exports of speciality chemicals are growing rapidly.

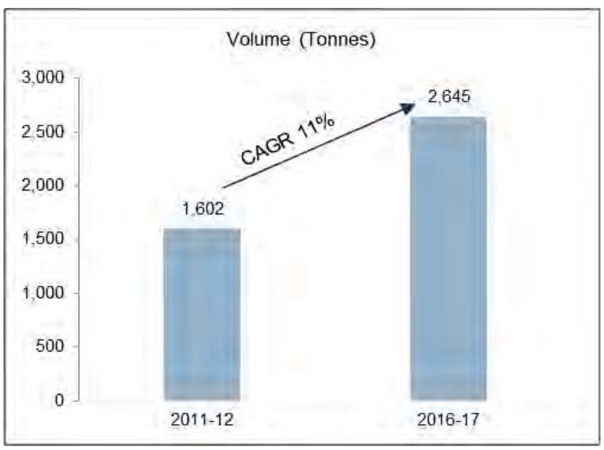
For example, over the past five years (2011-12 to 2016-17), exports category of key plastic additives recorded 12% CAGR. Similarly, key food additives recorded 11% CAGR between 2011-12 and 2016-17.

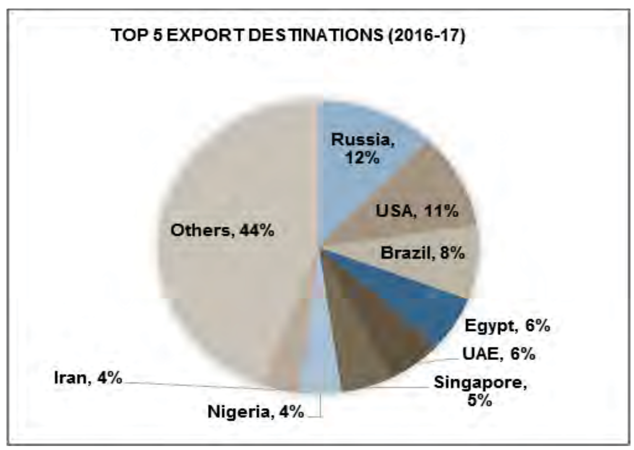
Key Plastic additives exports category trend



Source: Directorate General of Foreign Trade

Key Food additives exports category trend





Source: Directorate General of Foreign Trade

BAKERY INGREDIENTS

Bakery Ingredients Overview and End-use Sector Growth Outlook

Baking ingredients are widely used in various end-use segments such as bread, cookies, biscuits, cakes, pastries, rolls, pies, tarts and cupcakes. Their consumption is driven by the bread segment as it is a staple food in developed countries and affordable to many price-sensitive consumers in emerging economies.

Such ingredients include emulsifiers, leavening agents, enzymes, baking powders and mixes, oil, fats and shortenings, starch, colours and flavours, etc. The baking powders and mixes segment is the largest category.

Customers are increasingly seeking bakery products that are fresh, tasty and have good texture and improved nutritional profile. Modern ingredients, especially organic types, are being developed by the baking industry in response to customer demands for healthier products and healthier living. Innovation in bakery ingredients enabled bakery industry to make products with nutritional benefits such as low in cholesterol, high in fibre and rich in vitamins.

Outlook for End-Use Bakery Industry in India

Demand growth for bakery ingredients in India depends on the prospects for the end-use bakery industry. The market size of the biscuits and bakery products segment is pegged at ₹ 359 billion, and accounted for a 35% share of the Indian consumer foods industry in fiscal 2016. This segment includes biscuits, bread, cakes, pastries and puffs. Biscuits dominate with a 65-70% market share, as they are convenient to carry and come in a variety of options. Bread and other bakery items comprise the rest (30-31%), including bread sticks, rusk, *pav*, buns, cakes and pastries, among others.

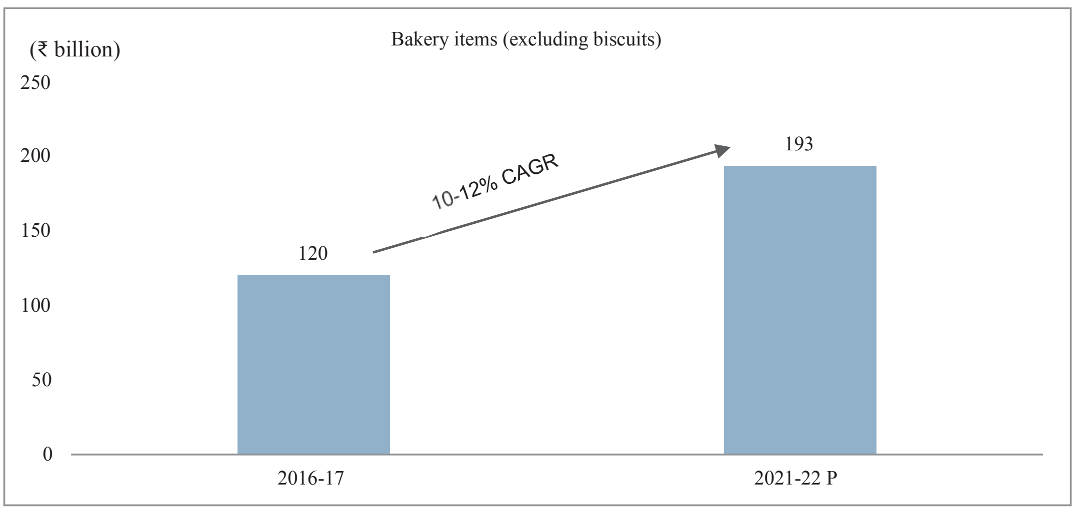
Nutritional value-added bread varieties are on the rise due to increasing consumer health awareness and exposure. White bread is the largest sub-segment in the category with a 70% market share, led by its ubiquitous presence in the domestic market and lower price range. Brown/ multigrain and other nutritional bread varieties, which together account for about 20%, are gaining popularity, especially in metros and tier II cities, led by the rising health awareness.

Other bread varieties include flavoured bread and Italian/herbed bread. These varieties are growing rapidly, led by the increased exposure to global cuisine, coupled with a change in consumption habits. On the other hand, consumption of white bread is growing at a slower pace.

The bread and other bakery items segment has grown at 10% CAGR during the past five years, due to an increase in disposable income and change in consumers' eating habits. With increasing exposure to global cuisine and rising westernisation, bread is increasingly being accepted as a part of regular diet.

CRISIL Research expects the bread and bakery items segment to grow at a stable rate of 10-12% CAGR over the next five years.

Indian bakery industry demand outlook



Source: CRISIL Research

ANIMAL FEED ADDITIVES

Animal Feed Additives Overview and End-use Sector Growth Outlook

Animal feed additives are products used in animal nutrition to improve the quality of feed and of food from animal origin, or to improve the animals' performance and health, e.g., providing enhanced digestibility of the feed materials. There are four general types of feed additives:

Sensory Additives: To stimulate an animal's appetite so that it naturally wants to eat more.

Nutritional Additives: To provide a particular nutrient that may be deficient in an animal's diet.

Zootechnical Additives: To improve the overall nutritional value of an animal's diet through additives in the feed.

Coccidiostats and Histomonostats: These are antibiotic feed additives intended to kill or inhibit protozoa (bacteria/micro-organisms).

Outlook for End-use Poultry Industry In India

CRISIL Research expects the poultry industry to expand at a CAGR of 11-13% in value terms between fiscals 2017 and 2022. The current market size is estimated to be around ₹ 1,100 billion.

An increase in disposable income, health awareness, and growing food processing industry are the main factors driving growth. Growth in income is associated with a diversification of the food basket and an increase in animal based protein intake.

With rising middle class incomes and greater international exposure due to travel and quick service restaurant ("**QSR**") chains, CRISIL Research expects demand for chicken meat and processed chicken meat to rise. Being white meat, broiler meat has the advantage of being a healthier choice vis-à-vis red meats like mutton, pork and beef. Many consumers also prefer poultry meat over other animal protein due to its relatively lower price. Additionally, it has no religious stigma attached for meat eaters, unlike pork and beef (different ethnic groups have cultural and religious prohibitions for eating pork, water buffalo meat, and beef). Indian consumers generally enjoy dark chicken meat, including chicken legs, thighs, and drumsticks, which is also preferred for traditional Indian cooking.

There is also an increase in egg consumption due to its growing acceptance in vegetarian households, and its comparative affordability. However, demand for both segments is seasonal and fluctuates sharply due to religious and cultural practices.

Globally, CRISIL Research expects poultry production to expand in developing and low-cost regions, and stagnate in higher-cost developed regions, while short-term trade interruptions will increase largely due to sanitary concerns.

CRISIL Research expects Brazil to continue to strengthen its position in the world meat and poultry trade, and Thailand will continue to grow as an important source of cooked products. Opportunities are increasing for new countries to emerge as exporters in the long term. The industry facing challenges related to global warming and use of feedstock.

OUR BUSINESS

OVERVIEW

We are the largest manufacturer of oleochemical-based additives in India and a strong player globally in this industry. *(Source: CRISIL Research Report)*. We produce a wide range of specialty plant derived oleochemical-based additives used in food, plastic, cosmetics, paint, ink, coatings and other specialty application in various industries. As at March 31, 2018, we had a range of 387 different products sold under the 'Fine Organics' brand. We are the first company to introduce slip additives in India and we are the largest producer of slip additives in the world *(Source: CRISIL Research Report)*. Our success is the result of sustained efforts over the decades in all areas of our business, such as product innovation, process technology improvements, increases in scale, improved raw material procurement and focus on cultural understanding of consumers. *(Source: CRISIL Research Report)*. In the 12 months ended March 31, 2018, we had 631 direct customers (i.e., end-users of our products) and 127 distributors (who sold our products to more than 5,000 customers) from 69 countries. Our direct customers are multinational, regional and local players manufacturing consumer products and petrochemical companies and polymer producers globally. Our plastics additives and specialty additives are also used in the packaging of foods and other fast moving consumer goods.

Manufacturing plant-based additives from base oleochemicals is a highly specialised process. Hence, many of these additives are specialty products, and this industry enjoys premium margins with only a few players dominating the industry globally. Proprietary technology to manufacture these specialty additives is available with only a few global players. We are one of the leading players that developed proprietary technologies to manufacture these green additives. *(Source: CRISIL Research Report)*

We currently have three production facilities: one in Ambernath (Maharashtra) (the "**First Ambernath Facility**"); one in Badlapur (Maharashtra) (the "**Badlapur Facility**"); and one in Dombivli (Maharashtra) (the "**Dombivli Facility**"). As at March 31, 2017, these three facilities have a combined installed capacity of approximately 64,300 tonnes per annum. Each of our current manufacturing facilities has the ability to manufacture our wide range of products, which provides us with the necessary flexibility to cater to changing demands in the market, thereby avoiding dependence on any one major product category.

Our products are also manufactured for us on a job-work basis by Olefine Organics ("**Olefine**"), a partnership firm and a Promoter Group entity, at a manufacturing facility in Ambernath, Maharashtra (the "**Second Ambernath Facility**"). The Second Ambernath Facility is situated on a plot of land that MIDC currently leases to Olefine. Our Company has entered into a leave and license agreement for the land with Olefine for a term of three years effective March 26, 2018. However, we were unable to take over the operation of the Second Ambernath Facility until we receive MIDC's approval, which we received from MIDC pursuant to a letter dated May 21, 2018. We will be taking over operation of the facility in the near future. As at December 31, 2017, the Second Ambernath Facility had an installed capacity of approximately 5,000 tonnes per annum.

We have developed in-house process design expertise to construct our production facilities. This gives us scale advantages by enabling the timely expansion of our capacity in response to market needs and reduces capital expenditure costs for expansions significantly compared to other players. *(Source: CRISIL Research Report)*

We are currently planning to set up an additional production facility in Ambernath with a planned installed capacity of 32,000 tonnes per annum (the "**Third Ambernath Facility**"). We expect it to commence operations in the fourth quarter of Fiscal 2019. In addition, we are currently planning to set up a new production facility in Leipzig, Germany with a planned initial installed capacity of 10,000 tonnes per annum (the "**German Facility**"). We expect it to commence operations in the third quarter of Fiscal 2020. This facility will be owned and operated by a joint venture company (which we plan to name FineAdd Ingredients GmbH, ("**FineAdd**")), in which we will have 50% equity interest.

We are also in the preliminary stages of planning the development of two additional production facilities: one in Patalganga (Maharashtra) with a planned initial installed capacity of approximately 10,000 tonnes per annum (the "**Patalganga Facility**"); and one in Ambernath (Maharashtra) for which we are awaiting possession of the land and have yet to decide on the planned initial installed capacity (the "**Fourth Ambernath Facility**").

Since our inception, we have looked to expand our product range into segments that we believe offer high growth potential. While we continue to maintain our focus in the additives space, we are planning to diversify and strengthen our business by manufacturing and distributing premixes for bakery and confectionary products and pan release agents. Fine Zeelandia Private Limited ("**Fine Zeelandia**"), a joint venture company in which we have a 50% equity interest, is in the process of setting up a new manufacturing facility in Patalganga to manufacture these products (the "**Fine Zeelandia Facility**"). This new facility has a planned initial installed capacity of 10,000 tonnes per annum. We expect it to commence operations in the first quarter of Fiscal 2019.

We have a dedicated research and development ("**R&D**") centre located in Mahape, Navi Mumbai. Our R&D activities are focused on improving our production processes, improving the quality of our present products, creating new additives and creating downstream products. We have developed several new products, such as Acetem, Datem and Lactem, and processes, such as in-house technology for the production of fatty amides for the polymer industry. We are currently conducting research and development for new products such as fatty amines, polyglycerols and guerbet alcohols and new organic anti-block additives and new additives to make plastics biodegradable. We are also conducting research into new technologies for chemical processing to minimise energy costs.

Our Company is driven by our experienced Key Management Personnel, who have an average of 30 years' experience each. We believe that our Key Management Personnel's collective experience and capabilities enable us to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships and respond to changes in customer preferences. Our workforce has grown significantly over the years, and as at March 31, 2018, we had 608 full-time employees.

Our revenue from operations for Fiscals 2015, 2016, 2017 and the nine months ended December 31, 2017 was ₹ 6,359.32 million, ₹ 6,860.08 million, ₹ 8,149.36 million, ₹ 5,904.27 million, respectively. Our EBITDA for Fiscals 2015, 2016, 2017 and the nine months ended December 31, 2017 was ₹ 1,129.54 million, ₹ 1,554.59 million, ₹ 1,498.51 million and ₹ 1,130.43 million, respectively. Our Return on Equity for Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, was 25.66%, 31.91%, 24.65% and 17.34%, respectively. Our profit after tax margins (profit for the period as a percentage of revenue from operations) were 8.36%, 11.15%, 9.62% and 10.32% for Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, respectively.

STRENGTHS

Largest Producer of Oleochemical-based Additives in India and One of the Few Large Players in the Oleochemical-based Additives Industry in the World

We are the largest manufacturer of oleochemical-based additives in India and one of the few large players in global oleochemical-based additives industry. We are one of six global players in the food additives industry and one of five global players in the plastic additives industry. (*Source: CRISIL Research Report*)

The 'Fine Organics' brand has a legacy of over 44 years and we believe the brand is widely recognized in the major markets in which we compete. Although our Company has only been operating for over 15 years, the 'Fine Organics' brand has been in use by Promoter Group entities since 1973. We manufacture a wide range oleochemical-based additives in India. We were the first company to introduce slip additives to the Indian market. There are only a few other small players who manufacture oleochemical-based additives in India. However, they have only a partial presence in the oleochemicals-based additives portfolio. We have a huge first-mover advantage in India, alongside various other competitive advantages over other global players. This gives us an advantage in pricing products competitively and allows us to provide stiff competition to new players. Hence, no major domestic or global player has set up a manufacturing facility in India. Nevertheless, other global payers do have a small market share in India, which they meet with production from their factories globally. *(Source: CRISIL Research Report)*

Diversified Product Portfolio Catering to a Variety of High Growth Industries

As at March 31, 2018, we had a range of 387 products sold under the 'Fine Organics' brand, used in the (a) plastic industry and (b) food industry and others (cosmetics, printing inks, coated papers, lube additives, wires and cables, coatings and other specialty applications) industries. Our revenue from operations net off exercise duty and the percentage of our revenue from operations net off excise duty from each of the industries set forth in (a) and (b) above for Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, are shown in the table below.

(in ₹ millions, except for percentages)

Industry	Fiscal 2015 (Proforma Ind AS)		Fiscal 2016 (Proforma Ind AS)		Fiscal 2017 (Ind AS)		Nine months ended December 31, 2017 (Ind AS)	
	Revenue net off exercise duty	Percentage of revenue from operations net off exercise duty	Revenue net off exercise duty	Percentage of revenue from operations net off exercise duty	Revenue net off exercise duty	Percentage of revenue from operations net off exercise duty	Revenue net off exercise duty	Percentage of revenue from operations net off exercise duty
Plastic	4,230.47	69.72	4,561.69	69.91	5,686.15	73.07	4,178.36	71.92
Foods and others(1)	1,837.60	30.28	1,963.22	30.09	2,095.87	26.93	1,631.36	28.08

Note:

1. *Comprises cosmetics, printing inks, coated papers, lube additives, wires and cables, coatings and other specialty applications.*

The Indian food emulsifiers market is estimated to be worth ₹ 5-6 billion in 2016, and is expected to grow to ₹ 9 billion by 2021, a CAGR of 10-12% in the period 2016-2021. (*Source: CRISIL Research Report*). In 2016, the global food emulsifiers market was estimated to be worth USD 2.8 billion (*Source: CRISIL Research Report*). The global food emulsifiers market is expected to grow to USD 3.4 billion by 2021, a CAGR of 4.1% in the period 2016-2021, and this growth is expected to be driven by growth in the Asia-Pacific region, primarily in India and China. (*Source: Credence Research (as cited in the CRISIL Research Report)*)

The Indian plastic additives market is estimated to be worth ₹ 55-60 billion in 2016, and is expected to grow to ₹ 90 billion by 2021, a CAGR of 8-10% in the period 2016-2021 (*Source: CRISIL Research Report*). The global plastic additives market was estimated to be worth USD 22 billion in 2016 (*Source: CRISIL Research Report*). The global plastic additives market is expected to grow to USD 30 billion by 2021, a CAGR of 6% in the period 2016-2021, and this growth is expected to be driven by growth in the Asia-Pacific region, primarily in India and China. (*Source: Mordor Intelligence (as cited in the CRISIL Research Report))*

The market for additives for (a) cosmetics, (b) rubber, and (c) paint and coatings in India is estimated to grow at a CAGR of 10-12%, 6-7% and 8-10%, respectively, in the period 2016-2017 to 2021-2022. (*Source: CRISIL Research Report*)

Specialised Business Model with High Entry Barriers

There are multiple entry barriers for a new entrant in the global oleochemical-based additives industry, such as product formulations, process technology and customer stickiness to established players. As a result, we are one of the few large global players in this industry. (*Source: CRISIL Research Report*)

Our products require specialised skills, processes and equipment to manufacture, as manufacturing additives from base oleochemicals, we believe, is a highly complex process. Therefore, we believe that many of our specialty and formulated products are also difficult to replicate. This provides us with a significant advantage over new entrants, as they would need to invest a great deal of resources to gain a foothold in the markets in which we compete.

Our products are required to meet exacting standards of quality in the countries in which they are sold, as set by various regulations, industry bodies and by our customers. Most of our products make up a small proportion of the finished goods that our direct customers manufacture (typically, under 1% in weight in plastic materials and under 2% in weight in food). (*Source: CRISIL Research Report*). As such, any defect in our products will result in a disproportionately large amount of finished products being defective. Many end users typically take three to five years to approve additives, after which the additive manufacturer can supply on a commercial basis. This means additive end users are likely to source tested additives from established suppliers to avoid expensive and lengthy validation tests. (*Source: CRISIL Research Report*)

We believe these high barriers to entry enable us to obtain higher EBITDA and profit margins for our products compared to other manufacturing industries where barriers to entry are lower. Our EBITDA margins were 17.76%, 22.66%, 18.39% and 19.15% for Fiscals 2015, 2016, 2017 and the nine months ended December 31, 2017, respectively. Our profit after tax margins (profit for the period as a percentage of revenue from operations) were 8.36%, 11.15%, 9.62% and 10.32% for Fiscals 2015, 2016, 2017 and the nine months ended December 31, 2017, respectively.

Flexible and Strategically Located Production Facilities with In-house Development Capabilities

We currently have three manufacturing facilities: the First Ambernath Facility; the Badlapur Facility; and the Dombivli Facility. These three facilities have a combined installed capacity of approximately 64,300 tonnes per annum as at December 31, 2017. Each of our current manufacturing facilities has the ability to manufacture our wide range of products.

Two of our production facilities, the First Ambernath Facility and the Badlapur Facility, are fully automated. This helps ensure that they will continue to produce high-quality products, as well as minimising the number of employees required to operate them, thereby reducing costs.

All three of our production facilities are strategically located in close proximity to the Jawaharlal Nehru (Nhava Sheva) Port located near Mumbai. As we are largely export-oriented, our facilities' locations help reduce freight and logistics costs. The plots of land on which we are planning to build the Third Ambernath Facility, the Fine Zeelandia Facility, the Patalganga Facility and the Fourth Ambernath Facility are also located in close proximity to the Jawaharlal Nehru (Nhava Sheva) Port located near Mumbai.

Our facilities require specialised facility design and technologically sophisticated equipment. Our in-house team is capable of designing and assembling our production equipment at a much lower cost compared to what a third party contractor would charge. We believe this provides us with an advantage over potential competitors and helps to protect our intellectual property. We believe that aspiring entrants would have to source these skills at much higher prices.

Strong R&D Capability with a Focus on Innovation

Our R&D efforts place significant emphasis on improving our production processes, improving the quality of our present products, creating new additives and creating downstream products, such as Acetem, Datem, and Lactem. We are in the process of developing a downstream product called Citrem, which is a hydrophilic (attracted to water molecules and water-soluble) emulsifier used in the confectionary industry. We are also developing other blends of existing products for foods, plastics and other applications. Our R&D efforts are driven by customer needs, in terms of meeting specific needs that our direct customers communicate to us prior to us manufacturing our products.

We have had several significant achievements in innovation and R&D. We have developed:

- a glycerol derivative for polymer applications;
- a bio-based plasticizer with improved properties and processing characteristics of polymer;
- a natural based monoglyceride with improved odour and flavour;
- a polypropylene cap composition; and
- applications of an ester additive from bio-derived raw materials.

Since April 1, 2014, we have developed and launched 46 new products.

We have also developed and recently commercialized a feed nutrition additive based on natural vegetable oils, which we intend to export to selected markets, mainly in Europe and the United States.

We have also developed, but not fully commercialized yet, a feed nutrition additive that increases milk yield from cows and buffaloes.

We are currently conducting research and development for new products such as fatty amines, polyglycerols and guerbet alcohols, new organic anti-block additives and new additives to make plastics biodegradable. We are also conducting research into new technologies for chemical processing to minimise energy costs. We hold four patents. For details, see "*–Intellectual Property*" on page 148.

Diversified Customer Base with Long-Term Relationships with Marquee Customers

Our customer base comprises direct customers and distributors. Direct customers are end-users of our products. Distributors are entities that purchase our products and then on-sell these products. In the 12 months ended March 31, 2018, we had 631 direct customers and 127 distributors (who sold our products to more than 5,000 customers). Our direct customers are multinational, regional and local players manufacturing consumer products and petrochemical companies and polymer producers globally. We have an extensive distribution network in India and worldwide, enabling our products to be sold in 69 countries in the 12 months ended March 31, 2018.

Strong Management Team

We have a strong management team led by Prakash Damodar Kamat, the co-founder and Chairman, as well as an executive director of our Company. He has more than four decades' experience in the oleochemical-based additives sector, having co-founded the first Promoter Group entity along with the late Mr. Ramesh Shah and having joined a Promoter Group entity in 1970. Mr. Kamat holds a master's degree in science and technology (oils) from the Institute of Chemical Technology (formerly UDCT), University of Bombay. Mukesh Maganlal Shah is an executive director and the Managing Director of our Company. He holds a bachelor's degree in chemistry and physics from the University of Bombay. He has more than four decades' experience in the oleochemical-based additives segment, having joined a Promoter Group entity in 1973. Jayen Ramesh Shah is an executive director and the Chief Executive Officer of our Company. He holds a master's degree in science from the University of Bombay. He is an alumnus of ICT (formerly, UDCT). He joined a Promoter Group entity in 1986. Tushar Ramesh Shah is an executive director and the Chief Financial Officer of our Company. He has completed second year while pursuing for bachelors' in science (S.Y. B.Sc.) from the University of Bombay. He joined a Promoter Group entity in 1989. Bimal Mukesh Shah is an Executive Director and Vice President (Projects). He holds a bachelor's degree in science from Purdue University and a master's degree in management from Boston College. He joined a Promoter Group entity in 2009.

We have a strong team of professionals to manage the core functional areas, such as finance, procurement, manufacturing, logistics, sales and marketing, and human resources.

For more details, see "*Our Management–Brief Biographies of Directors"* on page 164.

STRATEGIES

Expand our Total Installed Production Capacity and Product Range

Some of our products are currently manufactured at the Second Ambernath Facility by Olefine on a job-work basis. The Second Ambernath Facility is situated on a plot of land that MIDC currently leases to Olefine. Our Company has entered into a leave and license agreement for the land with Olefine for a term of three years effective March 26, 2018. However, we were unable to take over the operation of the Second Ambernath Facility until we receive MIDC's approval, which we received from MIDC pursuant to a letter dated May 21, 2018. We will be taking over operation of the facility in the near future. As at December 31, 2017, the Second Ambernath Facility had an installed capacity of approximately 5,000 tonnes per annum.

We are in the process of setting up the Third Ambernath Facility. The planned installed capacity of the Third Ambernath Facility is 32,000 tonnes per annum. We expect it to commence operations in the fourth quarter of Fiscal 2019. The Third Ambernath Facility will be capable of manufacturing most of our additive products. However, we plan to manufacture oleochemical derivatives. For more details on this proposed new facility, see *"–Manufacturing–Planned–Facilities–Third Ambernath Facility*" on page 145.

We are currently in the preliminary stages of planning to set up the Patalganga Facility. Our Company entered into a long-term lease agreement for the land on which we intend to build the Patalganga Facility with MIDC and Neo Wheels Limited, as the confirming party, dated January 30, 2018. The Patalganga Facility will be capable of manufacturing some of our additive products. The Patalganga Facility will have a planned initial installed capacity of 10,000 tonnes per annum.

In December 2013, we paid ₹ 242.00 million (which was the full purchase price) for a plot of land in Pale, Ambernath (Maharashtra) on which we plan to build the Fourth Ambernath Facility. Although we have received the allotment letter, we have not yet received possession of the land from the MIDC. The Fourth Ambernath Facility will be capable of manufacturing additives for food, plastic, cosmetics and other specialty additives.

For more details on the Patalganga Facility and the Fourth Ambernath Facility, see *"–Manufacturing–Additional Production Facilities–Preliminary Stages of Planning*" on page 145.

We also plan to incorporate FineAdd and for it to set up the German Facility, which will manufacture specialty food emulsifiers and other additives for food. For details, see "*–Strategies–Global Expansion*" on page 141 and "*–Manufacturing–Planned Facilities–German Facility*" on page 145.

Expand into Manufacturing Premixes for Bakery and Confectionary Products and Pan Release Agents

Fine Zeelandia currently acts as an exclusive distributor for Zeelandia International Holdings B.V.'s range of premixes for bakery and confectionary products and pan release agents in India, Sri Lanka, Bangladesh and Nepal, but does not currently manufacture these products. The Fine Zeelandia Facility will produce premixes for bakery and confectionary products and pan release agents, in line with our strategy to enter high-growth segments. We plan for the Fine Zeelandia Facility to commence operations by the first quarter of Fiscal 2019. Its planned installed capacity is 10,000 tonnes per annum. Fine Zeelandia's products will be marketed to high-class star hotels, large niche and high-quality bakeries and quick service restaurants. For more details, see *"-Manufacturing-Planned Facilities-Fine Zeelandia Facility"* on page 144.

Demand for bakery ingredients in India depends on demand from the end-use bakery industry. CRISIL Research estimates that the market size of the biscuits and bakery products segments was ₹ 359,000 million in Fiscal 2016 and its forecast is that the size of the bread and bakery items market in India will grow at the rate of 10-12% over the five-year period Fiscal 2017-2022. *(Source: CRISIL Research Report)*

Increase Sales of Higher-Margin Downstream Products

One of our strategies is to increase our sales of higher margin downstream and other specialty products. For instance, we plan to manufacture specialty feed nutrition additives, which we currently manufacture only in limited quantities for export.

Global Expansion

In order to serve our existing direct customers and distributors, as well as to secure new direct customers and distributors and expand the reach of our products to new markets, we intend to expand globally.

We entered into a joint venture agreement with Adcotec dated January 17, 2018, to set up FineAdd, which will operate the German Facility. FineAdd will manufacture specialty food emulsifiers and other food additives. We will own a 50.00% equity interest in FineAdd. The plot of land on which we intend to build this facility in Leipzig, Germany has been identified and is currently owned by Adcotec. The German Facility's planned initial installed capacity is 10,000 tonnes per annum. We expect the German Facility to commence operations by the third quarter of Fiscal 2020. For more details, see *"-Manufacturing-Planned Facilities-German Facility*" on page 145.

We are in the process of establishing a wholly-owned subsidiary in China and are in the process of opening a sales office in Shanghai. Given that most of our potential direct customers in China are large petrochemical companies many of which are state-owned, our sales offices in China will allow us to maintain a presence closer to these large direct customers to help secure their business and, if necessary, modify our products to meet their specifications.

Continuing Focus on R&D

We believe that our focus on product innovation through continuous development has been critical to the growth of our business and improved our ability to customize our products for our customers.

We plan to expand our R&D lab by adding additional equipment for semi-commercial batches. We also plan to expand our applications labs for food and plastics, in addition to a new cosmetic application lab. We also lease a plot of land in Dombivli on which we plan to build our new R&D facility. The chemistry laboratory at our current Navi Mumbai facility will be moved to this new R&D facility. We also plan to expand our applications laboratory in our Navi Mumbai facility. For details, see "–*Research and Development*" on page 148.

PRODUCTS

As at March 31, 2018, we had a range of 387 different products sold under the 'Fine Organics' brand. We manufacture and sell a wide range of additives for food, plastic, rubber, cosmetics, coatings, paints and inks, and other specialty applications. Our current downstream products include Datem, Acetem and Lactem.

We are planning to diversify and strengthen our business by manufacturing premixes for bakery and confectionary products and pan release agents. The products will be manufactured by Fine Zeelandia at the Fine Zeelandia Facility. Fine Zeelandia is currently acting as the exclusive distributor in India, Sri Lanka, Nepal and Bangladesh of Zeelandia International's range of premixes for bakery and confectionary products and pan release agents.

Many of our food additives are Halal and Kosher certified. We have also pre-registered and registered selected plastics additives under REACH (for Europe) and Jhospa (for Japan).

Food Emulsifiers

We primarily manufacture three types of food additives, namely, anti-fungal agents/preservatives, emulsifiers and other specialty additives. We also manufacture some specialty premium food additives, which are used in enhancing properties of high-quality biscuits and sponge cakes. We manufacture the following types of food additives:

- Anti-fungal agents/preservatives: preservatives are essential to make foods safer by preventing food from spoiling or from becoming toxic due to unwanted growth of bacteria, yeast and moulds.

- Emulsifiers: emulsifiers are used to get the desired aesthetic structure and texture in various foods. They are also used in processing foods and help to maintain quality and freshness. In low-fat spreads, emulsifiers prevent separation of oil and fat. These are used in many types of baked products, extruded foods, chocolates, confectionary, margarine, low-fat spreads and coffee creamer.

- Specialty additives: we have also developed some premium food additives that are used in niche applications. For example, we developed Finamul-87, which is a blend of emulsifiers used to reduce fat in high-quality biscuits. We have also developed Finagel, which is a batter-aerating agent used to make high-quality sponge with good volume, structure, sliceability and shelf life.

Plastics Additives

We manufacture a large variety of plastic additives: polyolefins additives; styrenics/elastomer/thermoplastic elastomer compound additives; engineering plastic processing additives; foamed plastic product additives; polyvinyl chloride (PVC) processing additives and thermosets/composite product additives. We manufacture the following types of plastic additives:

- Slip additives: slip additives reduce friction between plastic products (such as films, bottle caps, wires, cables, disposable syringes and car wipers) and other surfaces they come in contact while processing or during product usage.

- Anti-fogging additives: anti-fogging additives convert water droplets formed on plastic films (such as food packaging and agricultural films) into a continuous transparent water layer that are suitable for cold and hot fog applications.

- Anti-static additives: anti-static additives mitigate the build-up of electrical charges on plastic materials like films, furniture, flooring, and carpets, which results in attracting dust particles.

- Lubricants: lubricants are used as flow improvers and mould release agents in PVC pipes, fittings, profiles, foam sheets, tubing, hose pipes, wires and cables and also in engineering plastics for manufacturing white goods and automotive parts.

- Processing aids: processing aids improve the melt processability and handling of high molecular weight polymers and are used in filled compounds for packaging, furniture, and moulded articles of various plastic materials.

Other Additives and End-Use sector Products

Cosmetic and Pharmaceutical Additives

We manufacture a number of cosmetic and pharmaceutical additives. Cosmetic and pharmaceutical additives are ingredients added in cosmetic and related pharmaceutical products to achieve certain specific properties. They have various functions such as enabling the manufacture of cosmetic and pharmaceutical products with different structures like creams, gels, pastes, lotions, solutions, varnishes, sticks, powders, ointments and aerosols. They aid cosmetic products in achieving long-term physical stability for transport and storage, inhibit germination through moulds, yeast and bacteria, increase chemical stability of sensitive active agents towards atmospheric oxygen, and influence sensory perception like consistency, dispersion on the skin, scent (fragrance) and colour. *(Source: CRISIL Research Report)*

Rubber Additives

We manufacture a number of rubber additives. Rubber additives are added to elastomers to ensure that they meet the performance parameters of specific applications. Compounded rubber (rubber added with other ingredients) has many unique characteristics that are not present in other traditional materials, such as dampening properties, high elasticity and abrasion resistance. Consequently, rubber is used in applications such as tyres, conveyor belts, dock fenders, building foundations, automotive parts, hoses, shoe soles and a wide range of domestic appliances. *(Source: CRISIL Research Report)*

Paint and Coating Additives

We produce anti-settling agents, emulsifiers, thickening/anti-sagging agents, wetting and dispersing agents, defoamers, biocides and anti-mar waxes for use in paint and coating applications. The main components present in coating materials, such as paints, are binders, pigments and extenders, solvents and additives. Other than these key ingredients, the additives in a paint composition also have a major influence on the various paint properties. Additives can also significantly modify the properties of the main ingredients of paint such as binder, pigments/extenders and solvents. The typical proportion of a single additive in a formulation is generally around 1.5% of the total quantity of the coating formulation. Although used in very small quantities, additives have a significant impact on application properties and performance of coatings and inks. Additives used in the correct order, at appropriate time, and at right levels, are capable of improving the appearance and durability of a coating, the flow of paints and inks, the efficiency of the manufacturing process, and the sustainability of formulations. *(Source: CRISIL Research Report)*

MANUFACTURING

Manufacturing Process for Additives

The raw materials and catalysts are charged in a reaction vessel of suitable capacity and design based on the type of reaction. The reaction starts when all technical requirements such as temperature, pressure, cycle time and reaction time slots are optimal. Once the initial stage is complete, the product is analysed and is then sent for further processing, refining and filtration to remove impurities as required. The product is then converted to the physical form required by the customer. The seven types of physical forms that we convert our products into comprise liquids, powder, beads, micro beads, pellets, pastilles and flakes. The final product is tested to ensure it meets all specifications before it is supplied to customers.

During the manufacturing of oleochemical-based food and plastic additives, many by-products are produced. We use most of these by-products to produce other additives, while we believe that some other industry players discard or sell these by-products.

Manufacturing Facilities

Three Existing Manufacturing Facilities

We have three manufacturing facilities, all of which are located within close proximity of Mumbai, with a total installed capacity of approximately 64,300 tonnes per annum as at December 31, 2017. All three facilities are capable of manufacturing any our products. Set forth below is a table summarising each of these manufacturing facilities:

Parameter	First Ambernath Facility	Dombivli Facility(1)	Badlapur Facility(2)
Installed capacity in tonnes per annum (approx.) as at December 31, 2017	49,500	8,400	6,400
Year of establishment	2006	2017(3)	1988 and 2000
Area of land on which facility is located in square metres	39,412	3,960	6,569.50
Owned/Leased(4)	Long-term lease	Short-term lease	Long-term lease

Notes:

1. *We purchased the machines and stock in trade at this facility from Fine Organic Industries, a partnership firm and a Promoter Group entity, effective November 30, 2017. Prior to November 30, 2017, we did not earn any revenue from this facility.*

2. *The Badlapur Facility comprises two different facilities located on two plots of land separated by a road. However, the facilities on these two plots of land are run as a single facility. The facility on the larger plot, G-1, began operations in 2000 and the facility on the smaller plot, W124 began operations in 1988.*

3. *The Dombivili Facility was established by Fine Organic Industries, a partnership firm and a Promoter Group entity, in 1973. We commenced operations at this facility effective December 1, 2017.*

4. *All of these facilities are operated on land held under long-term leases, except the Dombivli Facility, which is held under a sub-lease that expires on July 17, 2020. For details, see "–Properties" on page 150.*

The First Ambernath Facility and the Badlapur Facility use piped natural gas and furnace oil, respectively, to power their machines for production. The First Ambernath Facility and the Badlapur Facility rely on electricity from the power grid to run their utilities, and the Dombivli Facility uses electricity from the power grid to both run its machines and its utilities. To maintain a steady flow of electrical power and to protect against power surges, our facilities are equipped with uninterruptible power supply devices. In the event of a power failure, all our existing manufacturing facilities are equipped with diesel generators that will automatically begin to run.

The table below sets forth the total installed capacity of the above plants and the total capacity utilisation for the last three fiscal years and the nine months ended December 31, 2017:

Parameter	Fiscal 2015	Fiscal 2016	Fiscal 2017	Nine months ended December 31, 2017
Total installed capacity in metric tonnes	44,150	55,900	55,900	42,625
Capacity utilisation (%)	82.05	74.13	90.47	100.31

Contract Manufacturing - Second Ambernath Facility

Some of our products are also manufactured at the Second Ambernath Facility by Olefine on a job-work basis. Olefine has been manufacturing products for us on this basis since Fiscal 2015. Olefine charges us an agreed-upon amount per kilo of manufactured products, which rate varies depending on the product. We have not entered into any written agreement with Olefine. The transactions are conducted on an arms' length basis.

The Second Ambernath Facility is situated on a plot of land that MIDC currently leases to Olefine. Our Company has entered into a leave and license agreement for the land with Olefine for a term of three years effective March 26, 2018. However, we were unable to take over the operation of the Second Ambernath Facility until we receive MIDC's approval, which we received from MIDC pursuant to a letter dated May 21, 2018. We will be taking over operation of the facility in the near future. As at December 31, 2017, the Second Ambernath Facility had an installed capacity of approximately 5,000 tonnes per annum.

Planned Facilities

Fine Zeelandia Facility

Parameter	Fine Zeelandia Facility
Forecast installed capacity in tonnes per annum (approx.)	10,000
Area of land in square metres	12,840
Planned Commencement of Operations	First quarter of Fiscal 2019
Leased or Owned	Long-term lease(1)
Estimated Total Cost	₹ 600 million

Note:

1. *This lease expires on July 31, 2106.*

The Fine Zeelandia Facility will be owned and operated by Fine Zeelandia, in which we own a 50% equity interest. Zeelandia International owns the remaining 50% equity interest in Fine Zeelandia. The estimated cost of the Fine Zeelandia Facility is ₹ 600 million, which we plan to finance through ₹ 225.68 million of equity (with our share being ₹ 112.84 million) and ₹ 374.32 million of borrowings to be taken out by Fine Zeelandia, which our Company does not intend to guarantee. As at December 31, 2017, we had invested ₹ 112.84 million in Fine Zeelandia. As at December 31, 2017, Fine Zeelandia had executed a term loan agreement enabling it to borrow of up to ₹ 380.00 million for the construction of the facility.

Zeelandia International is part of the Royal Zeelandia Group, a Dutch family-owned group of companies that was founded in 1900. They manufacture baking ingredients for the global bread and confectionary trade. The group has more than 2,900 employees, 20 production facilities and their products are sold in more than 100 countries.

The shareholders' agreement dated May 21, 2014 for the creation of Fine Zeelandia provides that:

- Zeelandia H.J. Doeleman B.V., an affiliated company of Zeelandia International, and our Company will license technical information (knowledge, data, formulas and know-how) to Fine Zeelandia for the manufacture of its products.

- Koninklijke Zeelandia Groep B.V., the parent company of Zeelandia International, and our Company will grant to Fine Zeelandia the right to use its and our Company's respective trademarks (including the words "ZEELANDIA", the 'Lion' logo of Zeelandia International, as well as the words and images of the "FINAGEL" logo) in relation to the manufacture and sale of Fine Zeelandia's products.

- Zeelandia International will appoint Fine Zeelandia as the former's exclusive distributor in India, Sri Lanka, Bangladesh and Nepal for all Zeelandia's products.

The formal written agreements in relation to the above matters are expected to be executed when the Fine Zeelandia Facility commences operations.

For more details on the shareholders' agreement, see "*History and Certain Corporate Matters–Summary of Key Agreements*" on page 158.

Third Ambernath Facility

Parameter	Third Ambernath Facility
Forecast installed capacity in tonnes per annum (approx.)	32,000
Area of land in square metres	20,000
Planned Commencement of Operations	Fourth quarter of Fiscal 2019
Leased or Owned	Long-term lease [1]
Estimated Total Cost	₹ 1,300 million

Note:

1. *This lease expires on March 31, 2100.*

The planned installed capacity of the Third Ambernath Facility is 32,000 tonnes per annum and we expect it to commence operations in the fourth quarter of Fiscal 2019. The estimated cost of setting up this facility is ₹ 1,300 million, which we plan to fund 30% from equity and 70% from debt. As at December 31, 2017, we had invested ₹ 62.26 million in setting up this planned facility. The Third Ambernath Facility will be capable of manufacturing any of our products, but we plan to manufacture oleochemical derivatives.

German Facility

We plan to set up FineAdd, as a joint venture company with Adcotec, to own and operate the German Facility. The joint venture agreement was signed on January 17, 2018. We will own 50% of the equity interest in FineAdd, with Adcotec owning the other 50% equity interest. We plan to manufacture specialty food emulsifiers and other food additives at the German Facility to be sold to direct customers and distributors in Europe. The plot of land on which we intend to build this facility in Leipzig, Germany has been identified and is currently owned by Adcotec. We expect the German Facility to commence operation by the third quarter of Fiscal 2020 and it has a planned initial installed capacity of 10,000 tonnes per annum. The estimated cost of setting up this facility is EUR 18 million. We propose to finance this facility through a combination of equity contribution from our Company and Adcotec, and long-term loans to be obtained from FineAdd from banks/financial institutions (i.e., 30% from equity and 70% from debt), in due course. Out of the 30% equity, 50% will be contributed by our Company using internal accruals and/or through obtaining a loan from banks and/or financial institutions.

As per the FineAdd Shareholders Agreement, our Company and Adcotec will separately enter into technology license and trademark license agreements with FineAdd, respectively.

Additional Production Facilities – Preliminary Stages of Planning

We are currently in the preliminary stages of planning to set up the Patalganga Facility. Our Company entered into a long-term lease agreement for the land on which we intend to build the Patalganga Facility with MIDC and Neo Wheels Limited, as the confirming party, dated January 30, 2018. This facility will have the capability to manufacture any of our additive products. The Patalganga Facility will have a planned initial installed capacity of 10,000 tonnes per annum. We have not yet decided on a date of commencement of operation for this facility. The estimated cost of setting up the Patalganga Facility is ₹ 500 million. We propose to finance this facility through a combination of its internal accruals from long-term loans from banks/ financial institutions (i.e. 30% from internal accruals and 70% from debt).

In December 2013, we paid ₹ 242.00 million (which is the full purchase price) for a plot of land on which we plan to build the Fourth Ambernath Facility. Although we have received the allotment letter, we have not yet received possession of the land from the MIDC authorities. The Fourth Ambernath Facility will be capable of manufacturing additives for food, plastic, cosmetics and other specialty additives. We have not decided what its planned installed capacity per annum will be nor have we decided on a date on which we plan for this new facility to commence operations.

Safety

We believe that our workforce is our most important asset and therefore we give the highest priority to the safety and health of our employees. We are committed to provide and maintain a safe and healthy working environment. We provide personal protective equipment and ensure that it is used by our employees. We formed a safety committee responsible for policy development and implementation and reviewing actions to ensure enhanced health and safety related training. Our safety committee comprises 28 members, and is chaired by Mr. Nikhil Kamat, Senior Vice President of Operations and one of our Key Management Personnel. We have been awarded the "Meritorious Performance in Industrial Safety" award from the National Safety Council of Maharashtra annually since 2013.

QUALITY ASSURANCE

Our First Ambernath Facility is GMP, Halal, and RSPO certified, and is FSSC 22000 compliant for the processing and bulk packing of food additives and fatty acids esters Category K, and ISO 9001:2008 compliant for the manufacture and supply of specialty chemicals for food, polymer, textile, metal, cosmetic, pharmaceutical, paints and other allied industries. As at March 31, 2018, 64 of our products are Kosher pursuant to the Star K Kosher Certification. We strive to follow the HACCP standards for the manufacture of additives for food, quality control, stores, dispatch and maintenance for our three currently operating facilities. Our Company's product Erucamide is registered under REACH and five other products are in the process of being registered during the calendar year 2018 as per the guidelines of the European Chemicals Agency (ECHA).

We have checks and testing systems in place, from the procurement of raw materials to the manufactured product, to ensure the quality of our products and to ensure that the products that we manufacture do not deviate from our customers' specifications. Additionally, we conduct multiple quality control tests, including tests of acid value, amide purity, appearance, Gardner colour, iodine value, melting point and moisture percentage, so that we can take correctional measures if necessary to ensure the quality of our products.

RAW MATERIALS

We primarily use vegetable oils, fats and fatty acids, fatty alcohols, fatty amines and polyols derived from oils such as rapeseed oil, palm oil, palm kernel oil, sunflower oil, castor oil, soybean oil, rice bran oil and other polyols to manufacture our products.

When vegetable oils are fractionated, multiple fractions are produced. Only certain fractions are required to produce specific food and plastic additives. We manufacture additives from all the vegetable oil fractions. Using all the vegetable oil fractions in our wide range of additives reduces our raw material costs significantly.

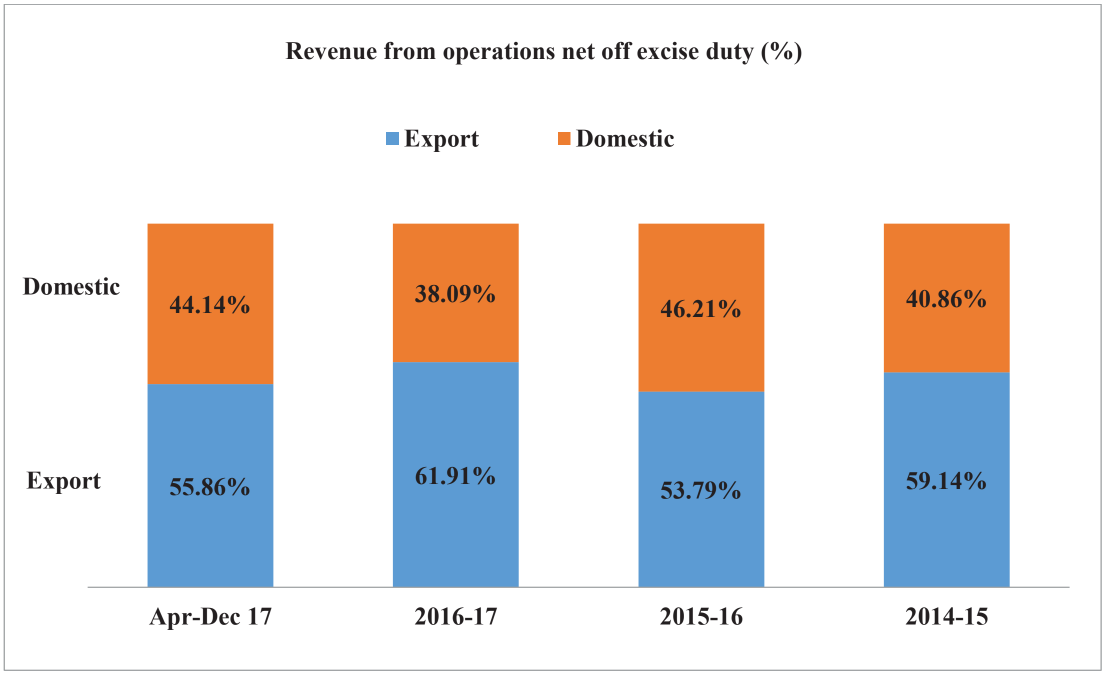
We procure our raw materials from the domestic and international market. We use a mix of spot contracts and fixed-price agreements of up to six months with our suppliers. However, as the term of our supply agreements is generally no more than six months, we are subject to the risk of increases in the prices of raw materials.

We have long-standing relationships with our major suppliers and we believe that we have excellent relationships with them for long-term co-operation for mutual benefits.

SALES AND MARKETING

In the preceding 12 months to March 31, 2018, we had 631 direct customers and 127 distributors (who sold our products to more than 5,000, customers) from 69 countries. Some of our larger end-customers that are in the process of dealing with one of our distributors for commercial reasons, may prefer to purchase our products directly from us rather than from one of our distributors. In such a scenario, that distributor would refer that end-customer to us, and we would sell our products directly to that end-customer and pay a commission on such sales to the distributor.

For Fiscals 2015, 2016 and 2017 and nine months ended December 31, 2017, our revenue from operations net off excise duty from sales to foreign customers amounted to ₹ 3,588.68 million, ₹ 3,509.64 million, ₹ 4,817.67 million and ₹ 3,245.12 million, respectively, and our revenue from operations net off excise duty from sales to domestic customers amounted to ₹ 2,479.39 million, ₹ 3,015.28 million, ₹ 2,964.35 million and ₹ 2,564.60 million, respectively. The bar graph below shows the breakdown of our revenue from operations net off excise duty in India and exports for the periods indicated.



We have a subsidiary in Europe and a subsidiary in North America that sell directly to selected large direct customers. Additionally, we are planning to set up a subsidiary in China and are in the process of setting up a sales office in Shanghai to sell directly to large direct customers in China. Given that we plan to court the business of direct customers in China that are large petrochemical companies many of which are state-owned, our sales office in China will allow us to maintain a presence closer to these large direct customers to help secure their business and if necessary, modify our products to meet their specifications.

We plan to market Fine Zeelandia's products to existing and new direct customers and distributors. These products will be marketed to high-class star hotels, large niche and high-quality bakeries and quick service restaurants. We believe that Fine Zeelandia will be able to effectively market these products due to the fact that Fine Zeelandia has been acting as a distributor for Zeelandia International's products in India since Fine Zeelandia's incorporation on December 1, 2014, so it already has relationships with direct customers and distributors for these products. Additionally, potential direct customers and distributors of Fine Zeelandia's products are already purchasing other products, such as preservatives, from our Company, and as such, we have existing business relationships with them.

INVENTORY MANAGEMENT

Our finished products are stored on-site at our production facilities and at our three overseas warehouses. We generally store one week's worth of forecasted sales at our production facilities, and we generally store 30 – 60 days of raw material supplies. We generally store three to four weeks of forecasted sales at our overseas warehouse in Antwerp, Belgium, and four to six weeks of forecasted sales at our overseas warehouses in the Houston (USA) and New Jersey (USA). We produce a quantity of finished products that is determined based on a combination of confirmed and expected orders. Our expected orders have historically been confirmed due to the stable long-standing relationships that we have with our direct customers and distributors.

LOGISTICS

We transport our raw materials and our finished products by road, sea and air. We rely on freight forwarders to deliver our products. We do not have formal contractual relationships with our freight forwarders. The pricing for freight is negotiated and agreed to on a monthly basis.

We sell our products on a cost, insurance and freight basis, on a consignee basis and on a door delivery/DDP basis. Where we are responsible for shipping the products to the customer, our freight forwarders arrange for the finished products to be trucked to our customers in India or to the port for export, as applicable. Our custom house agents handle the requisite clearance procedures. For exports, our freight forwarders co-ordinate with the shipping line / airline to file and release the necessary bills of lading / air waybills. Incoterms determine the exact delivery terms, which would include how the goods will be delivered, who pays, who is responsible and who handles specific procedures such as loading and unloading.

We currently use three warehouses to store our products before they are shipped to our direct customers and distributors in the United States and Europe. These warehouses are located in Houston (USA), New Jersey (USA) and Antwerp (Belgium).

RESEARCH AND DEVELOPMENT

To compete successfully and achieve our strategic goals, we have to engage in innovation and make investments in R&D. We have an R&D centre in Mahape, Navi Mumbai, at which we work to develop specialty performance additives and to design facilities and critical machinery. Our R&D facilities include organics synthesis, spectroscopy and analytical method development, pilot facilities for scale up of laboratory optimised process for validation and commercialisation and application development support for plastic and foods. As at March 31, 2018, we employed a total of 16 staff in relation to R&D, comprising nine research scientists, six technicians and one administrative staff.

We have had several significant achievements in innovation and R&D. We have developed:

- a glycerol derivative for polymer applications;
- a bio-based plasticizer with improved properties and processing characteristics of polymer;
- a natural based monoglyceride with improved odour and flavour;
- a polypropylene cap composition; and
- applications of an ester additive from bio-derived raw materials.

We plan to expand our R&D lab by adding additional equipment for semi-commercial batches. We will also be expanding our applications labs for food and plastics, in addition to new cosmetic application lab. We also leased a plot of land in Dombivli on which we plan to build an R&D pilot facility. The chemistry laboratory from our Navi Mumbai facility will be moved to this new R&D facility. We also plan to expand our applications laboratory in our Navi Mumbai facility by adding a cosmetics applications laboratory.

We have developed and recently commercialized a feed nutrition additive (derived from natural vegetable oils), which we intend to export to selected markets, mainly in Europe and the United States.

We have also developed and recently commercialized, another feed nutrition additive that is developed to increase milk yield from cows and buffaloes.

Since April 1, 2014, we have developed and launched 46 new products. In Fiscals 2015, 2016, 2017 and the nine months ended December 31, 2017, our revenue net off excise duty from new products developed and launched since April 1, 2014 was ₹ 1.08 million, ₹ 8.66 million, ₹ 58.98 million and ₹ 66.53 million, respectively, representing 0.02%, 0.13%, 0.76% and 1.15% of our total revenue from operations net off excise duty, respectively.

We are currently conducting research and development for new products such as fatty amines, polyglycerols and guerbet alcohols and new organic anti-block additives and new additives to make plastics biodegradable. We are also conducting research into new technologies for chemical processing to minimise energy costs. We hold five patents for process, applications and products. For details, see "-*Intellectual Property*" on page 148.

INTELLECTUAL PROPERTY

We have been assigned the trademarks for the following, which we acquired from Fine Organic Industries, a partnership firm and a Promoter Group entity, for a total of ₹ 0.17 million pursuant to an agreement dated December 13, 2017: FINAFOG; PLASTAID; SMOOTHEX; ROMOBAN, FINAWAX, FINALUX, FINASTAT; FO LOGO (OLD); FINESTER; the Issuer's logo ; FINAMIDE; FINAGEL; FINASLIP; and A FINE ADDITUDE.

We have also applied to register trademarks in India for the words "Fine Organics – Treating Life … Naturally!!" on April 3, 2017. Fine Zeelandia intends to apply to register a trademark in India over the brand "Fine Zeelandia".

We also hold patents for the following:

Title	Filing Date for Filing before the Patent Office, Government of India	PCT (worldwide patent application)	USA
A bio based plasticizer with improved properties and processing characteristics of polymer	February 2015	February 2016	August 2017
A natural based monoglyceride	November 2015	November 2016	Not obtained

Title	Filing Date for Filing before the Patent Office, Government of India	PCT (worldwide patent application)	USA
with improved odour and flavour			
Applications of an ester additive from bio-derived raw materials	September 2016	December 2017	Not obtained
A glycerol derivative for polymer applications	April 2017	Not Filed	Not obtained
A polypropylene cap or film composition	May 2015	May 2016	November 2017

INFORMATION TECHNOLOGY

We use Oracle R12 E-Business Suite ("**Oracle EBS**") for our operations, accounting, management information systems ("**MIS**") and internal controls. Oracle EBS has facilitated re-engineering various business processes and aligned various functions, thereby enhancing the productivity and performance of various departments. It ensures accurate results and has facilitated automating various business functions across our operations. A disaster recovery system is in place and data backup is done daily. We also use a document management system.

Oracle CRM on Demand is used extensively by the sales and marketing department to enhance our reach to our global customer base. It provides a full suite of automation capabilities and provides the best of enterprise marketing automation with the benefits of complete integration.

INSURANCE

We maintain an insurance policy that insures against material damage to buildings, facilities and machinery, furniture, fixtures, fittings, stocks, machinery breakdown, as well as business interruption at our current facilities, including damage caused by earthquakes. We also maintain a marine cargo insurance policy that insures consignments of goods by sea, air and by courier until delivery to the customer's warehouse and inland movement of bulk cargo in road tankers. In addition, we maintain a commercial general liability insurance that covers liability in claims for bodily injury (and medical payments), property damage, personal and advertising injury.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance.

COMPETITION

There are only a few large players in the global oleochemical-based additives industry. This is due to multiple entry barriers, such as product formulations, process technology and customer stickiness to established players. (*Source: CRISIL Research Report*). None of our major competitors are based in India.

The table below summarises the key companies in the food additives and plastic additives industry.

Industry	Company	Headquarters
Food Additives	Our Company	India
	Kerry Group	Ireland
	Danisco	Denmark
	Palsgaard	Denmark
	Riken Vitamin	Japan
	Taiyo	Japan
Plastic Additives	Our Company	India
	Croda	United Kingdom
	Emery	Malaysia
	PMC Biogenix	United States
	Peter Greven	Germany

(*Source: CRISIL Research Report*)

For more details in relation to competition, see "*Industry Overview-Additives Industry-Structure and Competition*" on page 132.

WORKFORCE

As at March 31, 2018, we had 608 full-time employees. 191 of these full-time employees work at our Company's corporate and registered office and 417 full-time employees work at our facilities**.**

We engage various contractors for the supply of labour in relation to non-core tasks. We engage contractors to perform any of the following services: loading/unloading of goods and/or shifting of materials at our premises; providing house-keeping, sweeping, sanitation and upkeep of hygiene services in our premises; providing security services at our premises and providing services of gardeners for upkeep and maintenance of gardens. In consideration of the jobs so performed/executed by the contractor, we pay the contractor at the rate agreed with the contractor in connection with the job that we assign to him. The contractor has to provide the required number of workers to be engaged for the execution of the work, solely supervise, direct and control the workforce engaged by him and also give necessary instructions to his workers.

PROPERTIES

Our Company's registered office and our corporate office is at Fine House, Anandji Street, off M. G. Road, Ghatkopar East, Mumbai 400 077. The office is located on land that is partially owned by our Company and family members of the Promoter Group. For more details, see "*Risk Factors–We do not own the entire building in which our Registered and Corporate Office is situated. Further, we do not have any written arrangement for the use of the office space owned by some of the members of the Promoter Group."* on page 24.

Set forth below is a summary of the properties we own.

Description	Address	Area (Square Metres)
Unit 101(A), Fine House	Fine House, Anandji Street, Off M.G. Road, Ghatkopar (East), Mumbai – 400 077, India	65.03[(1)]
Unit 101(B), Fine House	Fine House, Anandji Street, Off M.G. Road, Ghatkopar (East), Mumbai – 400 077, India	65.03[(1)]
Guest House	Flat No. 303, 3rd Floor, "B" Wing, Kuber Apartment, Maharashtra, India	50.18

Note:

(1) Represents the carpet area.

Set forth below is a summary of the properties we lease.

Name of Facility	Address	Area of Facility (Square Metres)	Expiry of Lease / Leave and License Agreement
First Ambernath Facility	Plot No. N-2 Additional Ambernath Industrial Area, Maharashtra, India	39,412	July 31, 2097
Fine Research and Development Centre Private Limited	Plot No. 28, Trans Thana Creek Industrial Area, Maharashtra, India	5,015	June 30, 2063
Dombivli Facility	Plot No. A-122/123/124/125 Dombivli Industrial Area, Maharashtra, India	3,960	July 17, 2020
Badlapur Facility[(1)]	Plot No. W-124(A), Badlapur Industrial Estate, Maharashtra, India	720	July 30, 2081
Badlapur Facility[(2)]	Plot No.G-1 Badlapur Industrial Estate, Maharashtra, India	3,765.50	September 30, 2091
Badlapur Facility[(3)]	Plot No. G-1/1 Badlapur Industrial Estate, Maharashtra, India	2,084	March 8, 2100
Patalganga Facility	Plot No. E-73 Additional Patalganga Industrial Area, Maharashtra, India	12,003	November 30, 2108
Third Ambernath Facility	Plot No. N-42, Additional Ambernath Industrial Area, Maharashtra, India	20,000	March 31, 2100
Fourth Ambernath Facility	Plot M-11, Additional Ambernath Industrial Area, Maharashtra, India	50,000	95 years from the date of execution of the agreement to lease[(3)]
Dombivli Facility	Shed No. W-261, Phase II, MIDC, Dombivli (East) Thane, Maharashtra, India	800	August 31, 2077[(2)]
Dombivli Facility	Shed No. W-260, Phase II, MIDC, Dombivli (East) Industrial Area, Maharashtra, India	720	August 31, 2077[(2)]
Second Ambernath Facility	Plot No. W-8, Chemical Zone MIDC, Ambernath (W), Maharashtra, India	346.29	March 25, 2021

Notes:

1. *The Badlapur Facility is located on two plots of land separated by a road. However, the facilities on these two plots of land are run as a single facility. One of the two plots of land on which the Badlapur Facility is located is held on the basis of an agreement to lease. For more details, see "Risk Factors–One of the two plots of land on which the Badlapur Facility is located is held on the basis of an agreement to lease. Any termination of an agreement to lease or our failure to enter into a lease agreement could adversely affect our business, financial condition and results of operations activities" on page 24.*

2. *We have deeds of assignment by which we acquired these leases, but we are unable to locate the original lease deeds. We have relied on documents with respect to the amalgamation of these plots for the lease expiry date for Shed No. W-261 and have assumed that the lease expiry date for Shed No. W-260 is the same given that the plots are now amalgamated. For more details, see "Risk Factors - Certain of our corporate records are not traceable" on page 31.*

3. *The execution of a definitive agreement is pending and possession of the land is awaited. For more details, see "Risk Factors-We have yet to obtain possession of the land on which we are in the preliminary stages of planning to set up the Fourth Ambernath Facility. If we are unable to obtain possession of the land, we may have to find an alternative plot of land, which may be more expensive and/or less favourably located" on page 17.*

CORPORATE AND SOCIAL RESPONSIBILITY ("CSR")

We aim to comply with Section 135 and Schedule VII of the Companies Act, 2013 for Corporate Social Responsibility ("**CSR**") activities. We have a CSR committee in place, whose mandate is to formulate and recommend a CSR policy to the Board, which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act, 2013, recommend the amount of expenditure to be incurred on the above-mentioned activities and to do such other acts, deeds and things as may be required to comply with applicable laws. For Fiscal 2017, our Company contributed ₹ 13.10 million towards CSR to the Shri. R.M. Shah Foundation (the "**Foundation**"), which was set up on February 17, 2010. The trustees of the Foundation are the Promoters (excluding Mr. Bimal Mukesh Shah and Mrs. Jyotsna Ramesh Shah) and Mr. Jitendra Vrajlal Shah. The object of the Foundation is to relieve the poor, promote education and support medical relief.

REGULATIONS AND POLICIES

The following description is an indicative summary of certain sector specific key laws and regulations in India, which are applicable to our Company. The information detailed in this section has been obtained from publications available in the public domain. The regulations, as amended, set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed as nor intended to be a substitute for professional legal advice.

Our company operates in fine and heavy chemicals, oils, fats, dyes, dyestuffs, dye retardants, dye assistants, organic and inorganic chemicals.

Laws in relation to our business

Factories Act, 1948 ("Factories Act")

The Factories Act and the rules issued under the Factories Act by various State governments, require registration of our production facilities and regulates their operations in relation to matters such as health and safety measures to be adopted and welfare measures for persons working in our production facilities. The penalties for contravention of the Factories Act include fine and imprisonment for the 'occupier' or 'manager' as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of hazardous materials.

Food Safety Standards Act, 2006 ("FSS Act")

The FSS Act requires any person carrying on any food business to obtain a license granted by the Food Safety Standards Authority of India ("**FSSAI**"). The FSS Act, *inter alia*, sets out the requirements for licensing and registering food businesses in addition to laying down the general principles for safety, responsibilities and liabilities of food business operators. The license under the FSS Act is granted by the central licensing authority. The standards prescribed by the FSSAI include specifications for ingredients, contaminants, pesticide residue, biological hazards and labels. Penalties under the FSS Act include fines.

Narcotic Drugs and Psychotropic Substances Act, 1985 ("Narcotic Act")

The Narcotic Act sets out the statutory framework for drug law enforcement in India. It prohibits, *inter alia,* the cultivation, production, manufacture, possession, sale, purchase, transportation, warehousing, consumption, inter-state movement, transhipment and import and export of narcotic drugs and psychotropic substances, except for medical or scientific purposes. It also controls and regulates controlled substances which can be used in the manufacturing of narcotic drugs and psychotropic substances. Offences under the Narcotic Act are essentially related to violations of the various prohibitions imposed under the Narcotic Act, punishable by both imprisonment and monetary fines. The Narcotic Act was amended in 1989 to mandate death penalty for second offences relating to contraventions involving more than certain quantities of specified narcotic drugs and psychotropic substances. Subsequently, the Narcotic Act was amended in 2014 to remove restrictions on certain drugs called 'essential narcotic drugs' (narcotic drugs which have been notified for medical and scientific use) and to improve treatment and care for people dependent on drugs.

The Legal Metrology Act, 2009 ("Legal Metrology Act")

The Legal Metrology Act, replaces the Standard Weights and Measures Act, 1976. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The key features of the Legal Metrology Act are (a) appointment of Government approved test centres for verification of weights and measures; (b) allowing the companies to nominate a person who will be held responsible for breach of provisions of the Legal Metrology Act; and (c) more stringent punishment for violation of provisions.

Environment Regulations

We are subject to various environment regulations as the operation of our establishments might have an impact on the environment in which they are situated. The basic purpose of the statutes given below is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards ("**PCBs**"), which are vested with diverse powers to deal with water and air pollution, have been set up in each state and in the Centre. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation. All industries are required to obtain consent orders from the PCBs, which are required to be periodically renewed.

Environment Protection Act, 1986 ("EPA")

The EPA has been enacted with an objective of protection and improvement of the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central

Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the Act, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State Pollution Control Board ("**State PCB**"). The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act requires that any individual, industry or institution responsible for emitting smoke or gases must apply in a prescribed form and obtain consent from the State PCB prior to commencing any activity. The State PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 ("Hazardous Waste Rules")

The Hazardous Waste Rules define the term "hazardous waste" and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous waste is classified as an "occupier". In terms of the Hazardous Waste Rules, occupiers have been, *inter alia*, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license / authorisation from the respective state pollution control board for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste.

Public Liability Insurance Act, 1991 ("Public Liability Act")

The Public Liability Act as amended, imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of 'hazardous substances' covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the Environment Relief Fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

Other Laws

In addition to the above, our Company is required to comply with the provisions of the Companies Act, FEMA, labour laws, intellectual property laws and various tax related legislations for its day-to-day operation.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Late Ramesh Maganlal Shah and Prakash Damodar Kamat founded 'Fine Organic Industries' in early 1970 at Mumbai, which was registered in 1973 as a partnership firm under the Indian Partnership Act, 1932. It commissioned its first facility in Dombivli MIDC Industrial Area in 1973, i.e. the Dombivli Facility which carried out processing and supply of food additives in Gujarat and Maharashtra. In 1975, Mukesh Maganlal Shah joined the partnership firm and expanded the business across India. Thereafter, in 1982, then existing partners incorporated a private limited company at Mumbai under the name of 'Smoothex Chemicals Private Limited' for further expansion of our business. In 1988, the partnership firm had set up a production facility of various specialty additives, i.e., the Second Ambernath Facility. Subsequently, Smoothex Chemicals expanded the production facilities in Malaysia and Thailand in 1990 and 1993, respectively. Further, the then existing partners founded another partnership firm in the name of 'Olefine Organics' for enhancing the capacity in order to meet the market demands. In 1995, the then existing promoters incorporated another private limited company under the name of Oleofine Organics (India) Private Limited for expanding the capacity for polymer additives.

Our Company was incorporated as a private limited company on May 24, 2002 at Mumbai under the name of Fine Organic Industries (Mumbai) Private Limited. A plot of MIDC land of 39,412 square metre at Additional Ambernath was procured under a lease for 95 years. In 2003, our then existing promoters incorporated another private company under the name of Fine Research & Development Centre Private Limited for undertaking dedicated research and development in our existing products, and established the Research and Development Centre in Navi Mumbai. In the First Ambernath Facility, we commissioned a fatty acids esters facility in 2006. In the period from 2008 to 2012, we commissioned a polymer additives facility stage-wise.

In January 2009, the name of our Company was changed to Fine Organic Industries Private Limited for a better depiction of the nature and scale of operations and the business of the Company which is not limited to Mumbai only, as contained in the original name, with effect from February 16, 2009. A fresh certificate of incorporation consequent upon change of name dated February 16, 2009 was issued by the RoC.

Thereafter, pursuant to the order passed by the High Court of Bombay on June 17, 2011, Oleofine Organics (India) Private Limited was amalgamated with our Company. For further details, see "*History and Certain Corporate Matters – Scheme of amalgamation between our Company and Oleofine Organics (India) Private Limited*" on page 157.

Subsequently, our Company incorporated our wholly owned Subsidiaries at the United States of America and Europe in 2013 and 2016, respectively. Additionally, in 2014, our Company established our Joint Venture with Zeelandia International at Mumbai to manufacture food premixes and to maximise the benefits of synergies. For further details, see "*History and Certain Corporate Matters – Investment Agreements*" on page 158.

Further, pursuant to the order passed by the National Company Law Tribunal, Mumbai on June 19, 2017, Fine Speciality Surfactants Private Limited, a company incorporated on August 19, 1987, and engaged in the manufacture, distribution and production of speciality chemicals, and Fine Research & Development Centre Private Limited were amalgamated with our Company. For further details, see "*History and Certain Corporate Matters – Scheme of amalgamation among our Company, Fine Research and Development Centre Private Limited and Fine Speciality Surfactants Private Limited*" on page 157. Thereafter, on July 18, 2017, our Company has sub-leased the facility and general plant and machinery at Dombivli, MIDC from Fine Organic Industries partnership firm pursuant to the leave and license agreement.

Pursuant to a resolution passed by our Shareholders on October 14, 2017, our Company was converted into a public limited company and the name of our Company was changed to Fine Organic Industries Limited. Consequently, upon conversion, a fresh certificate of incorporation dated November 2, 2017, was issued by the RoC recording the change of our Company's name to Fine Organic Industries Limited.

As of the date of this Red Herring Prospectus, our Company has 18 Shareholders.

Changes in Registered Office

There has been no change in the Registered Office of our Company since the date of our incorporation.

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as follows:

4. *To carry on business, in India and abroad, of manufacturers, processors, suppliers, distributers, dealers, importers, exporters of flavours, perfumes and flavouring chemicals, oil and colours, surface active agents, emulsifiers, preservatives, clouding agents, textile auxiliaries, lubricants, oleo chemicals and their derivatives, fatty acids and their derivatives, salt and esters.*

5. *To develop, process, manufacture, market, deal in and carry on the business in India and abroad in fine and heavy chemicals, oils, fats, dyes, dyestuffs, dye retardants, dye assistants, organic and inorganic chemicals.*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

Amendments to our Memorandum of Association

The following table sets forth the amendments to our Memorandum of Association since the incorporation of our Company:

Date of Shareholders' resolution / effective date	Particulars
April 24, 2008	Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹ 2,000,000 comprising 200,000 equity shares of face value of ₹ 10 each to ₹ 20,000,000 comprising 2,000,000 equity shares of face value of ₹ 10 each.
January 2, 2009	Clause I of the Memorandum of Association was amended to reflect the change in name of our Company from Fine Organic Industries (Mumbai) Private Limited to Fine Organic Industries Private Limited.
March 31, 2009	Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹ 20,000,000 comprising 2,000,000 equity shares of face value of ₹ 10 each to ₹ 50,000,000 comprising 5,000,000 equity shares of face value of ₹ 10 each.
August 1, 2011	Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹ 50,000,000 comprising 5,000,000 equity shares of face value of ₹ 10 each to ₹ 51,000,000 comprising 5,100,000 equity shares of face value of ₹ 10 each pursuant to a scheme of arrangement approved by the High Court of Bombay by its order dated June 17, 2011
February 4, 2016	Clause III of the Memorandum of Association was amended to reflect the following changes in the Object Clause: (i) Clauses 36 and 37 were added in part B: "*Clause 36: To undertake the activity of agriculture, horticulture, dairy farming and forestry and to do all related activities including cultivation of agricultural produce and deal in products derived from such agricultural produce.*" "*Clause 37: To purchase, take on lease or in exchange or otherwise acquire land whether agricultural or non-agricultural or whether leasehold or freehold or whether, urban or rural which may be required for the purpose of its business.*" (ii) The title of part A was changed to "The objects to be pursued by the Company on its incorporation". (iii) The title of part B was changed to "Matters which are necessary for the furtherance of the objects specified in part A". (iv) Part C titled "Other objects" was deleted.
July 3, 2017	Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹ 51,000,000 comprising 5,100,000 equity shares of face value of ₹ 10 each to ₹ 52,000,000 comprising 5,200,000 equity shares of face value of ₹ 10 each pursuant to a scheme of arrangement approved by the National Company Law Tribunal, Mumbai by its order dated June 19, 2017.
September 22, 2017	Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹ 52,000,000 comprising 5,200,000 equity shares of face value of ₹ 10 each to ₹ 200,000,000 comprising 20,000,000 equity shares of face value of ₹ 10 each.

Date of Shareholders' resolution / effective date	Particulars
October 14, 2017	Clause I of the Memorandum of Association was amended to reflect the change in name of our Company from Fine Organic Industries Private Limited to Fine Organic Industries Limited pursuant to conversion from a private limited company to a public limited company.
November 6, 2017	Clause V of the Memorandum of Association was amended to reflect modification in the authorised share capital of our Company from ₹ 200,000,000 comprising 20,000,000 equity shares of face value of ₹ 10 each to ₹ 200,000,000 comprising 40,000,000 Equity Shares of face value ₹ 5 each pursuant to the sub-division of the face value of the Equity Shares from ₹ 10 each to ₹ 5 each.

Major events and milestones in relation to our Company

The following table sets forth the major events and milestones in the history of our Company:

Year	Particulars
2005	Research and development centre was established in Mahape, Navi Mumbai
2006	Fatty acid esters facility was commissioned in First Ambernath Facility
2008	Polymer additives facility was commissioned in First Ambernath Facility
2010	Polymer additives capacity was expanded in First Ambernath Facility
2011	Amalgamation of Oleofine Organics (India) Pvt Ltd with our Company
2012	Additional food and polymer additives facility was commissioned in First Ambernath Facility
2014	Joint venture was signed with Zeelandia International, a Netherlands based bakery premix manufacturer
2015	Additional food and polymer additives capacity was commissioned in First Ambernath Facility
2017	Amalgamation of Fine Research and Development Centre Private Limited and Fine Speciality Surfactants Private Limited with our Company
2017	Sub-leasing of the facility and general plant and machinery at Dombivli, MIDC from Fine Organic Industries partnership firm to our Company
2018	Joint venture agreement was signed with Adcotec, a German company for application, development, marketing, distribution and sales activities of food and food additives

Awards and Accreditations in last five years

The following table sets forth the key awards and accreditations received by our Company:

Calendar year	Award / Certification / Recognition
2013-2016	Awarded meritorious performance in industrial safety by the National Safety Council, Maharashtra Chapter
2015	ISO 9001:2015 Quality management system certification for manufacture and supply of speciality chemicals for food, polymer, textile, metal, cosmetic, pharmaceutical, paints and other allied industries by BSI Assurance UK Limited
2016	FSSC 22000 Food safety system certification for processing and bulk packing of food additives and fatty acid esters category K by BSI Assurance UK Limited
2017	GMP+ process certification for feed safety assurance in the First Ambernath Facility by Control Union Certifications

Corporate Profile of our Company

For details in relation to our corporate profile including details of our business, geographical presence, growth, competition, products, suppliers, customers, capacity build-up, technology, and managerial competence, see "*Our Business*", "*Our Management*", *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* and *"Government and Other Approvals"* on pages 137, 161, 422 and 459, respectively.

Our Holding Company

As of the date of this Red Herring Prospectus, our Company does not have a holding company.

Our Subsidiaries

As of the date of this Red Herring Prospectus, our Company has two Subsidiaries. For details regarding our Subsidiaries, see "*Our Subsidiaries and Joint Ventures*" on page 159.

Capital raising activities through equity or debt

For details regarding our capital raising activities through equity and debt as applicable, see "*Capital Structure*" and "*Financial Indebtedness*" on pages 84 and 442, respectively.

Injunctions or restraining order against our Company

As of the date of this Red Herring Prospectus, there are no injunctions or restraining orders against our Company.

Details regarding acquisition of business / undertakings, mergers, amalgamations and revaluation of assets

Except as stated below and in the section "*Our Business*" on page 137, our Company has not acquired any business or undertaking, and has not undertaken any merger, amalgamation or revaluation of assets.

Scheme of amalgamation between our Company and Oleofine Organics (India) Private Limited

On April 1, 2010, our Board approved a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 for amalgamation of Oleofine Organics (India) Pvt Ltd ("**Transferor Company**") with our Company in terms of the Scheme of Amalgamation. As of the effective date of the Scheme of Amalgamation, being August 1, 2011 the entire business and undertakings of the Transferor Company including all its properties, assets, liabilities, rights, duties and obligations were transferred to our Company. In accordance with the Scheme of Amalgamation, 566 equity shares of face value of ₹ 10 each of our Company were allotted as fully paid up to the shareholders of the Transferor Company for every one equity share of face value of ₹ 100 each held on the record date, being August 11, 2011. On June 17, 2011, the High Court of Bombay approved the Scheme of Amalgamation.

Scheme of amalgamation among our Company, Fine Research and Development Centre Private Limited and Fine Speciality Surfactants Private Limited

On January 20, 2016, our Board approved a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 for amalgamation of Fine Research and Development Centre Private Limited and Fine Speciality Surfactants Private Limited ("**Transferor Companies**") with our Company, in terms of the Scheme of Amalgamation. As of the effective date of the Scheme of Amalgamation, being July 3, 2017, the entire business and undertakings of the Transferor Companies including all its properties, assets, liabilities, rights, duties and obligations were transferred to our Company. In accordance with the Scheme of Amalgamation, 406 equity shares of face value of ₹ 10 each of our Company were allotted as fully paid up to the shareholders of Transferor Companies for every 10 equity shares of ₹ 100 each held on the record date, being June 26, 2017. On June 19, 2017, the National Company Law Tribunal, Mumbai approved the Scheme of Amalgamation.

Defaults or rescheduling of borrowings with financial institutions / banks and conversion of loans in equity

There have been no defaults or rescheduling of borrowings with financial institutions / banks / debenture holders. None of our outstanding loans have been converted into Equity Shares.

Lock-out, Strikes, etc.

There have been no instances of strikes, lock-outs or instances of labour unrest in our Company.

Time and cost overruns in setting up the projects

Our Company has not faced any time and cost overrun in setting up the projects, except in the ordinary course of business.

Changes in the activities of the Company during the five years preceding the date of this Red Herring Prospectus which may have had a material effect on the profits / losses of our Company

There have been no changes in the activities undertaken by our Company during a period of five years prior to the date of this Red Herring Prospectus which may have had a material effect on the profits or losses of our Company or which may have significantly affected our business including discontinuance of lines of business, loss of agencies or markets and similar factors.

Financial and strategic partners

Our Company does not have any financial or strategic partners.

Summary of Key Agreements

1. Investment Agreements

(a) Shareholders' agreement dated May 21, 2014 between our Company and Zeelandia International ("Fine Zeelandia Shareholders Agreement")

Pursuant to the Fine Zeelandia Shareholders Agreement, our Company and Zeelandia International ("**Party**" or jointly, "**Parties**") jointly incorporated a private company in the name of "Fine Zeelandia Private Limited" ("**Joint Venture**") under the laws of India with its registered office situated in Mumbai. Both the parties hold 50% of the issued and outstanding shares in the Joint Venture and have equal seats on the board of directors of the Joint Venture, with a quorum requirement of equal number of directors nominated by each of the Parties. The purpose of the Joint Venture was to *inter-alia* (i) enhance and expand the sale and/or distribution of *inter alia* powder premixes, glazes, fruit fillings, fruit compotes, jams for catering and confectionary applications and bakery ingredients (the "**Products**") in Sri Lanka, Bangladesh and Nepal to manufacture the Products; (ii) establish a state of the art production facility; and (iii) set up a production plant in Sri Lanka, Bangladesh and Nepal. The shares of the Parties are locked-in for a period of five years ("**Lock-in Period**") from the date of signing the Fine Zeelandia Shareholders Agreement. Further, after the Lock-in Period, the remaining shareholder shall have right of first refusal to purchase the shares of the disposing shareholder. In any event, no transfer of shares in the Joint Venture is allowed without the prior written consent of the other Party. The Fine Zeelandia Shareholders Agreement will terminate upon either of the Parties, or any third party, acquiring all the issued and allotted shares of the Joint Venture. Further, as per the Fine Zeelandia Shareholders Agreement, our Company and any entity under the control of our Company are prohibited from performing any activity that is directly or indirectly competitive with the Joint Venture's activities and Products. This would include business dealings with the customers, and solicitation of the employees of the Joint Venture. For details, see *"Risk Factors – Our Company's shareholding in Fine Zeelandia and FineAdd is subject to certain restrictions and our Company is subject to certain non-compete obligations"* on page 20.

(b) Shareholders' agreement dated January 17, 2018 between our Company and Adcotec ("FineAdd Shareholders Agreement")

Pursuant to the FineAdd Shareholders Agreement, our Company and Adcotec ("**Party**" or jointly, "**Parties**") propose to jointly incorporate a limited liability company in the name of "FineAdd Ingredients GmbH" ("**Joint Venture**") under the laws of Germany with its registered office situated in Bitterfeld - Wolfen, Germany. Both the parties will hold 50% of the issued and outstanding shares in the Joint Venture and will have equal seats on the board of directors of the Joint Venture, with a quorum requirement of equal number of directors nominated by each of the Parties. The purpose of the Joint Venture is *inter-alia* (i) application, development, marketing, distribution and sale activities of *inter alia* derivatives of fatty acids esters, distill monoglyceride-emulsifier and enzyme formulations for use in bakery ingredients (the "**Products**") within the food and additives markets of Europe (excluding the Russian Federation Republic ("**Territory**"); (ii) establish a state of the art production facility; and (iii) set up a production plant for the Products in the Territory. The shares of the Parties are locked-in for a period of five years ("**Lock-in Period**") from the date of signing the FineAdd Shareholders Agreement. Further, after the Lock-in Period, the remaining shareholder shall have right of first refusal to purchase the shares of the disposing shareholder. In addition, the Company is required to make available to the Joint Venture such processes and designs as required under the business plan to be prepared pursuant to the FineAdd Shareholders Agreement. Further, the Company shall contribute its global experience, certain agreed technologies, and certain agreed experienced personnel to the Joint Venture. The FineAdd Shareholders Agreement will terminate upon either of the Parties, or any third party, acquiring all the issued and allotted shares of the Joint Venture. Further, as per the FineAdd Shareholders Agreement, our Company and any entity controlled by, under the control or under common control of our Company are prohibited from carrying on or engaging in any business which, directly or indirectly competes with the Joint Venture's business, during the existence of the FineAdd Shareholders Agreement and after three years post termination of the FineAdd Shareholders Agreement. For details, see *"Risk Factors – Our Company's shareholding in Fine Zeelandia and FineAdd is subject to certain restrictions and our Company is subject to certain non-compete obligations"* on page 20.

2. Guarantees, if any, issued by promoters offering their equity shares in terms of the offer for sale

Our Promoters have not given any guarantees on behalf of our Company to third parties.

Non-material acquisition

Our Company has made a non-material acquisition through purchase of fixed assets in respect of the Dombivli Facility pursuant to a leave and license agreement dated November 30, 2017 with Fine Organic Industries for a sum of ₹ 22.58 million which was funded through internal accruals. Further, an interest free security deposit of ₹ 1,800,000 has been paid by our Company, and a monthly license fee of ₹ 600,000 shall be paid towards availing the premises on leave and license, in this regard. This has been certified by our Statutory Auditor pursuant to his certificate dated February 2, 2017.

OUR SUBSIDIARIES AND JOINT VENTURES

As of the date of this Red Herring Prospectus, our Company has two Subsidiaries and one Joint Venture.

Our Subsidiaries

1. Fine Organics USA Inc., United States ("Fine Organics US")

Fine Organics US was incorporated as a private company on July 29, 2013 at Missouri City in the state of Texas under the applicable laws of Texas. Fine Organics US is authorized to carry on any and all lawful business for which the corporation may be organized under the Texas Business Organisations Code. Currently, Fine Organics US is engaged in the business of, *inter alia*, marketing, design, purchase, sale, import and export of additives of plastic, rubber, cosmetic, paint and all types of specialized applications. It acts as the marketing arm of our Company and caters to the customers in the U.S. and Canada regions.

Capital Structure

	Number of equity shares of face value USD 1 each
Authorised capital	Not Applicable
Issued, subscribed and paid-up capital	1,000

Shareholding pattern

The following table sets forth details of the shareholding pattern of Fine Organics US:

Sr. No.	Name of the shareholder	Number of equity shares of face value USD 1 each	Percentage of total equity holding (%)
1.	Our Company	1,000	100.00
Total		**1,000**	**100%**

2. Fine Organics Europe BVBA, Europe ("Fine Organics Europe")

Fine Organics Europe was incorporated as a private company on February 10, 2016 at Antwerp in Belgium under the under the applicable laws of Belgium. The incorporation deed authorizes Fine Organics Europe to carry on the business of, *inter alia*, marketing, design, purchase, sale, import and export of additives of plastic, rubber, cosmetic, paint and all types of specialized applications. It acts as the marketing arm of our Company and caters to the customers in the European regions.

Capital Structure

	Number of equity shares of face value EUR 100 each
Authorised capital	Not Applicable
Issued, subscribed and paid-up capital	186

Shareholding pattern

The following table sets forth details of the shareholding pattern of Fine Organics Europe:

Sr. No.	Name of the shareholder	Number of equity shares of face value EUR 100 each	Percentage of total equity holding (%)
1.	Our Company	185	99.46
2.	Tushar Ramesh Shah	1	0.54
Total		**186**	**100%**

Our Joint Venture

1. Fine Zeelandia Private Limited ("Fine Zeelandia")

Fine Zeelandia was incorporated as a private company on December 1, 2014 at Mumbai under the Companies Act, 2013. The memorandum of association authorizes Fine Zeelandia to carry on the business of manufacturing, processing supplying, distributing, dealing, importing and exporting of emulsifiers, preservatives, breads and pastry products, dough divider oils, pan release agents, pan release spraying equipments and premixes for bakery and confectionary products.

Capital Structure

	Number of equity shares of face value ₹ 10 each
Authorised capital	25,000,000
Issued, subscribed and paid-up capital	22,568,500

Shareholding pattern

The following table sets forth details of the shareholding pattern of Fine Zeelandia:

Sr. No.	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	Our Company	11,284,250	50.00
2.	Zeelandia International	11,284,250	50.00
Total		22,568,500	**100%**

FineAdd is in the process of being incorporated as a limited liability company at Bitterfeld, Germany under the laws of Germany, in terms of the FineAdd Shareholders Agreement. For further details, see, "*History and Certain Corporate Matters – Summary of Key Agreements – Investment Agreements – Shareholders' agreement dated January 17, 2018 between our Company and Adcotec ("FineAdd Shareholders Agreement")"* on page 158. As on date of this Red Herring Prospectus, FineAdd has not been incorporated.

Significant sales / purchase with our Subsidiaries or Joint Venture

Our Company is not involved in any sales or purchases with any of our Subsidiaries or Joint Venture where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

Common Pursuits

Our Company, Subsidiaries and Joint Venture have common pursuits. Fine Organics US and Fine Organics Europe are engaged in the business of marketing and sales of additives for plastics. Fine Zeelandia is engaged in the business of manufacturing and marketing of food premixes and other products in food industry.

Other Confirmations

1. Other than as disclosed below, there are no accumulated profits or losses of our Subsidiaries and Joint Venture which are not accounted for by our Company:

   Fine Organics US: Accumulated losses of USD 0.26 million for the year ended March 31, 2017
   Fine Organics Europe: Accumulated losses of Euro 0.24 million for the year ended March 31, 2017
   Fine Zeelandia: Accumulated losses of ₹ 3.92 million for the year ended March 31, 2017

   Except as disclosed in "*Our Business*" and "*Related Party Transactions*" beginning on pages 137 and 187, our Subsidiaries and Joint Venture do not have any business interests in our Company.

2. None of our Subsidiaries or Joint Venture is listed in India or abroad.

OUR MANAGEMENT

In terms of the Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Red Herring Prospectus, our Board comprises ten Directors, including five executive Directors and five independent Directors.

The following table sets forth details regarding our Board:

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
Prakash Damodar Kamat ***Designation***: Executive Director and Chairman ***Term***: Appointed for a period of five years with effect from November 6, 2017 to November 5, 2022 ***Address***: Neelkant Tirth CHS, Bungalow No. 3, Road No. 6, Chembur, Mumbai 400 071 ***Occupation***: Business ***Nationality:*** Indian ***DIN***: 00107015	73	• Oleofine Organics Sdn. Bhd. • Smoothex Chemicals
Mukesh Maganlal Shah ***Designation***: Managing Director ***Term***: Appointed for a period of five years with effect from November 6, 2017 to November 5, 2022 (liable to retire by rotation) ***Address***: Flat No. 2501 Evita Building, Central Avenue, Hiranandani Gardens, Powai, Mumbai 400 076 ***Occupation***: Business ***Nationality:*** Indian ***DIN***: 00106799	62	• Oleofine Organics Sdn. Bhd. • Smoothex Chemicals
Jayen Ramesh Shah ***Designation***: Executive Director and Chief Executive Officer ***Term***: Appointed for a period of five years with effect from November 6, 2017 to November 5, 2022 (liable to retire by rotation) ***Address***: Indraprastha, Block No. 1002, Neelkanth Valley, Rajwadi, M. G. Road, Ghatkopar East, Mumbai 400 077 ***Occupation***: Business ***Nationality:*** Indian ***DIN***: 00106919	54	• Fine Zeelandia Private Limited • Smoothex Chemicals
Tushar Ramesh Shah	49	• Fine Zeelandia Private Limited • Fine Organics Europe BVBA

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
Designation: Executive Director and Chief Financial Officer ***Term***: Appointed for a period of five years with effect from November 6, 2017 to November 5, 2022 (liable to retire by rotation) ***Address***: 1104, 10th Floor, Indraprastha, Neelkanth Valley, Rajwadi, M.G. Road, Ghatkopar East, Mumbai 400 077 ***Occupation***: Business ***Nationality:*** Indian ***DIN***: 00107144		• Fine Organics US
Bimal Mukesh Shah ***Designation***: Executive Director ***Term***: Appointed for a period of five years with effect from November 6, 2017 to November 5, 2022 (liable to retire by rotation) ***Address***: 2401, Evita Building, Central Avenue, Hiranandani Gardens, Powai, Mumbai 400 076 ***Occupation***: Business ***Nationality:*** Indian ***DIN***: 03424880	37	Nil
Prakash Krishnaji Apte ***Designation***: Independent Director ***Term***: Appointed for a period of five years with effect from November 13, 2017 to November 12, 2022 ***Address***: B 803, Blossom Boulevard, CHS, Lane 7, South Main Road, Near Pingle Farms, Koregaon Park, Pune 411 001 ***Occupation***: Business consultant ***Nationality:*** Indian ***DIN***: 00196106	64	• Indo-Swiss Centre of Excellence • Kotak Mahindra Bank Limited • Kotak Mahindra Life Insurance Company Limited • Swiss Indian Chamber of Commerce • Syngenta Foundation India • Syngenta India Limited
Kaushik Dwarkadas Shah ***Designation***: Independent Director ***Term***: Appointed for a period of five years with effect from January 24, 2018 to January 23, 2023 ***Address***: A-502, Gagandeep, Gulmohar Cross Road No. 6, J.V.P.D. Scheme, Juhu, Mumbai 400 049 ***Occupation***: Business consulting	67	• Sahyam Foundation

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
Nationality: Indian ***DIN***: 00124756		
Mahesh Pansukhlal Sarda ***Designation***: Independent Director ***Term***: Appointed for a period of five years with effect from November 13, 2017 to November 12, 2022 ***Address***: Flat No. 701, Godavari Apartment, Sir Pochkanwala Road, Opp. RTO Head Quarter, Worli Sea Face, Mumbai 400 030 ***Occupation***: Practicing Chartered Accountant ***Nationality:*** Indian ***DIN***: 00023776	67	• John Energy Limited • Kesarjan Building Centre Private Limited
Parthasarathi Thiruvengadam ***Designation***: Independent Director ***Term***: Appointed for a period of five years with effect from November 13, 2017 to November 12, 2022 ***Address***: Flat No. 201, Yadugiri Nest, 60, 11th Main Road, Opp. Cluny Convent, Malleswaram, Bangalore 560 003 ***Occupation***: Senior director, management consultancy services (retd.) ***Nationality:*** Indian ***DIN***: 00016375	66	• Centum Electronics Limited • DTDC Express Limited • Micromatic Machine Tools Private Limited • Surin Automotive Private Limited
Pratima Umarji ***Designation***: Independent Director ***Term***: Appointed for a period of five years with effect from November 13, 2017 to November 12, 2022 ***Address***: B 702, Patliputra, 4 Bungalows, Near Kokilaben Hospital, Andheri West, Azad Nagar, Mumbai 400 053 ***Occupation***: Retired government officer ***Nationality:*** Indian ***DIN***: 05294496	73	Nil

Arrangement or understanding with major shareholders, customers, suppliers or others

None of our Directors have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Relationship between our Directors

S. No.	Name of Director	Related To	Nature of Relationship of director
1.	Mukesh Maganlal Shah	Bimal Mukesh Shah Jayen Ramesh Shah Tushar Ramesh Shah	Father Uncle Uncle
2.	Jayen Ramesh Shah	Tushar Ramesh Shah Mukesh Maganlal Shah Bimal Mukesh Shah	Brother Nephew Cousin
3.	Tushar Ramesh Shah	Jayen Ramesh Shah Mukesh Maganlal Shah Bimal Mukesh Shah	Brother Nephew Cousin
4.	Bimal Mukesh Shah	Mukesh Maganlal Shah Jayen Ramesh Shah Tushar Ramesh Shah	Son Cousin Cousin

Other than as disclosed above, there is no family relationship amongst our Directors.

Brief Biographies of Directors:

Prakash Damodar Kamat is the Executive Director and Chairman of our Company. He holds a master's degree in science and technology (oils) from Institute of Chemical Technology (formerly UDCT), University of Bombay. He joined our Fine Organic group in 1970 and has been associated with our Fine Organic group since inception. He has work experience in product development, process technology and research and development. He received the distinguished alumni award in 1999 from the UDCT for his commitment and depth of knowledge of paints, plastics, oils, textiles, metal working and food industries in India and overseas. He is a co-founder of our Company and has played a key role in developing several products, processes and leading engineering research and development.

Mukesh Maganlal Shah is the Executive Director and Managing Director of our Company. He holds a bachelor's degree in science from the University of Bombay. He joined our Fine Organic group in 1973 and played a key role in establishing the quality control, sales and marketing departments at our Company. He formed and guided a team of sales and marketing professionals that helped the organization's products reach customers across India and find applications beyond the food industry. He has been associated with our Company since inception.

Jayen Ramesh Shah is the Executive Director and Chief Executive Officer of our Company. He holds a master's degree in science from the University of Bombay. He joined our Fine Organic group in 1986 and was instrumental in creating a vendor-partner network needed to support our Company. He played a key role in developing and managing channel partners for the organizations products in India. He has experience in procurement, vendor development and business development. He has been associated with our Company since inception.

Tushar Ramesh Shah is the Executive Director and Chief Financial Officer of our Company. He has completed second year while pursuing for bachelors' in science (S.Y. B.Sc.) from the University of Mumbai. He joined our Fine Organic group in 1989 and led several change management initiatives like the introduction of enterprise resource planning, customer relationships management and financial systems that helped us scale up our operations. He played a key role in the development of our Company's first slip additive manufacturing facility. He helped in the setting up of our offices in North America and Europe. He has been associated with our Company since inception.

Bimal Mukesh Shah is the Executive Director of our Company. He holds a bachelor's degree in science from Purdue University and a master's degree in management from Boston College. He joined our Fine Organic group in 2009. Under the mentorship of Prakash Damodar Kamat, Bimal Mukesh Shah has transitioned into a position to lead several initiatives for upcoming projects, processes and additional capacities. He has experience in operations, instrumentation and projects.

Prakash Krishnaji Apte is an Independent Director of our Company. He was appointed as a Director of our Company with effect from November 13, 2017. He holds a bachelor's degree in engineering (mechanical branch) from University of Pune. He has experience in various areas of management and business leadership. He has been involved with projects encompassing vision & strategy development, operational excellence, business transformation as well as technology & knowledge transfer initiatives. He was a managing director at Syngenta India Limited. Further, he is a non-executive chairman of Syngenta India Limited.

Kaushik Dwarkadas Shah is an Independent Director of our Company. He was appointed as a Director of our Company with effect from January 24, 2018. He holds a bachelor's degree in commerce from the University of Bombay. He is a qualified chartered accountant and an associate of the ICAI. He is also a company secretary certified by 'The Institute of Company Secretaries of India'. Prior to joining our Company, he was the managing director of Fulford (India) Limited. He has work experience in managing the business of pharmaceutical operations. He has been awarded the 'Suri Memorial Fund' award for the best paper on the 'Commercial Laws and other Taxes', and the M.M. Shah prize for the best paper on 'Taxation' by the ICAI.

Mahesh Pansukhlal Sarda is an Independent Director of our Company. He was appointed as a Director of our Company with effect from November 13, 2017. He holds a bachelor's degree in commerce from the University of Bombay and a bachelor's degree in law from Saurashtra University. He also holds a certificate of practice from the Institute of Chartered Accountants of India. Previously he was a partner at Deloitte Haskins & Sells LLP and C.C. Chokshi & Co., and was a proprietor of Sarda & Sarda, a proprietorship firm.

Parthasarathi Thiruvengadam is an Independent Director of our Company. He was appointed as a Director of our Company with effect from November 13, 2017. He holds a bachelor of technology degree in chemical engineering from the Indian Institute of Technology, Madras and a post graduate diploma in industrial engineering from the Training Institute for Productivity & Industrial Engineering. He is also a fellow member of The Institute of Cost Accountants of India. He has work experience in management consulting. Previously, he was a senior director with Deloitte Touche Tohmatsu India LLP, management consultancy services.

Pratima Umarji is an Independent Director of our Company. She was appointed as a Director of our Company with effect from November 13, 2017. She holds a bachelor's degree in law from the University of Bombay. Previously she has worked in the law and judiciary department of the Government of Maharashtra as the principal secretary and was a member of expert committee constituted by City and Industrial Development Corporation of Maharashtra Limited for examining the issues, related to development of integrated complex at seawoods railway stations of Nerul. She is currently working as a panel member of the "Lok Adalat" set up by the High Court of Bombay.

Confirmations

None of our Directors has been or is a director of any listed company during the last five years preceding the date of the Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on any stock exchanges.

Other than as disclosed below, none of our Directors has been or is a director of any listed company which has been or was delisted from any stock exchanges:

Name of the Director	Name of the company	Name of the stock exchange(s) on which the company was listed	Date of delisting on stock exchanges	Whether the delisting was compulsory or voluntary delisting:	Reasons for delisting	Whether the company has been relisted	Date of relisting, in the event the company is relisting	Term of directorship (along with relevant dates) in the company
Prakash Krishnaji Apte	Syngenta India Limited	BSE Limited	June 22, 2007	Voluntary delisting	One of the promoter company made an offer to acquire the shares from public through a reverse book building process	No	N.A.	November 10, 2000 till date
Kaushik Dwarkadas Shah	Fulford (India) Limited	BSE Limited	August 7, 2015	Voluntary delisting	Acquisition of the shares by a promoter	No	N.A.	April 1, 1989 till December 31, 2006

None of our Directors has been identified as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guideline on wilful defaulters issued by the Reserve Bank of India.

Terms of Appointment of the Executive Directors

Prakash Damodar Kamat

Prakash Damodar Kamat has been a Director of our Company since May 24, 2002. He was appointed as the chairman of our Company pursuant to a resolution passed by our Board on November 3, 2017 subject to approval of the Shareholders. Subsequently, our Shareholders confirmed the appointment of Prakash Damodar Kamat at the EGM held on November 6, 2017. Pursuant to the resolution passed by the Board dated November 3, 2017, and the agreement entered into between our Company and Prakash Damodar Kamat dated November 6, 2017, he is entitled to an annual remuneration of ₹ 22.80 million. The following table sets forth details of his terms of remuneration:

Sr. No.	Particulars of remuneration	Remuneration (in ₹ million)
1.	Basic Salary	22.80 per annum
2.	Perquisites	Please refer to Note 1
3.	Commission	Please refer to Note 2

Note 1: Perquisites include (i) travelling expenses; (ii) medical expenses for self and family; (iii) personal accident insurance; (iv) leave travel assistance for self and family once in a year; (v) fees of clubs; (vi) reimbursement of actual entertainment expenses incurred in or about the business of the Company; (vii) use of two cars and drivers; (viii) telephone, fax and other telecom facilities; (ix) right to participate in provident fund, gratuity fund or other scheme for employees; (x) leave and leave encashment; (xi) expenses incurred in participation at social and business events; and (xii) increments.

Note 2: The commission shall be decided by the Board / Nomination and Remuneration Committee from time to time and is subject to overall ceilings laid under the applicable provisions of the Companies Act and rules thereunder.

Mukesh Maganlal Shah

Mukesh Maganlal Shah has been a Director of our Company since May 24, 2002. He was appointed as the Managing Director of our Company pursuant to a resolution passed by our Board on November 3, 2017 subject to approval of the Shareholders. Subsequently, our Shareholders confirmed the appointment of Mukesh Maganlal Shah at the EGM held on November 6, 2017. Pursuant to the resolution passed by the Board dated November 3, 2017, and the agreement entered into between our Company and Mukesh Maganlal Shah dated November 6, 2017, he is entitled to an annual remuneration of ₹ 22.80 million. The following table sets forth details of his terms of remuneration:

Sr. No.	Particulars of remuneration	Remuneration (in ₹ million)
1.	Basic Salary	22.80 per annum
2.	Perquisites	Please refer to Note 1
3.	Commission	Please refer to Note 2

Note 1: perquisites include (i) travelling expenses; (ii) medical expenses for self and family; (iii) personal accident insurance; (iv) leave travel assistance for self and family once in a year; (v) fees of clubs; (vi) reimbursement of actual entertainment expenses incurred in or about the business of the Company; (vii) use of two cars and drivers; (viii) telephone, fax and other telecom facilities; (ix) right to participate in provident fund, gratuity fund or other scheme for employees; (x) leave and leave encashment; (xi) expenses incurred in participation at social and business events; and (xii) increments.

Note 2: The commission shall be decided by the Board / Nomination and Remuneration Committee from time to time and subject to overall ceilings laid under the applicable provisions of the Companies Act and rules thereunder.

Jayen Ramesh Shah

Jayen Ramesh Shah has been a Director of our Company since May 24, 2002. He was appointed as an Executive Director of our Company pursuant to a resolution passed by our Board on November 3, 2017 subject to approval of the Shareholders. Subsequently, our Shareholders confirmed the appointment of Jayen Ramesh Shah at the EGM held on November 6, 2017. Pursuant to the resolution passed by the Board dated November 3, 2017, and the agreement entered into between our Company and Jayen Ramesh Shah dated November 6, 2017, he is entitled to an annual remuneration of ₹ 22.80 million. The following table sets forth details of his terms of remuneration:

Sr. No.	Particulars of remuneration	Remuneration (in ₹ million)
1.	Basic Salary	22.80 per annum
2.	Perquisites	Please refer to Note 1
3.	Commission	Please refer to Note 2

Note 1: Perquisites include (i) travelling expenses; (ii) medical expenses for self and family; (iii) personal accident insurance; (iv) leave travel assistance for self and family once in a year; (v) fees of clubs; (vi) reimbursement of actual entertainment expenses incurred in or about the business of the Company; (vii) use of two cars and drivers; (viii) telephone, fax and other telecom facilities; (ix) right to participate

in provident fund, gratuity fund or other scheme for employees; (x) leave and leave encashment; (xi) expenses incurred in participation at social and business events; and (xii) increments.

Note 2: The commission shall be decided by the Board / Nomination and Remuneration Committee from time to time and subject to overall ceilings laid under the applicable provisions of the Companies Act and rules thereunder.

Tushar Ramesh Shah

Tushar Ramesh Shah has been a Director of our Company since May 24, 2002. He was appointed as an Executive Director of our Company pursuant to a resolution passed by our Board on November 3, 2017 subject to approval of the Shareholders. Subsequently, our Shareholders confirmed the appointment of Tushar Ramesh Shah at the EGM held on November 6, 2017. Pursuant to the resolution passed by the Board dated November 3, 2017, and the agreement entered into between our Company and Tushar Ramesh Shah dated November 6, 2017, he is entitled to an annual remuneration of ₹ 22.80 million. The following table sets forth details of his terms of remuneration:

Sr. No.	Particulars of remuneration	Remuneration (in ₹ million)
1.	Basic Salary	22.80 per annum
2.	Perquisites	Please refer to Note 1
3.	Commission	Please refer to Note 2

Note 1: Perquisites include (i) travelling expenses; (ii) medical expenses for self and family; (iii) personal accident insurance; (iv) leave travel assistance for self and family once in a year; (v) fees of clubs; (vi) reimbursement of actual entertainment expenses incurred in or about the business of the Company; (vii) use of two cars and drivers; (viii) telephone, fax and other telecom facilities; (ix) right to participate in provident fund, gratuity fund or other scheme for employees; (x) leave and leave encashment; (xi) expenses incurred in participation at social and business events; and (xii) increments.

Note 2: The commission shall be decided by the Board / Nomination and Remuneration Committee from time to time and subject to overall ceilings laid under the applicable provisions of the Companies Act and rules thereunder.

Bimal Mukesh Shah

Bimal Mukesh Shah has been a Director of our Company since April 1, 2011. He was appointed as a whole-time director of our Company pursuant to a resolution passed our Board on November 3, 2017 subject to approval of the Shareholders. Subsequently, our Shareholders confirmed the appointment of Tushar Ramesh Shah at the EGM held on November 6, 2017. Pursuant to the resolution passed by the Board dated November 3, 2017, and the agreement entered into between our Company and Tushar Ramesh Shah dated November 6, 2017, he is entitled to an annual remuneration of ₹ 22.80 million. The following table sets forth details of his terms of remuneration:

Sr. No.	Particulars of remuneration	Remuneration (in ₹ million)
1.	Basic Salary	22.80 per annum
2.	Perquisites	Please refer to Note 1
3.	Commission	Please refer to Note 2

Note 1: Perquisites include (i) travelling expenses; (ii) medical expenses for self and family; (iii) personal accident insurance; (iv) leave travel assistance for self and family once in a year; (v) fees of clubs; (vi) reimbursement of actual entertainment expenses incurred in or about the business of the Company; (vii) use of two cars and drivers; (viii) telephone, fax and other telecom facilities; (ix) right to participate in provident fund, gratuity fund or other scheme for employees; (x) leave and leave encashment; (xi) expenses incurred in participation at social and business events; and (xii) increments.

Note 2: The commission shall be decided by the Board / Nomination and Remuneration Committee from time to time and subject to overall ceilings laid under the applicable provisions of the Companies Act and rules thereunder.

The base salary is paid subject to all deductions on account of withholding taxes, statutory contribution, encashment of leave and other requirements in accordance with applicable laws.

Remuneration of our Directors

The remuneration paid to our Directors in Fiscal 2018 are as follows:

1. **Remuneration to Executive Directors**

The following table sets forth details of remuneration paid to the Executive Directors in Fiscal 2018:

Sr. No.	Executive Directors	Remuneration (in ₹ million)*
1.	Prakash Damodar Kamat	23.72
2.	Mukesh Maganlal Shah	25.56

Sr. No.	Executive Directors	Remuneration (in ₹ million)*
3.	Jayen Ramesh Shah	23.72
4.	Tushar Ramesh Shah	23.72
5.	Bimal Mukesh Shah	19.31

**In Fiscal 2018, the commission was paid to the Executive Directors for April 2017 only and was discontinued thereafter.*

2. **Remuneration to Independent Directors**

Our Independent Directors are entitled to receive sitting fees for attending meetings of our Board or any of its committee and reimbursements of expenses. In terms of the letter of appointment dated November 13, 2017 and January 24, 2018, the non-executive Directors are entitled to sitting fee of ₹ 35,000 for every meeting of our Board they attend and of ₹ 7,500 for every meeting of the committee they attend.

The following table sets forth details of remuneration paid to the Independent Directors in Fiscal 2018:

Sr. No.	Independent Directors	Sitting fees (in ₹ million)	Remuneration (in ₹ million)
1.	Prakash Krishnaji Apte	0.12	Nil
2.	Kaushik Dwarkadas Shah	0.04	Nil
3.	Mahesh Pansukhlal Sarda	0.16	Nil
4.	Parthasarathi Thiruvengadam	0.11	Nil
5.	Pratima Umarji	0.18	Nil

No remuneration has been paid or is payable to our Directors by our Subsidiaries and Joint Venture.

Except as disclosed in "*Related Party Transactions*" on page 187, none of the sundry debtors of our Company or beneficiaries of loans and advances are related to our Directors.

Shareholding of Directors in our Company

The following table sets forth details of shareholding of our Directors in our Company as of the date of this Red Herring Prospectus:

Sr. No.	Name of the Director	Number of Equity Shares held in our Company	% of shareholding
1.	Prakash Damodar Kamat	5,982,840	19.51
2.	Mukesh Maganlal Shah(1)	5,979,450	19.50
3.	Jayen Ramesh Shah(2)	5,690,136	18.56
4.	Tushar Ramesh Shah(3)	5,910,180	19.28
5.	Bimal Mukesh Shah(4)	2,822,436	9.21
6.	Prakash Krishnaji Apte	Nil	Nil
7.	Kaushik Dwarkadas Shah	Nil	Nil
8.	Mahesh Pansukhlal Sarda	Nil	Nil
9.	Parthasarathi Thiruvengadam	Nil	Nil
10.	Pratima Umarji	Nil	Nil

(1) Jointly with Jayshree Mukesh Shah and Bimal Mukesh Shah;

(2) Jointly with Neeta Jayen Shah and Manali Jinesh Bhayani;

(3) Jointly with Bina Tushar Shah and Rhea Tushar Shah; and

(4) Jointly with Mukesh Maganlal Shah.

Our Articles of Association do not require our Directors to hold any qualification shares.

Shareholding of Directors in our Subsidiaries and Joint Venture

Except as disclosed below, none of our Directors hold any equity shares in our Subsidiaries or Joint Venture as on the date of this Red Herring Prospectus:

Name of the Director	Name of Subsidiary	Number of equity shares	Percentage of total equity holding (%)
Tushar Ramesh Shah	Fine Organics Europe	1 equity share of face value EUR 100	0.54

Appointment of relatives of Directors to any office or place of profit

Other than Manali Jinesh Bhayani, the daughter of our Director, Jayen Ramesh Shah, who is Vice President – Business development in our Company, none of the relatives of any of our Directors currently hold any office or place of profit in our Company.

Interest of Directors

All Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and Committees thereof, and reimbursement of expenses and commission payable to them as approved by our Board. All Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them, as stated in "*Our Management– Terms of appointment of our Executive Directors*" on page 166.

Except Prakash Damodar Kamat, Mukesh Maganlal Shah, Jayen Ramesh Shah, Tushar Ramesh Shah and Bimal Mukesh Shah, who are Promoters of our Company, none of our Directors have any interest in the promotion of our Company. The Directors may also be regarded as interested to the extent of the Equity Shares held by them, if any, or that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Offer. The Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares.

Other than sub-leasing of land from Olefine Organics in respect of Second Ambernath Facility, none of our Directors have any interest in any property acquired by our Company in the two years preceding the date of the Draft Red Herring Prospectus and this Red Herring Prospectus, or proposed to be acquired by our Company.

Other than the interest arising out of sub-leasing of the facility and purchase of general plant and machinery at Dombivli, MIDC by our Company from Fine Organic Industries, which certain of our Directors are associated with, and our Directors are not interested in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

No consideration, in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, by any person, either to induce him to become, or to qualify him as a Director, or otherwise for services rendered by the Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

Except as stated in "*Related Party Transactions*" on page 187 and as disclosed in this section, none of our Directors have any interest in our business.

Changes in our Board in the last three years

Name	Date of Appointment / Change / Cessation	Reason
Prakash Damodar Kamat	November 6, 2017	Change in designation as a Whole Time Director
Mukesh Maganlal Shah	November 6, 2017	Change in designation as a Whole Time Director
Jayen Ramesh Shah	November 6, 2017	Change in designation as a Whole Time Director
Tushar Ramesh Shah	November 6, 2017	Change in designation as a Whole Time Director
Bimal Mukesh Shah	November 6, 2017	Change in designation as a Whole Time Director
Prakash Krishnaji Apte	November 13, 2017	Appointment as an Independent Director
Sundareshan Sthanunathan	November 13, 2017	Appointment as an Independent Director
Mahesh Pansukhlal Sarda	November 13, 2017	Appointment as an Independent Director
Parthasarathi Thiruvengadam	November 13, 2017	Appointment as an Independent Director
Pratima Umarji	November 13, 2017	Appointment as an Independent Director
Sundareshan Sthanunathan	December 29, 2017	Resignation as an Independent Director
Kaushik Dwarkadas Shah	January 24, 2018	Appointment as an Independent Director

Borrowing Powers of Board

In accordance with the Articles of Association of our Company, our Board has been empowered to borrow funds in accordance with applicable law. Pursuant to the resolution dated November 6, 2017 passed by our Shareholders at an extraordinary general meeting of our Company, our Board is authorised to borrow from time to time as they may think fit, sum or sums of money not exceeding limit of ₹ 3,000 million.

Corporate Governance

In addition to the applicable provisions of the Companies Act, 2013, the provisions of the SEBI Listing Regulations with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance particularly in relation to composition of our Board and committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team, constitution of the Board committee and formulation of policies as required under law.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Our Chairman is an executive Director. Our Company currently has 10 Directors, of which five are executive Directors and five are Independent Directors, of whom one is a woman Director.

Our Company undertakes to take all necessary steps to continue to comply with all requirements under the SEBI Listing Regulations and the Companies Act, 2013.

Statutory Committees of our Board

In addition to the committees of our Board detailed below our Board may, from time to time constitute committees for various functions.

Audit Committee

The members of the Audit Committee are:

1. Mahesh Pansukhlal Sarda (*Chairman*);
2. Prakash Krishnaji Apte;
3. Kaushik Dwarkadas Shah;
4. Parthasarathi Thiruvengadam;
5. Jayen Ramesh Shah; and
6. Tushar Ramesh Shah.

The Audit Committee was last reconstituted by our Board on January 29, 2018. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations and its terms of reference include the following:

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2. Recommending to our Board the appointment, remuneration and terms of appointment of the statutory auditor of the Company;
3. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
4. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to our Board for approval, with particular reference to:
   (a) Matters required to be included in the Director's Responsibility Statement to be included in our Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
   (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; and

(g) Modified opinion(s) in the draft audit report.

6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to our Board for approval;

7. 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 utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to our Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;

8. Approval or any subsequent modifications of transactions of the Company with related parties;

9. Scrutinising of inter-corporate loans and investments;

10. Valuing of undertakings or assets of the Company, wherever it is necessary;

11. Evaluating of internal financial controls and risk management systems;

12. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances

13. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;

14. 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;

15. Discussing with internal auditors on any significant findings and follow up there on;

16. 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 our Board;

17. Discussing 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;

18. Looking 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;

19. Reviewing the functioning of the whistle blower mechanism;

20. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate; and

21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by our Board and /or specified/provided under the Companies Act or the Listing Regulations or by any other regulatory authority.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Parthasarathi Thiruvengadam (*Chairman*);

2. Pratima Umarji;

3. Mahesh Pansukhlal Sarda; and

4. Prakash Damodar Kamat.

The Nomination and Remuneration Committee was last reconstituted by our Board on December 15, 2017. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee include the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to our Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

2. Formulating of criteria for evaluation of the performance of the independent directors and our Board;

3. Devising a policy on Board diversity;

4. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to our Board their appointment and removal, and carrying out evaluations of every director's performance;

5. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

6. Analysing, monitoring and reviewing various human resource and compensation matters;

7. Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

8. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

10. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

11. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

    (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; or

    (b) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

12. Performing such other activities as may be delegated by our Board and / or specified / provided under the Companies Act or the Listing Regulations, or by any other regulatory authority.

Stakeholders Relationship Committee

The members of the Stakeholders Relationship Committee are:

1. Pratima Umarji (*Chairman*);

2. Prakash Krishnaji Apte;

3. Kaushik Dwarkadas Shah;

4. Mukesh Maganlal Shah;

5. Tushar Ramesh Shah; and

6. Jayen Ramesh Shah.

The Stakeholders Relationship Committee was last reconstituted by our Board on January 29, 2018. The scope and functions of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations.

The terms of reference of the Stakeholders Relationship Committee includes the following:

1. Consider and resolve grievances of security holders of the Company, including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends;

2. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

3. Approval of allotment of shares, approval of transfer or transmission of shares, debentures or any other securities.

4. Issue of duplicate certificates and new certificates on split / consolidation / renewal; and

5. Carrying out any other function as may be decided by our Board or prescribed under the Companies Act, 2013, the SEBI Listing Regulations, as amended, or by any other regulatory authority.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility are:

1. Jayen Ramesh Shah (*Chairman*);

2. Prakash Krishnaji Apte;

3. Kaushik Dwarkadas Shah;

4. Mukesh Maganlal Shah; and

5. Tushar Ramesh Shah.

The Corporate Social Responsibility Committee was last reconstituted by our Board on January 29, 2018. The scope and functions of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013.

The terms of reference of the Corporate Social Responsibility Committee include the following:

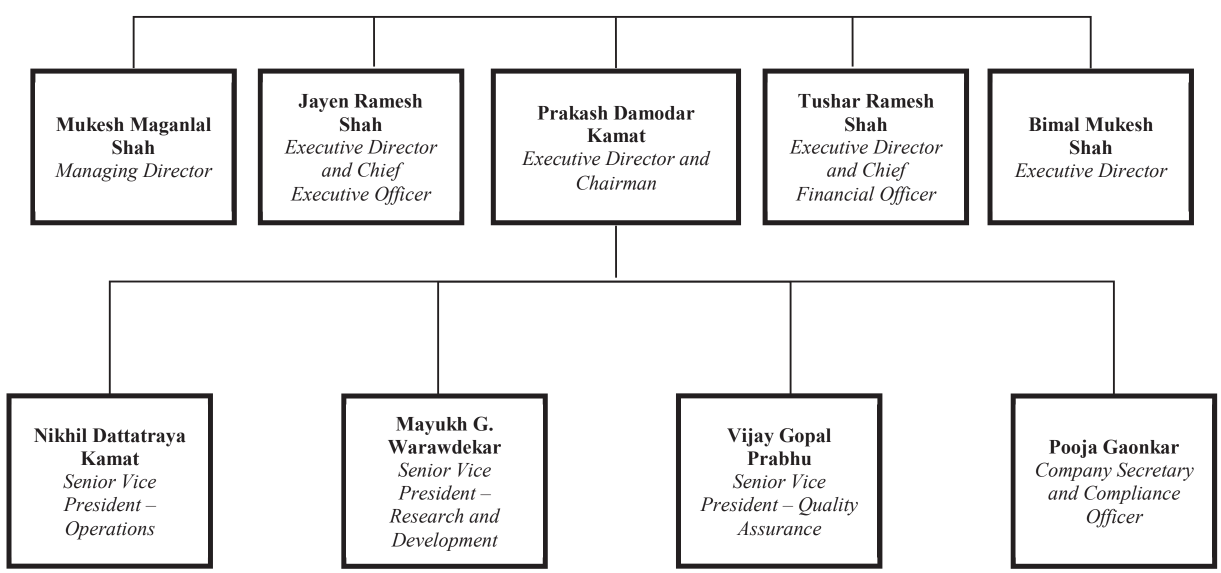
1. To formulate and recommend to our Board of Directors, the CSR Policy, indicating the CSR activities to be undertaken;

2. To recommend the amount of expenditure to be incurred on the CSR activities;

3. To monitor the CSR Policy and its implementation by the Company from time to time;

4. To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, 2013 and the rules framed thereunder.

Management Organization Structure



Key Management Personnel

Apart from our Managing Director and other Executive Directors i.e. Prakash Damodar Kamat, Mukesh Maganlal Shah, Jayen Ramesh Shah, Tushar Ramesh Shah and Bimal Mukesh Shah, the following are our Key Management Personnel:

Nikhil Dattatraya Kamat was appointed as the Senior Vice President – operations on March 1, 1987. He holds a master's degree in science from the University of Bombay. He has a work experience in production planning, handling technical, and regulatory work. During Fiscal 2018, he was paid gross compensation of ₹ 4.43 million.

Mayukh G. Warawdekar was appointed was appointed as the Senior Vice President – research and development of our Company on November 1, 2003. He holds a master's degree in physical chemistry and a doctor of philosophy degree in science from the University of Bombay. He has work experience in research and development and speciality chemicals. During Fiscal 2018, he was paid gross compensation of ₹ 4.94 million.

Vijay Gopal Prabhu was appointed as the Senior Vice President- Quality Assurance of our Company on October 15, 2008. He holds a master's degree and a doctor of philosophy degree in science from the University of Bombay. He has work experience in research and development and quality assurance in food and polymer additives, peroxides, organometallic compounds and metal extraction by sovex systems. He retired on March 31, 2017 and continues to work on a fixed term contract starting from April 1, 2017 to March 31, 2019. During Fiscal 2018, he was paid gross compensation of ₹ 2.40 million.

Pooja Gaonkar was appointed as the Company Secretary of our Company on December 1, 2015. She holds a bachelor's degree in law from the University of Bombay and is an associate of The Institute of Company Secretaries of India. She has work experience in company's law. Previously she worked with Calyx Chemicals and Pharmaceuticals Limited. During Fiscal 2018, she was paid gross compensation of ₹ 0.85 million.

For details regarding our Managing Director and other Executive Directors, please see, "*Our Management – Brief Biographies of Directors*" on page 164.

Other than Vijay Gopal Prabhu, who has been appointed on the basis of a fixed term contract, all our Key Management Personnel are permanent employees of our Company.

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Management Personnel have been selected.

Shareholding of Key Management Personnel in our Company

Apart from our Managing Director and other Executive Directors i.e. Prakash Damodar Kamat, Mukesh Maganlal Shah, Jayen Ramesh Shah, Tushar Ramesh Shah and Bimal Mukesh Shah, none of our Key Management Personnel hold any Equity Shares in our Company. For details of the shareholding of our Directors, see "*Our Management - Shareholding of Directors in our Company*" on page 168.

Relationship between our Key Management Personnel

Except as disclosed below, none of our Key Management Personnel are related to each other:

Sr. No.	Name of Key Management Personnel	Related to	Nature of relationship
1.	Prakash Damodar Kamat	Nikhil Dattatraya Kamat	Uncle
2.	Mukesh Maganlal Shah	Bimal Mukesh Shah Jayen Ramesh Shah Tushar Ramesh Shah	Father Uncle Uncle
3.	Jayen Ramesh Shah	Tushar Ramesh Shah Mukesh Maganlal Shah Bimal Mukesh Shah	Brother Nephew Cousin
4.	Tushar Ramesh Shah	Jayen Ramesh Shah Mukesh Maganlal Shah Bimal Mukesh Shah	Brother Nephew Cousin
5.	Bimal Mukesh Shah	Mukesh Maganlal Shah Jayen Ramesh Shah	Son Cousin

Sr. No.	Name of Key Management Personnel	Related to	Nature of relationship
		Tushar Ramesh Shah	Cousin
6.	Nikhil Dattatraya Kamat	Prakash Damodar Kamat	Nephew

Interests of Key Management Personnel

The Key Management Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. For details regarding interests of Directors, see "*Our Management – Interest of Directors*" at page 169.

The Key Management Personnel may be regarded as interested in the Equity Shares held by them, if any, and to the extent of any dividend payable to them and other distributions in respect of such Equity Shares.

Changes in our Key Management Personnel

Changes in our Key Management Personnel during the last three years immediately preceding the date of this Red Herring Prospectus are set forth below:

Name	Date of change	Reason for change
Vijay Gopal Prabhu	April 1, 2017	Re-appointed on a fixed term contract
Pooja Gaonkar	December 1, 2015	Appointed as the Company Secretary
Vijay Gopal Prabhu	March 31, 2017	Retired

Payment or Benefit to officers of our Company

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors and Key Management Personnel, is entitled to any benefits upon termination of employment under any service contract entered into with our Company. Except as stated otherwise in this Red Herring Prospectus and any statutory payments made by our Company, no amount or benefit has been paid or given, in the two years preceding the date of this Red Herring Prospectus, or is intended to be paid or given to any of our Company's officers except remuneration for services rendered as Directors, officers or employees of our Company. In addition to the above, the Company has granted loans to its employees as per applicable law.

None of our Directors or Key Management Personnel have received contingent or deferred compensation during the last financial year.

Except as disclosed in "*Related Party Transactions*" on page 187, no loans have been availed by our Directors or the Key Management Personnel from our Company.

Bonus or profit sharing plan of the Directors or Key Management Personnel

None of our Directors or Key Management Personnel is party to any bonus or profit sharing plan of our Company.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

The Promoters of our Company are:

1. Prakash Damodar Kamat;

2. Mukesh Maganlal Shah;

3. Jyotsna Ramesh Shah;

4. Jayen Ramesh Shah;

5. Tushar Ramesh Shah; and

6. Bimal Mukesh Shah.

As on date of this Red Herring Prospectus, our Promoters and Promoter Group hold, in aggregate, 30,659,976* Equity Shares, representing 100% of the issued and paid-up equity share capital of our Company. For details, see "*Capital Structure – Notes to Capital Structure – History of the equity share capital held by our Promoters" and* "*Capital Structure – Notes to Capital Structure – Shareholding of our Promoters and Promoter Group*" on page 87 and page 94, respectively.

**Includes shares held jointly with family members and as Karta of the HUF*

Details of our Promoters

1. **Prakash Damodar Kamat**

Prakash Damodar Kamat, aged 73 years, is the Executive Director and Chairman of our Company. Other ventures with which he is associated are Fine Organics, Olefine Organics and Shri R.M. Shah Foundation. For details of his other directorships and biography, see "*Our Management – Other Directorships"* and "*Our Management – Brief Biographies of Directors*" on pages 161 and 164 respectively.

The driving license number of Prakash Damodar Kamat is MH01 19810022987 and his voter identification number is XYP2059657.

2. **Mukesh Maganlal Shah**

Mukesh Maganlal Shah, aged 62 years, is the Managing Director of our Company. Other ventures with which he is associated are Fine Organic Industries, Fine Organics, Olefine Organics and Shri R.M. Shah Foundation. For details of his other directorships and biography, see "*Our Management – Other Directorships"* and "*Our Management – Brief Biographies of Directors*" on pages 161 and 164 respectively.

The driving license number of Mukesh Maganlal Shah is MH03 20080013008 and his voter identification number is NHL4910782.

3. **Jyotsna Ramesh Shah**

Jyotsna Ramesh Shah, aged 79 years, is the wife of our founder, late Mr. Ramesh Shah. She is partner at Fine Organic Industries, Olefine Organics and Fine Organics. She does not have any educational qualification.

The voter identification number of Jyotsna Ramesh Shah is JLM0336362. She does not hold a driving license.

4. **Jayen Ramesh Shah**

Jayen Ramesh Shah, aged 54 years, is the Executive Director and Chief Executive Officer of our Company. Other ventures with which he is associated are Fine Organics and Shri R.M. Shah Foundation. For details of his other directorships and biography, see "*Our Management – Other Directorships*" and "*Our Management – Brief Biographies of Directors*" on pages 161 and 164 respectively.

The driving license number of Jayen Ramesh Shah is MH03 20090057449 and his voter identification number is JLM0335265.

5. **Tushar Ramesh Shah**

Tushar Ramesh Shah, aged 49 years, is the Executive Director and Chief Financial Officer of our Company. Other ventures with which he is associated are Fine Organics, Olefine Organics and Shri R.M. Shah Foundation. For details of his other directorships and biography, see "*Our Management – Other Directorships*" and "*Our Management – Brief Biographies of Directors*" on pages 161 and 164 respectively.

The driving license number of Tushar Ramesh Shah is MH03 19860014929 and his voter identification number is JLM0336693.

6. **Bimal Mukesh Shah**

Bimal Mukesh Shah, aged 37 years, is the Executive Director of our Company. Other venture with which he is associated is Olefine Organics. For details of his other directorships and biography, see "*Our Management – Other Directorships*" and "*Our Management – Brief Biographies of Directors*" on pages 162 and 164 respectively.

The driving license number of Bimal Mukesh Shah is MH03 20100088526 and his voter identification number is JLM0336677.

Our Company confirms that the PAN, bank account number and passport number of our Promoters have been submitted to the Stock Exchanges, at the time of filing of the Draft Red Herring Prospectus.

Interests of Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company, to the extent of their respective shareholding in our Company and the dividends payable, if any, any other distributions in respect of the Equity Shares held by them and to the extent of being Executive Directors and Key Management Personnel of our Company and the remuneration payable by our Company to them. For details on the shareholding of our Promoters in our Company, please see "*Capital Structure – Notes to the Capital Structure – History of the equity share capital held by our Promoters*" on page 87.

Except for a trademark assignment deed entered into between Fine Organic Industries and our Company and sub-leasing of the Second Ambernath Facility from Olefine subject to receipt of the approval from MIDC, our Promoters are not interested in the properties acquired in the two years preceding the filing of the Draft Red Herring Prospectus with SEBI or proposed to be acquired by our Company.

Except as stated in the section "*Related Party Transactions*" on page 187, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of the Draft Red Herring Prospectus or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.

Other than as disclosed below, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company:

Sr. No.	Promoter	Ventures involved in similar activities
1.	Prakash Damodar Kamat	Oleofine Organics Sdn. Bhd. Olefine Organics
2.	Mukesh Maganlal Shah	Oleofine Organics Sdn. Bhd. Olefine Organics
3.	Jayen Ramesh Shah	Fine Zeelandia Private Limited
4.	Tushar Ramesh Shah	Fine Zeelandia Private Limited Fine Organics Europe BVBA Fine Organics US Olefine Organics
5.	Bimal Mukesh Shah	Olefine Organics
6.	Jyotsna Ramesh Shah	Olefine Organics

Other than certain advances paid by our Promoters to our Company, our Promoters are not related to any sundry debtors of our Company. For details, see Note 7 in "*Financial Statements– Restated Consolidated Financial Statements–Annexure VA"* on page 397.

Except as disclosed in this Red Herring Prospectus, our Promoters or Directors are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or Directors or to such firm or company in cash or shares or otherwise by any person for services rendered by him or by such firm or company in connection with the promotion or formation of our Company.

Other than the interest arising out of sub-leasing of the facility and purchase of general plant and machinery at Dombivli, MIDC by our Company from Fine Organic Industries, a promoter group entity, our Promoters are not interested in any transaction for acquisition of land, construction of building and supply of machinery to be acquired by our Company. Further, our Company is using some of the portions of our Registered and Corporate Office which are owned by certain members of our Promoter Group. For details, see "*Risk Factors – We do not own the entire building in which our Registered and Corporate Office is situated. Further, we do not have any written arrangement for the use of the office space owned by some of the members of the Promoter Group*" on page 24.

Payment or Benefits to Promoters

Except as stated otherwise in the section "*Related Party Transactions*" on page 187 about the related party transactions entered into during Fiscal 2013, 2014, 2015, 2016, and 2017 and nine months ended December 31, 2017, as per Accounting Standard 18 there has been no payment, benefit or transactions to / among our Promoters or Promoter Group during the two years prior to the filing of the Draft Red Herring Prospectus and this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Red Herring Prospectus.

Companies with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any companies or firms during the three years preceding the date of filing of the Draft Red Herring Prospectus and this Red Herring Prospectus.

Change in the management and control of our Company

Our Promoters are the original promoters of our Company and there has not been any change in the management or control of our Company.

Guarantees

None of our Promoters have given any guarantee to a third party as of the date of this Red Herring Prospectus.

Confirmations

Our Promoters and members of the Promoter Group and relatives of our Promoters have not been declared as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI or any other government authority. Further, there are no violations of securities laws committed by our Promoters and members of the Promoter Group in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters and members of the Promoter Group or any person in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters and members of the Promoter Group or person in control are not and have never been promoters, directors or persons in control of any company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in this Red Herring Prospectus, our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

Our Promoters have not taken any unsecured loans which may be recalled by the lenders at any time.

Promoter Group

Persons constituting the Promoter Group of our Company in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations are set out below:

Natural Persons Forming Part of the Promoter Group

The individuals forming part of the Promoter Group who are related to our Promoters (other than our Promoters) are as follows:

1. Labhshankar Harilal Modi;
2. Rasilaben Manaharlal Shah;
3. Padma Chimanlal Shah;
4. Vanlila Vinod Vora;
5. Anant Damodar Kamat;
6. Archana Yatin Sankholkar;
7. Anjali Kunal Patil;
8. Rajesh Maganlal Shah;
9. Dilip M Patel;
10. Nitin Manilal Patel;
11. Naina Yogesh Varia;
12. Malati Pradip Shah;
13. Lata Chandrakant Mehta;
14. Shaili Nirav Doshi;
15. Manali Jinesh Bhayani;
16. Neeta Jayen Shah;
17. Dolarai Kamani;
18. Jyotiben Kamani;
19. Bhavin Kamani;
20. Madhavi S. Mehta;
21. Rhea Tushar Shah;
22. Esha Tushar Shah;
23. Bina Tushar Shah;
24. Manharlal Gordhandas Gandhi;
25. Bharti M. Gandhi;
26. Jayesh M Gandhi;
27. Priti Pratik Shah;
28. Anya Bimal Shah;
29. Akruti Bimal Shah;
30. Vinod Durlabhji Mehta;
31. Bina V. Mehta;
32. Hemen V. Mehta;
33. Priyal Ramani;
34. Sunanda Dattatray Kamat;

35. Kunda Sadanand Nerurkar; and

36. Jayshree Mukesh Shah.

Entities and Body Corporate Forming Part of the Promoter Group

The HUFs, entities and body corporate forming part of the Promoter Group are as follows:

37. R M Shah HUF;

38. Mukesh Maganlal Shah – HUF ;

39. Jayen R Shah – HUF;

40. Tushar R Shah HUF;

41. Prakash Damodar Kamat – HUF;

42. Smoothex Chemicals;

43. Global Specialities;

44. Pushpak Agencies;

45. Himanshu Trading Company Private Limited;

46. Gemba Tech;

47. Gandhi Special Tubes Limited;

48. Gandhi Finance Co. LLP;

49. Jaishri Engineering Co. Private Limited;

50. Dipee Stocks;

51. Fine Organic Industries;

52. Fine Organic;

53. Olefine Organics;

54. Oleofine Organics Sdn. Bhd.;

55. Randeep Exports;

56. Randeep Automobiles;

57. Fine Business Centre;

58. Shri R.M. Shah Foundation;

59. Prime Realtors & Consultants;

60. B.M. Gandhi Investment Co. LLP;

61. Tushar & Co.;

62. Anjali & Co.;

63. Bimal & Co.;

64. D.P. Mehta & Co.;

65. D.P.M. International;

66. BH9 Trends Pvt. Ltd.;

67. M/s Nitin Manilal Patel;

68. Shah Family Revocable Trust;

69. Shah Family Irrevocable Trust; and

70. P2 Diamonds.

71. Oleofine Organics Thailand

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations and pursuant to the resolution passed by our Board at its meeting held on January 29, 2018, group companies of our Company are those companies (A) which constitute part of the related parties of the Company under the relevant accounting standards, as per the restated consolidated financial statements of the Company for Fiscals 2013, 2014, 2015, 2016 and 2017 and the nine months ended December 31, 2017; and (B) any other companies considered material by our Board.

Pursuant to the aforesaid resolution of our Board, for the purpose of disclosure in relation to the Offer, the following companies have been considered material and disclosed as a Group Company: (i) companies which are not disclosed as a 'related party' in the restated consolidated financial statements of the Company, and would, for a period subsequent to the restated consolidated financial statements of the Company, require disclosure in the financial statements of the Company for such subsequent period, as related parties; and (ii) companies (a) which contribute materially, i.e., 10% or more of the total income or the net worth of the Company as per restated consolidated financial statements of the Company as of and for the fiscal 2017; (b) which are not covered in point (A); and (c) companies in which the Company or its promoters holds 10% or more of the share capital.

For avoidance of doubt, it is clarified that following companies shall not be considered as "Group Companies" for the purposes of disclosures in this red herring prospectus:

(a) Companies which are consolidated under Accounting Standard 18 (Indian GAAP); and

(b) Which, at anytime prior or subsequent to December 31, 2017, have ceased to be a 'related party' of the Company in terms of Accounting Standard 18 solely on account of there being no significant influence / control over such company in terms of Accounting Standard 18.

Additionally, it is clarified that partnership firms included in the related parties have not been considered as "Group Companies".

Accordingly, in terms of the policy adopted by our Board for determining group companies, we have set out below the details of our Group Companies. Our Board has also approved that, as on the date of the aforesaid resolution, there are no other group companies of our Company other than the companies disclosed below:

1. Smoothex Chemicals;

2. Oleofine Organics Sdn. Bhd.; and

3. Oleofine Organics (Thailand) Co. Ltd.

A. Our Group Companies

The details of our Group Companies are provided below:

1. Smoothex Chemicals Private Limited ("Smoothex Chemicals")

Corporate Information

Smoothex Chemicals is a private limited company and was incorporated on October 21, 1982 at Mumbai under the Companies Act, 1956. Smoothex Chemicals is a partner in Fine Organic Industries to supply technical know-how and assistance to Oleofine Organics Sdn. Bhd and Oleofine Organics (Thailand) Co. Ltd.

Interest of our Promoters

Other than Prakash Damodar Kamat, Mukesh Maganlal Shah and Jayen Ramesh Shah who are also directors of Smoothex Chemicals and except as stated below, our Promoters have no interest in Smoothex Chemicals:

Sr. No.	Name of the Promoter	No. of equity shares of face value ₹ 100 each	Percentage of total equity holding (%)
1.	Prakash Damodar Kamat	160	16.00
2.	Mukesh Maganlal Shah(1)	300	30.00
3.	Jayen Ramesh Shah	160	16.00
4.	Jyotsna Ramesh Shah	355	35.50
5.	Tushar Ramesh Shah(2)	25	2.50
Total		**1,000**	**100%**

(1) of which 25 equity shares are held through his wife, Jayshree Mukesh Shah in her individual capacity.
(2) of which 25 equity shares are held through his wife, Bina Tushar Shah in her individual capacity.

Financial Performance

The financial information derived from the audited financial statements of Smoothex Chemicals for the Fiscals ended March 31, 2017, 2016 and 2015 are set forth below:

(Figures in ₹ million except per share data)

	Year ended		
	March 31, 2017*	**March 31, 2016**	**March 31, 2015**
Equity capital	0.10	0.10	0.10
Reserves and surplus (excluding revaluation reserves)**	361.54	302.38	247.23
Sales / Turnover (Income)	71.44	66.74	47.85
Profit / (Loss) after tax	59.16	55.15	38.92
Earnings per share (Basic)	59,164.00	55,149.00	38,922.00
Earnings per share (Diluted)	59,164.00	55,149.00	38,922.00
Net asset value per share	361,641.00	302,477.00	247,328.00

* *The audited numbers for the fiscal ended March 31, 2018 are not prepared as on the date of this Red Herring Prospectus, as per the applicable law.*

***Excludes debit balance in the profit and loss account.*

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three financial years.

2. Oleofine Organics Sdn. Bhd. ("Oleofine Organics Sdn. Bhd")

Corporate Information

Oleofine Organics Sdn. Bhd is a private company and was incorporated on August 19, 1988 in Malaysia under the applicable laws of Malaysia. Oleofine Organics Sdn. Bhd is involved in the business of manufacturing, importing, exporting agents of and dealing in chemical products.

Interest of our Promoters

Prakash Damodar Kamat and Mukesh Maganlal Shah are also directors of Oleofine Organics Sdn. Bhd. Further, some of our Promoters and Promoter Group in aggregate hold 100% of the issued and paid up capital of Smoothex Chemicals. For details, see "*Our Group Companies – Smoothex Chemicals Private Limited ("Smoothex Chemicals")*" on page 183. Smoothex Chemicals holds 50% of the issued and paid up capital in Oleofine Organics Sdn. Bhd.

Financial Performance

The financial information derived from the audited financial statements of Oleofine Organics Sdn. Bhd for the fiscals ended January 31, 2017, 2016 and 2015 are set forth below: :

(Figures in MYR million except per share data)

	Year ended		
	January 31, 2017*	**January 31, 2016**	**January 31, 2015**
Equity capital	1.00	1.00	1.00
Reserves and surplus (excluding revaluation reserves)**	18.56	17.15	15.44
Sales / Turnover (Income)	18.70	17.75	20.00
Profit / (Loss) after tax	1.91	2.21	1.82
Earnings per share (Basic)	1.91	2.21	1.82
Earnings per share (Diluted)	1.91	2.21	1.82
Net asset value per share	19.56	18.15	16.44

* *The audited numbers for the fiscal ended January 31, 2018 are not prepared as on the date of this Red Herring Prospectus, as per the applicable law.*

** *Excludes debit balance in the profit and loss account.*

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three financial years.

3. Oleofine Organics (Thailand) Co. Ltd ("Oleofine Organics Thailand")

Corporate Information

Oleofine Organics Thailand is a private company and was incorporated on May 27, 1994 in Thailand under the applicable laws of Thailand. Oleofine Organics Thailand is involved in the business of manufacture of lubricants and chemicals.

Interest of our Promoters

Some of our Promoters and Promoter Group in aggregate hold 100% of the issued paid up capital of Smoothex Chemicals. For details, see "*Our Group Companies – Smoothex Chemicals Private Limited ("Smoothex Chemicals")*" on page 183. Smoothex Chemicals holds 12.5% of the issued and paid up capital in Oleofine Organics Thailand. Oleofine Organics Sdn. Bhd holds 12.5% of the issued and paid up capital in Oleofine Organics Thailand.

Financial Performance

The financial information derived from the audited financial statements of Oleofine Organics Thailand for the fiscals ended December 31, 2016, 2015 and 2014 are set forth below:

(Figures in THB million except per share data)

	Year ended		
	December 31, 2016*	**December 31, 2015**	**December 31, 2014**
Equity capital	12.00	12.00	12.00
Reserves and surplus (excluding revaluation reserves)**	72.37	59.50	50.06
Sales / Turnover (Income)	133.19	150.08	150.90
Profit / (Loss) after tax	12.88	9.44	1.32
Earnings per share (Basic)	10.73	7.87	1.10
Earnings per share (Diluted)	10.73	7.87	1.10
Net asset value per share	70.31	59.58	51.71

* *The audited numbers for the fiscal ended December 31, 2017 are not prepared as on the date of this Red Herring Prospectus, as per the applicable law.*

** *Excludes debit balance in the profit and loss account.*

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three financial years.

B. *Group Companies under winding up*

None of our Group Companies are under winding up.

C. *Group Companies with negative net-worth:*

None of our Group Companies have negative net-worth.

D. *Group Companies which are sick industrial companies*

None of our Group Companies fall under the definition of sick companies under the erstwhile SICA.

E. *Loss making Group Companies:*

None of our Group Companies are loss-making.

Defunct Group Companies

None of our Group Companies have remained defunct and no application has been made to the registrar of companies for striking off the name of any of our Group Companies during the five years preceding the date of filing the Draft Red Herring Prospectus with SEBI.

Nature and Extent of Interest of Group Companies

(a) ***In the promotion of our Company or any business interest in our Company***

Other than Oleofine Organics Sdn. Bhd. and Oleofine Organics Thailand who distribute some of our products to selected customers, none of our Group Companies have any interest in the promotion or any business interest in our Company.

(b) ***In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Red Herring Prospectus with SEBI***

None of our Group Companies are interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of the Draft Red Herring Prospectus.

(c) ***In transactions for acquisition of land, construction of building and supply of machinery***

None of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Common Pursuits among the Group Companies and Joint Venture with our Company

Other than Oleofine Organics Sdn. Bhd and Oleofine Organics Thailand which, in their respective jurisdictions, act as distributors for a few products in one of the lines of business of our Company, there are no common pursuits among any of our Group Companies and our Company.

Related Business Transactions within the Group Companies and Significance on the Financial Performance of our Company

Other than the transactions disclosed in the section "*Related Party Transactions*" on page 187, there are no other related business transactions within the Group Companies.

Sale / Purchase between Group Companies

None of our Group Companies is involved in any sales or purchase with the Company where such sales or purchases exceed in value in the aggregate ten per cent of the total sales or purchases of the Company.

Other confirmations

(a) None of the Group Companies have taken unsecured loans which can be recalled by the lenders at any time;

(b) No portion of the Offer proceeds is proposed to be paid to the Group Companies;

(c) None of our Group Companies are listed or have undertaken any public issue or rights issue in the last three years; and

(d) None of our Group Companies have failed to list on any stock exchange in India or abroad.

For further confirmations, see *"Other Regulatory and Statutory Disclosures – Prohibition with respect to wilful defaulters"* and *"Other Regulatory and Statutory Disclosures – Prohibition by SEBI or other Authorities*", each on pages 455.

For details of litigation pertaining to Group Companies, see "*Outstanding Litigation and Material Developments – Litigation involving our Group Companies*" on page 446.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under Accounting Standard 18 "*Related Party Disclosures*", as reported in the Restated Financial Statements, see "*Restated Standalone Financial Statements – Annexure* VA: *Note 33: Restated Standalone Statement on Related party disclosure as per AS 18*" on page 301 and "*Restated Consolidated Financial Statements – Annexure* VA: *Note 33: Restated Consolidated Statement on Related party disclosure as per AS 18*" on page 413.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements, contractual obligations, applicable legal restrictions and overall financial position of our Company.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance out fund requirements for our business activities. For further details, see "*Financial Indebtedness*" on page 442.

Our Company has no formal dividend policy. Our Board may consider declaration of an interim dividend at any time during the year in accordance with applicable law, however consideration for declaration of final dividend will take place at the meeting of our Board approving the annual financial statements each year.

The following table sets forth details of dividend paid by our Company in the Fiscals 2013, 2014, 2015, 2016 and 2017:

Particulars	December 31, 2017	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013
Number of equity shares of face value ₹ 10 each	-	-	4,829,996	-	-	-
Number of equity shares of face value ₹ 5 each	30,659,976	-	-	-	-	-
Dividend per equity share (in ₹)*	45	-	30	-	-	-
Rate of dividend on equity share* (%)	450	-	300	-	-	-
Total dividend on equity share (₹ in million)	229.95	-	144.90	-	-	-
Dividend Tax (₹ in million)	46.81	-	29.50	-	-	-
Interim Dividend per equity share (in ₹)*	-	-	45	-	-	-
Rate of dividend on equity share* (%)	-	-	450	-	-	-
Total dividend on equity share (₹ in million)	-	-	217.35(1)	-	-	-
Dividend Tax (₹ in million)	-	-	44.25	-	-	-

* *Calculated at face value of Rs. 10 each.*

(1) *In addition to this, interim dividend amounting to Rs. 6.00 million was paid to the shareholders of Fine Speciality Surfactants Private Limited by Fine Speciality Surfactants Private Limited prior to giving effect of amalgamation in the year ended 31st March 2016.*

(2) *Additionally, dividend was also paid on 280,000 equity shares not yet allotted but deemed allotted, pursuant to a scheme of amalgamation approved by the National Company Law Tribunal, Mumbai by its order dated June 19, 2017 in relation to amalgamation of Fine Research and Development Centre Private Limited and Fine Speciality Surfactants Private Limited with the Company. For details, see "History and Certain Corporate Matters – Details regarding acquisition of business / undertakings, mergers, amalgamations and revaluation of assets" on page 157.*

The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future. Also, see "*Risk Factor – Our Company's ability to pay dividends in the future will depend on a number of factors, including but not limited to our Company's earnings, capital requirements, contractual obligations, applicable legal restrictions and overall financial position.*" on page 28.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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Independent Auditor's Report on Restated Standalone Financial Information of Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited) in connection with Initial Public Offering

To,

The Board of Directors,
Fine Organic Industries Limited
(formerly known as Fine Organic Industries Private Limited)
Fine House Anandji Street,
Off M.G.Road,
Ghatkopar (East),
Mumbai-400077

Dear Sirs,

1) We have examined the attached Restated Standalone Financial Information of Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited) (the "**Company**"), which comprise the Restated Standalone Summary Statement of Assets and Liabilities as at 31 December 2017 and 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the Restated Standalone Summary Statements of Profit and Loss (including other Comprehensive Income) for the nine months period ended 31 December 2017 and for each of the financial years ended 31 March 2017, 31 March 2016 and 31 March 2015 and the Restated Standalone Summary Statement of Profit and Loss for the year ended 31 March 2014 and 31 March 2013 respectively, the Restated Standalone Summary Statement of Cash Flows for the nine months period ended 31 December 2017 and for each of the financial years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the Restated Standalone Summary Statement of Changes in Equity for the nine months period ended 31 December 2017 and for each of the financial years ended 31 March 2017, 31 March 2016 and 31 March 2015, and the related notes and schedules thereto and the Summary of Significant Accounting Policies (collectively together with the notes & annexures thereto the "**Restated Standalone Financial Information**") as approved by the Board of Directors of the Company at their meeting held on 18 May, 2018 respectively for the purpose of inclusion in the Red Herring Prospectus prepared by the Company ("**RHP**") and prospectus in connection with its proposed initial public offer through the offer for sale of equity shares of the Company by certain selling shareholders ("**IPO**").

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "**Act**") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "**Rules**"); and

   b) Relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "**ICDR Regulations**") as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992, and in accordance with the provisions of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated 31 March 2016 ("**SEBI Circular**").

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by ICAI (the "**Guidance Note**").

2) The preparation of the Restated Standalone Financial Information is the responsibility of the management of the Company for the purpose set out in paragraph 11 below. The management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The management is also responsible for identifying and ensuring that the Company complies with the Act, Rules and ICDR Regulations.

3) We have examined such Restated Standalone Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with the Company in accordance with our engagement letter dated 23 March, 2018;

   b) the Guidance Note; and

c) The requirements of Section 26(1) (b) of the Act read with applicable provisions within Rule 4 to 6 of the Rules and the ICDR Regulations and in accordance with the provisions of SEBI Circular.

4) The Restated Standalone Financial Information have been compiled by the management as follows:

a) As at and for the nine months period ended 31 December 2017 :- from the audited standalone Ind AS financial statements which have been prepared by making Ind AS adjustments to the audited Standalone Financial Statements as at and for the nine months period ended 31 December 2017 prepared in accordance with Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ("**Indian GAAP**") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. These standalone Ind AS financial statements have been approved by the Board of Directors on 18 May, 2018.

b) As at and for the year ended 31 March 2017: from the audited standalone Ind AS financial statements which have been prepared by making Ind AS adjustments to the audited Standalone Financial Statements as at and for year ended 31 March ,2017 prepared in accordance with Indian GAAP read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. These standalone Ind AS financial statements have been approved by the Board of Directors on 18 May, 2018.

c) As at and for the year ended 31 March 2015 and 31 March 2016: - from the audited standalone Proforma Ind AS financial statements which have been prepared by making Ind AS adjustments to the audited Standalone Financial Statements as at and for year ended 31 March 2016 and 31 March 2015 prepared in accordance with Indian GAAP read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. These Proforma Standalone Ind AS Financial Statements have been approved by the Board of Directors on 18 May, 2018.

d) As at and for the years ended 31 March 2014 and 31 March 2013: - from the audited standalone financial statements of the Company as at and for the years ended 31 March 2014 and 31 March 2013 prepared in accordance with Accounting Standards prescribed under Section 211 (3C) of the Companies Act, 1956 read with the Companies Accounting Standard Rules (2006) and which have been approved by the Board of Directors on 03 September, 2014 and 03 September, 2013 respectively.

5) The audit of the standalone financial statements for the nine months period ended 31 December 2017 and for the year ended 31 March 2017 respectively was conducted by us, M/s BY & Associates, Chartered Accountants.
The audit of the standalone financial statements prepared in accordance with Ind AS for the year ended 31 March 2016 & 2015 and in accordance with Indian GAAP for the year ended 31 March 2014 & 2013 respectively was conducted by M/s D.B. Shah & Associates, Chartered Accountants (the company's Previous Statutory Auditors) and accordingly reliance has been placed on the audit reports issued by them on the respective dates.

6) Based on our examination and in accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with the Rules, the ICDR Regulations, the Guidance Note, we report that:

a) The Restated Standalone Summary Statement of Assets and Liabilities of the Company as at 31 December 2017 and 31 March 2017, 31 March 2016 and 31 March 2015 examined by us, as set out in Annexure A.I to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure A.VI -Statement on Material Adjustments to prepare Restated Standalone Financial Information. The Restated Standalone Summary Statement of Assets and Liabilities of the Company as at 31 March 2014 and 31 March 2013 respectively examined by us, as set out in Annexure I to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure V -Statement on Material Adjustments to prepare Restated Standalone Financial Information

b) The Restated Standalone Summary Statement of Profit and Loss of the Company(including other Comprehensive Income) for the nine months period ended 31 December 2017 and each of the financial years ended 31 March 2017, 31 March 2016 and 31 March 2015 examined by us, as set out in Annexure A.II to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure A.VI -Statement on Material Adjustments to prepare Restated Standalone Financial Information. The Restated Standalone Summary Statement of Profit and Loss of the Company for the year ended 31 March 2014 and 31 March 2013 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure V -Statement on Material Adjustments to prepare Restated Standalone Financial Information.

c) The Restated Standalone Summary Statement of Cash Flows of the Company for the nine months period ended 31 December 2017 and each of the financial years ended 31 March 2017, 31 March 2016, 31 March 2015 examined by us, as set out in Annexure A.IV to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure A.VI -Statement on Material Adjustments to prepare Restated Standalone Financial Information .The Restated Standalone Summary Statement of Cash Flows of the Company for the year ended 31 March 2014 and 31 March 2013 examined by us, as set out in Annexure III to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure V -Statement on Material Adjustments to prepare Restated Standalone Financial Information.

d) The restated standalone summary statement of changes in equity of the Company for the nine months period ended 31 December 2017 and the years ended 31 March 2017, 2016 and 2015 examined by us, as set out in Annexure A.III to the Restated Standalone Financial Information have been arrived at after making adjustments and regroupings/reclassifications as in our opinion, were appropriate and more fully described in Annexures A.VI - Statement on Material Adjustments to prepare Restated Standalone Financial Information.

e) Based on the above and according to the information and explanations given to us, and also as per the reliance placed on the auditor's report submitted by the Previous Statutory Auditors for the year ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, respectively as stated above, we further report that the Restated Standalone Financial Information:

  i) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods;

  ii) have been made after incorporating adjustments and regroupings for the material amounts in the respective financial years to which they relate;

  iii) do not contain any extraordinary items that need to be disclosed separately other than those presented in the Restated Standalone Financial Information; and

  iv) do not contain any qualification as at and for the nine months period ended 31 December 2017 and as at and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 respectively, which require adjustments.

7) We have also examined the following Restated Standalone Financial Information of the Company set out in the Annexures prepared by the management and approved by the Board of Directors on 18 May, 2018 as at and for the nine months period ended 31 December 2017 and as at and for the years ended 31 March 2017, 31 March 2016 (Proforma Ind AS) and 31 March 2015 (Proforma Ind AS) respectively:

a) Annexure A.VI -Statement on Material Adjustments to prepare Restated Standalone Financial Information
b) Annexure A.VII (Note 1) -Restated Standalone Statement of Property Plant & Equipment
c) Annexure A.VII (Note 2) – Restated Standalone Statement of Capital Work in Progress
d) Annexure A.VII (Note 3) – Restated Standalone Statement of Intangible Assets
e) Annexure A.VII (Note 4) - Restated Standalone Statement of Non-Current Financial Assets - Investments

f) Annexure A.VII (Note 5) -Restated Standalone Statement of Non-Current Financial Assets: Loans
g) Annexure A.VII (Note 6)-Restated Standalone Statement of Non-Current Assets: Other Financial Assets
h) Annexure A.VII (Note7)-Restated Standalone Statement of Deferred Tax Assets/(Liabilities) (Net)
i) Annexure A.VII (Note 8) -Restated Standalone Statement of Other Non-Current Assets
j) Annexure A.VII (Note 9) - Restated Standalone Statement of Inventories
k) Annexure A.VII (Note 10) -Restated Standalone Statement of Current Financial Assets: Trade Receivables
l) Annexure A.VII (Note 11)- Restated Standalone Statement of Current Financial Assets: Cash and cash equivalents
m) Annexure A.VII (Note 12)- Restated Standalone Statement of Current Financial Assets: Bank Balances
n) Annexure A.VII (Note 13)- Restated Standalone Statement of Current Financial Assets: Loans
o) Annexure A.VII (Note 14)- Restated Standalone Statement of Current Financial Assets: Other
p) Annexure A.VII (Note 15)- Restated Standalone Statement of Current Tax Assets (Net)
q) Annexure A.VII (Note 16) - Restated Standalone Statement of Other Current Assets
r) Annexure A.VII (Note 17) - Restated Standalone Statement of Equity Share Capital
s) Annexure A.VII (Note 18) - Restated Standalone Statement of Other Equity
t) Annexure A.VII (Note 19) - Restated Standalone Statement of Non-Current Financial Liabilities-Borrowings
u) Annexure A.VII (Note 20)-Restated Standalone Statement of Current Financial Liabilities-Borrowings
v) Annexure A.VII (Note 21)-Restated Standalone Statement of Current Financial Liabilities-Trade Payables
w) Annexure A.VII (Note 22)-Restated Standalone Statement of Current Financial Liabilities-Other
x) Annexure A.VII (Note 23)-Restated Standalone Statement of Other Current Liabilities
y) Annexure A.VII (Note 24)-Restated Standalone Statement of Current Liabilities: Provisions
z) Annexure A.VII (Note 25)-Restated Standalone Statement of Current Tax Liabilities (Net)
aa) Annexure A.VII (Note 26)-Restated Standalone Statement of Revenue from Operations
bb) Annexure A.VII (Note 27)-Restated Standalone Statement of Other Income
cc) Annexure A.VII (Note 28)-Restated Standalone Statement of Cost of Material Consumed
dd) Annexure A.VII (Note 29)-Restated Standalone Statement of Changes in Finished Goods, Work in Progress and Trading Goods
ee) Annexure A.VII (Note 30)-Restated Standalone Statement of Employee Benefit Expenses
ff) Annexure A.VII (Note 31)-Restated Standalone Statement of Finance Costs
gg) Annexure A.VII (Note 32)-Restated Standalone Statement of Depreciation / Impairment & Amortization Expenses
hh) Annexure A.VII (Note 33)-Restated Standalone Statement of Other Expenses
ii) Annexure A.VII (Note 34)-Restated Standalone Statement of Earnings Per Equity Share
jj) Annexure A.VII (Note 35)- Restated Standalone Statement of Contingent Liabilities and Commitments
kk) Annexure A.VII (Note 36)- Other Notes to Restated Standalone Financial Information
ll) Annexure A.VII (Note 37)- Restated Standalone Statement on Related Party Disclosure as per Ind AS 24
mm) Annexure A.VII (Note 38)- Segment Reporting
nn) Annexure A.VII (Note 39)- Restated Standalone Statement of Expenditure towards Corporate Social Responsibility (CSR) activities
oo) Annexure A.VII (Note 40) - Material Regrouping of Restated Standalone Financial Information
pp) Annexure A.VII (Note 41)- Restated Standalone statement of other Litigations
qq) Annexure A.VII (Note 48 & 49)- Notes forming part of Restated Standalone Financial Information -Reconciliation of Profit/Loss & Total Equity
rr) Annexure A.VIII- Restated Standalone Statement of Capitalisation
ss) Annexure A.IX – Restated Standalone Statement of Dividend
tt) Annexure A.X – Restated Standalone Statement of Accounting Ratios
uu) Annexure A.XI – Restated Standalone Statement of Tax Shelter

According to the information and explanations given to us and also as per the reliance placed on the Previous Statutory Auditor’s reports, in our opinion, the Restated Standalone Financial Information contained in Annexures A.I to A.XI respectively accompanying this report, read with the Summary of Significant Accounting Policies disclosed in Annexure A.V are prepared after making adjustments and regroupings as considered appropriate as disclosed in Annexure A.VI and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

8) We have also examined the following Restated Standalone Financial Information of the Company set out in the Annexures prepared by the management and approved by the Board of Directors on 18 May 2018 for 31 March 2014 and 31 March 2013 respectively:

a) Annexure V – Statement on Material adjustments to prepare Restated Standalone Financial Information
b) Annexure VA (Note 1) – Restated standalone statement of Share Capital
c) Annexure VA (Note 2) – Restated standalone statement of Reserves & Surplus
d) Annexure VA (Note 3) – Restated standalone statement of Long Term Borrowings
e) Annexure VA (Note 4) – Restated standalone statement of Long Term Provisions
f) Annexure VA (Note 5) – Restated standalone statement of Short Term Borrowings
g) Annexure VA (Note 6) – Restated standalone statement of Trade Payables
h) Annexure VA (Note 7) – Restated standalone statement of Other Current Liabilities
i) Annexure VA (Note 8) – Restated standalone statement of Short Term Provisions
j) Annexure VA (Note 9) – Restated standalone statement of Fixed Assets
k) Annexure VA (Note 10) - Restated standalone statement of Non-Current Investment
l) Annexure VA (Note 11) – Restated standalone statement of Deferred Tax Assets/(Liabilities)
m) Annexure VA (Note 12) – Restated standalone statement of Long Term Loans & Advances
n) Annexure VA (Note 13) – Restated standalone statement of Inventories
o) Annexure VA (Note 14) – Restated standalone statement of Trade Receivables
p) Annexure VA (Note 15) – Restated standalone statement of Cash & Cash Equivalents
q) Annexure VA (Note 16) – Restated standalone statement of Short-Term Loans & Advances
r) Annexure VA (Note 17) – Restated standalone statement of Other Current Assets
s) Annexure VA (Note 18) – Restated standalone statement of Revenue from Operations
t) Annexure VA (Note 19) – Restated standalone statement of Other Income
u) Annexure VA (Note 20) – Restated standalone statement of Cost of Material Consumed
v) Annexure VA (Note 21) – Restated standalone statement of Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade
w) Annexure VA (Note 22) – Restated standalone statement of Employee Benefit Expenses
x) Annexure VA (Note 23) – Restated standalone statement of Other Expenses
y) Annexure VA (Note 24) – Restated standalone statement of Depreciation and Amortization Expenses
z) Annexure VA (Note 25) – Restated standalone statement of Finance Cost
aa) Annexure VA (Note 26) – Restated standalone statement of Contingent liabilities & Commitments
bb) Annexure VA (Note 27) – Restated standalone statement of Segment Reporting Applicability
cc) Annexure VA (Note 28) – Restated standalone statement of Value of Import on CIF basis
dd) Annexure VA (Note 29) – Restated standalone statement of Value of Imported and Indigenous Raw Materials Consumed
ee) Annexure VA (Note 30) – Restated standalone statement of Expenses in Foreign Currency
ff) Annexure VA (Note 31) – Restated standalone statement of Earnings in Foreign Currency
gg) Annexure VA (Note 32) – Restated standalone statement of Related Party Disclosure as per AS 18
hh) Annexure VA (Note 33) – Material Regrouping of Restated Standalone Financial Information
ii) Annexure VA (Note 34) – Restated standalone statement of Earnings Per Share
jj) Annexure VA (Note 35) – Restated standalone statement of Employee Benefits
kk) Annexure VI – Restated Standalone Statement of Dividend
ll) Annexure VII – Restated Standalone Statement of Accounting Ratios
mm) Annexure VIII – Restated Standalone Statement of Tax Shelter

According to the information and explanations given to us and also as per the reliance placed on the Previous Statutory Auditor's reports, in our opinion, the Restated Standalone Financial Information contained in Annexures I to VIII respectively accompanying this report, read with the Summary of Significant Accounting Policies disclosed in Annexure IV are prepared after making adjustments and regroupings as considered appropriate as disclosed in Annexure V and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

9) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by Previous Statutory auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11) Our report is intended solely for use of the company for inclusion in the RHP and prospectus in connection with the proposed IPO. Our report should not be used, referred to or distributed for any other purpose, except with our prior consent in writing.

For B Y & Associates
Chartered Accountants

Firm Registration No. – 123423W

CA Bhavesh Vora
Partner
Membership No. 043908

Place: Mumbai

Date: May 18, 2018

Annexure A.I -Restated Standalone Summary Statement of Assets & Liabilities

(Rs. in millions)

Particulars	Notes	As at 31 December 2017 (Ind AS)	As at 31 March		
			2017 (Ind AS)	2016 (Proforma Ind AS)	2015 (Proforma Ind AS)
ASSETS					
A) Non Current Assets					
Property, Plant and Equipment	Note 1	922.48	967.72	1,024.72	1,024.18
Capital work-in-progress	Note 2	67.39	27.97	56.50	81.12
Goodwill					
Intangible Assets	Note 3	2.10	2.10	1.32	-
Financial Assets					
- Investment	Note 4	133.54	137.05	61.77	8.86
- Loans	Note 5	56.74	49.37	23.08	17.78
- Trade Receivables					
- Other Financial Assets	Note 6	2.86	1.28	0.42	0.70
Deferred tax assets (Net)	Note 7	39.00	34.53	14.35	-
Other Non-current Assets	Note 8	634.46	491.81	531.32	527.41
Total Non Current Assets (A)		**1,858.57**	**1,711.84**	**1,713.48**	**1,660.06**
B) Current Assets					
Inventories	Note 9	822.98	884.58	737.05	622.74
Financial Assets					
- Investments					
- Trade Receivables	Note 10	1,309.68	1,212.97	936.63	904.58
- Cash and Cash Equivalents	Note 11	188.00	102.80	358.86	13.86
- Bank Balances	Note 12	1.85	39.46	28.28	3.26
- Loans	Note 13	7.30	7.35	7.61	5.70
- Other Financial Assets	Note 14	1.35	0.98	1.02	0.14
Current Tax Assets (Net)	Note 15	23.78	39.74	-	15.19
Other Current Assets	Note 16	628.22	555.86	415.76	520.87
Total Current Assets (B)		**2,983.15**	**2,843.73**	**2,485.20**	**2,086.34**
Total Assets (A + B)		**4,841.72**	**4,555.57**	**4,198.68**	**3,746.40**
EQUITY AND LIABILITIES					
A) Equity					
Equity Share Capital	Note 17	153.30	48.30	48.30	48.30
Equity Share Suspense account	Note 17	-	2.80	2.80	-
Other Equity	Note 18	3,581.44	3,307.91	2,504.20	2,054.76
Total Equity (A)		**3,734.74**	**3,359.01**	**2,555.30**	**2,103.06**
Liabilities					
B) Non Current Liabilities					
Financial Liabilities					
- Borrowings	Note 19	-	-	212.68	290.55
- Trade Payables					
- Other Financial Liabilities					
Provisions					
Deferred tax liabilities (Net)	Note 7	-	-	-	3.44
Other non-current Liabilities		-	-	-	-
Total Non Current Liabilities (B)		**-**	**-**	**212.68**	**293.99**
C) Current Liabilities					
Financial Liabilities					
- Borrowings	Note 20	285.48	402.62	728.68	655.90
- Trade Payables	Note 21	765.40	677.89	532.03	531.99
- Other Financial Liabilities	Note 22	8.15	9.12	86.37	88.17
Other current liabilities	Note 23	47.95	106.94	75.43	71.65
Provisions	Note 24	-	-	3.25	1.64
Current tax liabilities (Net)	Note 25	-	-	4.93	-
Total Current Liabilities (C)		**1,106.98**	**1,196.57**	**1,430.70**	**1,349.35**
Total Equity and Liabilities (A + B + C)		**4,841.72**	**4,555.57**	**4,198.68**	**3,746.40**

Notes :-

The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

As per our report of even date
For B Y & Associates
Chartered Accountants
Firm Registration No.: 123423W

CA Bhavesh Vora

Partner
M. No. 043908

Place: Mumbai
Date: 18 May 2018

For and on behalf of Board of Directors of
Fine Organic Industries Limited
(formerly known as Fine Organic Industries Private Limited)

Mukesh Shah	Jayen Shah	Tushar Shah	Pooja Gaonkar
Managing Director	Whole Time Director and CEO	Whole Time Director and CFO	Company Secretary
DIN: 00106799	DIN: 00106919	DIN: 00107144	

Place: Mumbai
Date: 18 May 2018

Annexure A.II - Restated Standalone Summary Statement of Profit & Loss

(Rs. in millions)

Particulars	Notes	For the Nine months period ended 31 December 2017 (Ind AS)	For the year ended 31 March		
			2017 (Ind AS)	2016 (Proforma Ind AS)	2015 (Proforma Ind AS)
INCOME					
Revenue from Operations	Note 26	5,902.10	8,134.66	6,848.83	6,374.66
Other Income	Note 27	91.11	46.97	101.10	21.68
Total Income		**5,993.22**	**8,181.63**	**6,949.93**	**6,396.34**
EXPENSES					
Cost of Materials Consumed	Note 28	3,780.77	5,027.57	3,894.37	3,866.89
Purchase of Stock-in-trade		-	2.21	22.03	18.90
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	Note 29	54.31	(47.91)	(39.24)	(47.11)
Excise Duty / Goods and Service Tax Expenses		94.55	367.35	335.17	291.25
Employee Benefits Expense	Note 30	360.29	619.81	532.45	430.91
Finance Costs	Note 31	29.96	45.36	82.99	76.84
Depreciation / Impairment & Amortization Expenses	Note 32	146.20	237.12	295.62	225.68
Other Expenses	Note 33	530.10	693.38	640.87	684.83
Total Expenses		**4,996.19**	**6,944.89**	**5,764.26**	**5,548.19**
Profit / (Loss) before exceptional items and tax		**997.03**	**1,236.73**	**1,185.67**	**848.15**
Exceptional Item		-	-	-	-
Profit / (Loss) before tax		**997.03**	**1,236.73**	**1,185.67**	**848.15**
Tax Expenses					
Current Tax		349.00	450.00	427.84	300.00
Deferred Tax		(4.47)	(17.90)	(16.79)	(5.06)
Short / (Excess) Provision for earlier years		-	-	0.00	(0.01)
Total Tax Expense		**344.53**	**432.10**	**411.05**	**294.93**
Profit / (Loss) for the period from continuing operations		**652.50**	**804.64**	**774.62**	**553.22**
Profit / (Loss) for the period from discounted operations		-	-	-	-
Tax expense of discounted operations		-	-	-	-
Profit / (Loss) from discontinued operations (after tax)		-	-	-	-
PROFIT / (LOSS) FOR THE PERIOD/YEAR		**652.50**	**804.64**	**774.62**	**553.22**
OTHER COMPREHENSIVE INCOME					
(A) (i) Items that will not be reclassified to Profit or Loss		-	-	-	-
(a) Change in fair value of Equity instruments through OCI		-	0.01	0.48	-
(b) Remeasurements of Loss on employees defined benefit plan		-	(3.22)	3.37	0.15
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	1.11	(1.33)	(0.05)
(B) (i) Items that will be reclassified to Profit or Loss		-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-	-
Total Other Comprehensive Income		-	(2.10)	2.52	0.10
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR		**652.50**	**802.54**	**777.14**	**553.32**
Earnings Per Equity Share (for continuing operations)	Note 34				
Basic		28.25	26.24	25.26	19.09
Diluted		28.25	26.24	25.26	19.09
Earnings Per Equity Share (for discontinued operations)					
Basic		-	-		
Diluted		-	-		
Earnings Per Equity Share (for discontinued and continuing operations)					
Basic		28.25	26.24	25.26	19.09
Diluted		28.25	26.24	25.26	19.09

Notes :-

The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

As per our report of even date
For B Y & Associates
Chartered Accountants
Firm Registration No.: 123423W

For and on behalf of Board of Directors of
Fine Organic Industries Limited
(formerly known as Fine Organic Industries Private Limited)

CA Bhavesh Vora
Partner

M. No. 043908

Mukesh Shah	**Jayen Shah**	**Tushar Shah**	**Pooja Gaonkar**
Managing Director	**Whole Time Director and CEO**	**Whole Time Director and CFO**	**Company Secretary**
DIN: 00106799	**DIN: 00106919**	**DIN: 00107144**	

Place: Mumbai
Date: 18 May 2018

Place: Mumbai
Date: 18 May 2018

Annexure A.III - Restated Standalone Summary Statement of Changes in Equity

A) Equity Share Capital

(Rs. in millions)

Particulars	No. of Shares	Amounts
Equity Shares Capital at the beginning of the year i.e. 01st April 2014	4,829,996	48.30
Add / (Less) : Changes in equity share capital during the year 2014-15	-	-
Equity Shares Capital at the end of the year i.e. 31st March 2015 (Proforma)	**4,829,996**	**48.30**
Equity Shares Capital at the beginning of the year i.e. 01st April 2015	4,829,996	48.30
Add / (Less) : Changes in equity share capital during the year 2015-16	-	-
Equity Shares Capital at the end of the year i.e. 31st March 2016 (Proforma)	**4,829,996**	**48.30**
Equity Shares Capital at the beginning of the year i.e. 01st April 2016	4,829,996	48.30
Add / (Less) : Changes in equity share capital during the year 2016-17	-	-
Equity Shares Capital at the end of the year i.e. 31st March 2017	**4,829,996**	**48.30**
Equity Shares Capital at the beginning of the year i.e. 01st April 2017	4,829,996	48.30
Add : Changes in equity share capital during the period 01 April 2017 to 31 Dec 2017 (Refer Note 17.2)	25,829,980	105.00
Equity Shares Capital at the end of the Period i.e. 31st December 2017	**30,659,976**	**153.30**

B) Other Equity

(Rs. in millions)

Particulars	Reserves and Surplus				Other items of Other Comprehensive Income	Total
	General Reserve	Amalgamation Reserve	Security Premium	Retained Earnings		
Balance at 1 April, 2014	47.39	-	0.00	1,506.10	-	1,553.48
Add: Profit for the year	-	-	-	553.22	-	553.22
Add: Other Comprehensive Income (net of tax)	-	-	-	-	0.10	0.10
Deferred Tax Adjustment	-	-	-	-	-	-
Total Comprehensive Income for the year	**47.39**	**-**	**0.00**	**2,059.32**	**0.10**	**2,106.81**
Less: Fixed assets Adjustments	-	-	-	52.32	-	52.32
Less : Interest on Loan to Subsidiary	-	-	-	(0.27)	-	(0.27)
Balance as at 31 March, 2015(Proforma)	**47.39**	**-**	**0.00**	**2,007.27**	**0.10**	**2,054.76**
Balance at 1 April, 2015	47.39	-	0.00	2,007.27	0.10	2,054.76
Add: Profit for the year	-	-	-	774.62	-	774.62
Add: Amalgamation reserve on account of amalgamation	-	115.52	-	-	-	115.52
Add: Other Comprehensive Income (net of tax)	-	-	-	-	2.52	2.52
Total Comprehensive Income for the year	**47.39**	**115.52**	**0.00**	**2,781.89**	**2.62**	**2,947.42**
Less: Proposed Dividend on Equity shares (F.Y 14-15)	-	-	-	144.90	-	144.90
Less: Income Tax on Proposed Dividend (F.Y 14-15)	-	-	-	29.50	-	29.50
Less: Interim Dividend on Equity shares	-	-	-	223.35	-	223.35
Less: Dividend Distribution Tax	-	-	-	45.47	-	45.47
Balance as at 31 March, 2016 (Proforma)	**47.39**	**115.52**	**0.00**	**2,338.67**	**2.62**	**2,504.20**
Balance at 1 April, 2016	47.39	115.52	0.00	2,338.67	2.62	2,504.20
Add: Profit for the year	-	-	-	804.64	-	804.64
Add: Deferred Tax income of FY 2015-16 on Actuarial Gain /Loss	-	-	-	1.17	-	1.17
Add: Other Comprehensive Income (net of tax)	-	-	-	-	(2.10)	(2.10)
Total Comprehensive Income for the year	**47.39**	**115.52**	**0.00**	**3,144.48**	**0.52**	**3,307.91**
Balance as at 31 March, 2017	**47.39**	**115.52**	**0.00**	**3,144.48**	**0.52**	**3,307.91**
Balance at 1 April, 2017	47.39	115.52	0.00	3,144.48	0.52	3,307.91
Add: Profit for the year	-	-	-	652.50	-	652.50
Total Comprehensive Income for the year	**47.39**	**115.52**	**0.00**	**3,796.97**	**0.52**	**3,960.40**
Less: Utilised for Bonus Issue of Equity shares	47.39	-	0.00	54.81	-	102.20
Less: Dividend paid on Equity shares	-	-	-	229.95	-	229.95
Less: Dividend Distribution Tax Paid	-	-	-	46.81	-	46.81
						-
Balance as at 31 December, 2017	**-**	**115.52**	**-**	**3,465.40**	**0.52**	**3,581.44**

Notes :-

The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

As per our report of even date
For B Y & Associates
Chartered Accountants
Firm Registration No.: 123423W

CA Bhavesh Vora
Partner

M. No. 043908

Place: Mumbai
Date: 18 May 2018

For and on behalf of Board of Directors of
Fine Organic Industries Limited
(formerly known as Fine Organic Industries Private Limited)

Mukesh Shah	**Jayen Shah**	**Tushar Shah**	**Pooja Gaonkar**
Managing Director	**Whole Time Director and CEO**	**Whole Time Director and CFO**	**Company Secretary**
DIN: 00106799	**DIN: 00106919**	**DIN: 00107144**	

Place: Mumbai
Date: 18 May 2018

Fine Organic Industries Limited (formerly Known as Fine Organics Industries Private Limited)
Annexure A.IV - Restated Standalone Summary Statement of Cash Flows

(Rs. in millions)

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the Year ended 31 March 2017 (Ind AS)	For the Year ended 31 March 2016 (Proforma Ind AS)	For the Year ended 31 March 2015 (Proforma Ind AS)
A.Cash flows from operating activities				
Restated Profit before tax	997.03	1,236.73	1,185.67	848.15
Adjustments for:				
Depreciation and amortisation	145.91	236.30	295.62	225.68
Amortisation of Intangible Assets	0.30	0.83	-	-
Lease Rent of Leasehold Properties	1.88	2.51	2.51	0.76
(Profit)/ loss on sale of Property Plant & Equipment	(0.36)	(0.23)	(0.74)	(0.37)
Exchange Gain/Loss on Foreign Currency Rollover & EEFC	(67.95)	(25.47)	(57.74)	(8.04)
Interest income	(7.23)	(13.27)	(13.85)	(3.67)
Notional Interest recorded on Advance to subsidiaries	-	-	-	(1.70)
Interest expense and other finance costs	16.18	38.20	66.36	76.07
Dividend Income	-	-	(0.00)	-
Allowance for / Reversal of Expected Credit Losses	(7.41)	(4.13)	(10.97)	29.49
Actuarial Gain on Defined Employees benefit in OCI	-	-	-	-
Notional Interest on Subsidiary for Prior Period	-	-	-	0.27
	-	-	-	-
Operating profit before working capital changes	**1,078.34**	**1,471.47**	**1,466.85**	**1,166.64**
Changes in working capital				
(Increase)/decrease in inventories	61.61	(147.54)	(114.31)	(84.27)
(Increase)/decrease in trade receivables	(96.71)	(276.34)	(32.05)	(134.78)
(Increase)/decrease in loans and advances and other current assets	-	-	(1.91)	(0.45)
(Increase)/decrease in bank balances	37.61	(11.18)	(25.02)	-
(Increase)/Decrease in Other Current Financial Assets	(0.13)	0.04	(0.88)	-
(Increase)/Decrease in Other Current Assets	(72.37)	(140.09)	105.11	5.30
Increase/(Decrease) in Current Financial Assets - Loan	0.05	0.26	72.78	-
Increase/(Decrease) in trade Payables	87.51	145.86	0.04	(52.16)
Increase/(Decrease) in Current Financial liabilities - Others	(0.96)	(77.26)	(1.80)	(91.37)
Increase/(Decrease) in Other Financial Liabilities	-	-	-	31.33
Increase/(Decrease) in Other Current Liabilities	(58.99)	31.51	3.78	7.02
Increase/(Decrease) in Current Provisions	-	(3.25)	1.61	1.64
Cash flows generated from /(used in) operating activities	**1,035.96**	**993.47**	**1,474.21**	**848.90**
Direct taxes paid	(328.57)	(494.67)	(398.19)	(350.26)
Net cash flows generated from /(used in) operating activities (A)	**707.39**	**498.80**	**1,076.03**	**498.64**
B. Cash flows from investing activities				
Purchase of Property, Plant & Equipment including intangible assets, capital work in progress and capital advances	(141.07)	(152.60)	(243.35)	(461.08)
Proceeds from sale of property, plant and equipment	1.06	0.44	1.10	0.80
Interest received	7.23	13.27	13.85	3.67
Dividend received	-	-	0.00	-
Investment in Subsidiaries	-	-	(1.42)	-
Investment in Joint Ventures	-	(60.00)	(52.84)	-
Capital Advances Paid (Net)	(147.82)	38.61	(0.51)	226.83
Security deposits Received Back (Net)	-	-	3.56	-
Income tax Receivables	-	-	1.77	-
Additional Investment in Fixed Deposits	(0.23)	(0.87)	-	(3.30)
Prepaid Leasehold Land Rentals	-	-	-	(193.69)
Net cash flows generated from /(used in) investing activities (B)	**(280.83)**	**(161.14)**	**(277.84)**	**(426.76)**
C. Cash flows from financing activities				
Repayment of long-term borrowings	-	(212.68)	(77.87)	(33.75)
Repayment of Current Financial Liabilities-Borrowings	(117.14)	(326.06)	-	-
Loss on account of Foreign Exchange Conversion	-	25.47	(16.00)	(0.33)
Advances to Subsidiaries	0.05	(38.53)	(1.57)	(12.93)
Security Deposits Received/given back to Trade Creditors	(0.97)	(1.62)	-	(2.63)
Security Deposits Paid for Factory Premises	(1.80)	-	-	-
Repayment of Long Term Loans & Advances	-	-	-	-
Proceeds Realised from Fixed Deposits	-	-	0.28	-
Gain/Loss on account of Foreign Exchange Conversion	67.95	-	73.74	8.37
Finance costs	(16.18)	(38.20)	(66.36)	(76.07)
Interim/Final Dividend Paid	(229.95)	-	(368.25)	-
Interim/Final Dividend Distribution tax Paid	(46.81)	-	(74.97)	-
Net cash flows generated from/ (used in) financing activities (C)	**(344.85)**	**(591.61)**	**(530.99)**	**(117.33)**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	**81.71**	**(253.95)**	**267.19**	**(45.46)**
Ind AS Adjustments	3.49	(2.11)	5.74	(29.34)
Assets transferred from Amalgamating Companies	-	-	72.07	-
Cash and cash equivalents at the beginning of the period/ year	102.80	358.86	13.86	88.65
Cash and cash equivalents at the end of the period/year	**188.00**	**102.80**	**358.86**	**13.86**
Cash and cash equivalents at the end of the period/year comprises:				
(a) cash on hand	1.96	1.04	2.59	1.23
(b) balances with banks				
(i) in current accounts	153.99	48.82	288.35	6.84
(ii) in EEFC accounts	29.96	31.38	34.04	5.78
(iii) in deposit accounts	2.09	21.56	33.89	-
(iv) in term loan accounts	-	-	-	-
(v) in Margin Account	-	-	-	-
Total of Balances with banks	**186.04**	**101.76**	**356.27**	**12.63**
Total Cash & Cash equivalents at the end of the period/year	**188.00**	**102.80**	**358.86**	**13.86**

Notes :-

The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

As per our report of even date
For B Y & Associates
Chartered Accountants
Firm Registration No.: 123423W

CA Bhavesh Vora
Partner

M. No. 043908

Place: Mumbai
Date: 18 May, 2018

For and on behalf of Board of Directors of
Fine Organic Industries Limited
(formerly known as Fine Organic Industries Private Limited)

Mukesh Shah	**Jayen Shah**	**Tushar Shah**	**Pooja Gaonkar**
Managing Director	**Whole Time Director and CEO**	**Whole Time Director and CFO**	**Company Secretary**
DIN: 00106799	**DIN: 00106919**	**DIN: 00107144**	

Place: Mumbai
Date: 18 May, 2018

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure A.V - Significant Accounting Policies and Notes forming Integral Part of the Restated Standalone Financial Information

1. Corporate Information:

Fine Organic Industries Limited ("the Company") (formerly known as Fine Organic Industries Private Limited) is a limited Company incorporated under the provisions of the Companies Act, 1956. The Company was converted into public company with effect from 02 November 2017 and consequently the name of the Company has changed from Fine Organics Industries Private Limited to Fine Organic Industries Limited. The registered office of the Company is situated in the state of Maharashtra. The Company carries on business, in India and abroad, as manufacturers, processors, suppliers, distributors, dealers, importers, exporters of flavors, perfumes and flavoring chemicals, oil and colours, surface active agents, emulsifiers, preservatives, clouding agents, textile auxiliaries, lubricants, oleo chemicals and their derivatives, fatty acids and their derivatives, salt and esters. It also develops, processes, manufactures, deals in and carries on business in India and abroad in fine and heavy chemicals, oils, fats, dyes, dyestuffs, dye retardants, dye assistants, organic and inorganic chemicals.

2. Basis of Preparation of Financial Statements:

2.1 The Restated Statement of Assets and Liabilities of the Company as at 31 December 2017, 31 March 2017, 31 March 2016, 31 March 2015 and the Restated Statement of Profit and Loss, the Restated Statement of Cash flows and statement of changes in equity for the nine months period ended 31 December 2017 and the years ended 31 March 2017, 31 March 2016, 31 March 2015 and notes annexed thereto (collectively the "Restated Standalone Financial Information") had been prepared in accordance with recognition and measurement principles of Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

The Restated Standalone financial information for the years ended March 31, 2016 and 2015 has been prepared on Proforma basis (i.e. "Proforma Standalone Ind AS financial information") in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 ("SEBI Circular") and Guidance Note on Reports in Company Prospectuses issued by Institute of Chartered Accountants of India. For the purpose of Proforma Ind AS Standalone financial information for the year ended March 31, 2016 and 2015, the Company has followed the same accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2016 for purpose of Restated Standalone Financial Information. Accordingly, suitable restatement adjustments (both remeasurements and reclassifications) in the accounting heads are made to the Proforma Ind AS Standalone financial information as of and for the years ended March 31, 2016 and 2015.

The Restated Standalone Financial Information has been prepared as defined above and in accordance with the requirements of

(a) Section 26 of Part I of Chapter III of the Companies Act 2013 read with Rule 4 to Rule 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014,

(b) item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date in pursuance of provisions of Securities and Exchange Board of India Act,1992 read along with the SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/ 47 dated 31 March 2016 on Clarification regarding disclosures in Offer Documents under the SEBI Regulations issued by the Securities and Exchange Board of India in connection with the proposed Initial Public Offering of Equity Shares of the Company.

2.2 Statement of compliance

For all periods up to and including nine months period ended December 31, 2017, the Company prepared its audited standalone financial information in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The date of transition to Ind-AS is April 1, 2016. Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods.

As these Standalone financial statements are prepared for the purpose of Restatement of Standalone Financial Information prepared in accordance with Ind AS, Ind AS 101, "First-time adoption of Indian Accounting Standards" has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is set out as below:

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions in the transition from previous GAAP to Ind AS.

Ind AS optional exemptions

a) **Deemed Cost**

Ind AS 101 permits a first-time adopter to elect to measure an item of property, plant and equipment at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date. The exemption can also be used for intangible assets covered by Ind AS 38 'Intangible Assets'.

b) **Designation of previously recognized equity instruments**

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The Company has elected to apply this exemption for its investment in certain equity instruments (other than its subsidiaries)

c) **Investments in subsidiaries**

Ind AS 101 permits a first-time adopter to elect to measure its investment in subsidiaries at fair value of such investments at the Company's date of transition to Ind AS or previous GAAP carrying amount at that date and use that as its deemed cost as on the date of transition.

The Company has decided not to measure its investment in subsidiaries at fair value and accordingly investment in Fine Organics (USA) Inc. & Fine Organics Europe BVBA are valued at cost as at 01st April, 2016.

d) **Exchange differences on long-term foreign currency monetary items**

Under previous GAAP, exchange differences arising on reporting of long–term foreign currency monetary items (i) relating to acquisition of depreciable capital assets were allowed to be adjusted to the carrying amount of such assets (to be adjusted over the balance life of the related asset) and (ii) in other cases were allowed to be accumulated in a 'Foreign Currency Monetary item Translation Difference Account' (to be adjusted over the balance period of the related long term monetary asset/ liability).

Ind AS 101 includes an optional exemption that allows a first-time adopter to continue with the above accounting policy in respect of long- term foreign currency monetary items recognized in the financial statements for the period ending immediately before the beginning of first Ind AS financial reporting period i.e. 1st April, 2017 or to discontinue with such policy.

Ind AS mandatory exceptions

a) **Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 01st April, 2016 are consistent with the estimates as at the same date made inconformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

• Investments in equity instruments carried at FVPL and OCI

• Impairment of financial assets based on expected credit loss model

b) **De-recognition of financial assets and liabilities**

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of company's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the derecognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

c) **Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has assessed the same accordingly

Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods.

The company had filed Draft Red Hearing Prospectus (DRHP) on 08 February, 2018 with Securities Exchange Board of India (SEBI).

2.3 Basis of measurement

The restated standalone financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- net defined benefit (assets)/ liabilities that are measured at fair value of plan assets less present value of defined benefit obligations

2.4 Use of estimates and judgements

The preparation of the restated standalone financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions, which affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized prospectively.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the nine months ended 31 December 2017 are as follows:

a) Property, plant and equipment

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act, which in the opinion of the management represent the useful lives as they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support

b) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

c) Recognition of deferred tax assets

Deferred tax assets are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

d) Contingent Liabilities and Litigations

Contingent liabilities

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

Litigations

From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

2.5 Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level-1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level-2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level-3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.6 Operating cycle

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2.7 Current / non-current classification

An entity shall classify an asset as current when:

a) It expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
b) It holds the asset primarily for the purpose of trading;
c) It expects to realise the asset within twelve months after the reporting period; or
d) the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

An entity shall classify all other assets as non-current.

An entity shall classify a liability as current when-

a) It expects to settle the liability in its normal operating cycle;
b) It holds the liability primarily for the purpose of trading;
c) The liability is due to be settled within twelve months after the reporting period; or
d) It does not have an unconditional right to defer settlement of the liability for atleast twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

An entity shall classify all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.8 Significant accounting policies

a. Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises:

a) Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
b) Any directly attributable cost of bringing the asset to its location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the assets derecognized.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation is calculated on pro-rata basis using the diminishing balance method on cost of items of property, plant and equipment less their estimated residual values over the estimated useful lives prescribed under Schedule II of the Companies Act, 2013

The estimated useful lives of items of property, plant and equipment are as follows:

Tangible Assets	Useful life as per Schedule II
Buildings	30 Years
Computers	3 Years
Office Equipments	5 Years
Plant & Machinery	15 Years
Furniture and Fixtures	10 Years
Electrical Installation	10 Years
Motor Cars & Vehicles	8 Years
Office Equipments	5 Years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Transition to Ind AS

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

b. 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. Subsequent expenditure is capitalised 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 the cost of the item can be measured reliably.

Investment properties are being depreciated using the diminishing value method over their estimated useful lives as per schedule II of the Companies Act, 2013.

c. Intangible Assets

Recognition and measurement

Intangible assets such as computer software and patents, which are acquired by the company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the diminishing value method over their estimated useful lives, and is included in depreciation and amortisation in the statement of profit and loss.

Intangible assets are amortised over the estimated useful lives as given below:

Intangible Assets	Useful life as per Schedule II
Computer Software	3 Years
Patents	10 Years

Transition to Ind AS

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

d. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale.

Other borrowing costs are recognised as an expense in the period in which they are incurred

e. Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets.

f. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates enacted or substantively enacted by the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and current tax liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction
- temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable Company

g. Inventories

Inventories which comprise raw materials, packing materials, work-in-progress and finished goods are carried at the lower of cost and net realisable value.

The cost of inventories is based on weighted average formula and includes expenditure incurred in acquiring the inventories, costs of production or conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of finished goods and work in progress, cost includes an appropriate share of fixed production overheads based normal operating capacity of production facilities.

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

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

h. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management

i. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost using the effective interest rate method, if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Investment in subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost less provision for diminution other than temporary.

Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income’.

Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

a) Derivative financial instruments and Hedge Accounting

The Company uses various derivative financial instruments such as forwards & options to mitigate the risk of changes in exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

Cash flow hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

Fair Value Hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

b) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

j. Revenue Recognition

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customers, the type of transaction and the specifics of each arrangement.

Sale of Products

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods and acceptance by the buyer. Any additional amount based on the terms of the agreement entered into with customers, is recognized in the period when the collectability of the profit share becomes probable and a reliable measure of the profit share is available. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

As per Ind AS 18, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, sales tax/ value added tax (VAT) / Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Other Operating Revenues

Other Operating revenue consist of Sale of Scrap item arose from the production of finished goods and Research and development income from various activities.

Interest Income

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

Interest income is included in finance income in the statement of profit and loss

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend

Insurance Claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Foreign Currencies

The financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

k. Employee benefits

Short term employee benefits

Liabilities for short term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits payable in the balance sheet.

Post-employment benefits

a) Defined benefit plans

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefits obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the Projected Unit Credit Method at the year end.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in Employee Benefit Expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the profit or loss as past service cost.

b) Defined contribution plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

l. Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

m. Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

n. Earnings per share (EPS)

Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the equity
- By the weighted average number of equityshares outstanding during the financial year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Annexure A.VI : Statement of Material Adjustments to prepare Restated Standalone Financial Information

I. Below mentioned is the summary of results of adjustments made in the Audited Financial Statements of the respective years and its impact on the restated standalone summary statement of profit and loss and restated standalone summary statement of assets and liabilities:

(Rs. in millions)

Sr No.	Particulars	Note	For the Nine months Period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
A	Net profit after Tax as per audited financial statements as per IND AS (Including Other Comprehensive Income) / IGAAP		652.53	802.72	771.82	588.47
B	Material Adjustments on account of :		-	-	-	-
i	**Proforma Ind AS adjustments**					
	Acturial gain for Defined Employees Benefits shifted to OCI		-	-	(3.37)	(0.15)
	Interest on Loan to Subsidiary (Profit & Loss)		-	-	1.86	1.43
	Deferred Tax as pet IGAAP		-	-	(21.32)	(15.77)
	Deferred Tax as pet Indus		-	-	16.83	6.29
	Provision for ECL		-	-	-	(29.49)
	Provision for ECL (reversal)		-	-	10.97	-
	Acturial gain for Defined Employees Benefits shifted to OCI and Deferred tax there on		-	-	2.03	0.10
	Fair Value of Equity Instruments through OCI		-	-	0.48	-
	Total (i)		**-**	**-**	**7.50**	**(37.58)**
ii	**Restatement Adjustments**					
	Prior Period Adjustment	1(a)	-	-	(0.15)	0.15
	Prior Period Adjustment	1(b)	-	(0.26)	0.26	-
	Reversal of Provision on Gratuity	2	-	-	(0.00)	0.00
	Rates & Taxes Adjustment	3(a)	-	-	5.57	(0.23)
	Rates & Taxes Adjustment	3(b)	-	0.14	-	-
	Rates & Taxes Adjustment	3(c)	-	-	(5.56)	3.71
	Provision for doubtful debts/Bad debts	4	-	2.03	-	-
	Total (ii)		**-**	**1.91**	**0.12**	**3.62**
C	**Total (i+ ii)**		**-**	**1.91**	**7.62**	**(33.96)**
D	**Tax Adjustments**	5	(0.04)	(2.10)	(2.30)	(1.18)
E	**Total Adjustment (C+D)**		**(0.04)**	**(0.19)**	**5.31**	**(35.15)**
F	**Restated total comprehensive income attributable to owners of equity (A + E)**		**652.50**	**802.54**	**777.14**	**553.32**

II. **Notes**

1 **Prior Period Adjustment**

a This represents excess provision of seminar expenses carried out in FY 2014-15 aggregating to Rs. 0.15 million reversed in FY 2015-16.

b This represents excess provision for exhibition expenses carried out in FY 2015-16 aggregating to Rs. 0.26 million reversed in FY 2016-17.

2 **Employee Benefits**

This represents excess provision for gratuity recorded in FY 2014-15 reversed in FY 2015-16 aggregating to Rs. 2291.

3 **Rates & Tax Adjustments**

This Represents Adjustments of Service Tax, Customs & Vat detailed as below recorded in FY 2015-16 pertaining to earlier years.

		(Rs. in millions)
a	**Service Tax**	
i	Expense pertaining to FY 2014-15	0.23
	Adjustment to Rates & Taxes of FY 2015-16	**5.57**

b **Customs Duty**

This represents Customs Duty aggregating to Rs. 0.14 million written off pertaining to FY 2012-13

		(Rs. in millions)
c	**Interest On Vat Refund**	
i	Interest Pertaining to FY 2014-15	3.71
	Adjustment to Rates & Taxes of FY 2015-16	**5.56**

4 **Provision for Doubtful Debts**

This represents Provision for Doubtful Debts for the FY 2011-12 aggregating to Rs. 2.03 million.

5 **Tax Adjustments**

This represents income tax (current tax +deferred tax) adjustment on account of excess/short provision pertaining to earlier years which has been adjusted in respective years along with tax adjustment on account of restatement of standalone financial information.

III Matters not requiring Adjustment in Restated Standalone Financial Information :

The Statutory Auditors have made the following observations as per Audited Financial Statement for the nine months period ended 31 December 2017 and for the financial years 2016-17, 2015-16 and 2014-15, in terms with the requirements of the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Companies Act, 2013.

For the nine months period ended 31 December 2017

According to the records of the Company and information and explanations given to us, in respect of statutory dues including Provident Fund, Employees State Insurance Scheme, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and cess have generally been deposited regularly with the appropriate authorities, as appearing in the books of accounts, except for small a delay in payment in some cases. According to the information and explanations given to us, there are no dues undisputed in respect of Income-tax, sales-tax, custom duty, service tax, excise duty, wealth tax and cess outstanding as on 31 December 2017 for a period of more than 6 months from the date they became payable.

According to the records of the Company and information and explanations given to us, there are statutory dues which have not been deposited on account of dispute. The details are as follows;

Sr. No.	Financial Year / Period	Nature of Demand	Appellate Authority where dispute is pending	Amount Involved (Rs. In millions)	Remarks
1	2005-06	Income Tax	Hon'ble High Court, Mumbai	7.49	Hearing yet to be done.
2	2008-09	Income Tax	Hon'ble High Court, Mumbai	12.60	Hearing yet to be done.
3	2009-10	Income Tax	Hon'ble High Court, Mumbai	14.06	Hearing yet to be done

<u>Auditor's comments in Company Auditor's Report Order - FY 2016-17</u>

<u>Clause vii (a)</u>

According to the records of the Company and information and explanations given to us, in respect of statutory dues including Provident Fund, Employees State Insurance Scheme, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess have generally been deposited regularly with the appropriate authorities, as appearing in the books of accounts, except for small delay in payment in some cases. According to the information and explanations given to us, there are no dues undisputed in respect of Income-tax, sales-tax, custom duty, service tax, excise duty, wealth tax and cess outstanding as on March 31, 2017 for a period of more than 6 months from the date they became payable.

Clause vii (b)

According to the records of the company and information & explanations given to us, there are Statutory dues which have not been deposited on account of dispute. The details are as follows;

Sr. No.	Financial Year / Period	Nature of Demand	Appellate Authority where dispute is pending	Amount Involved (Rs. In millions)	Remarks
1	2005-06	Income Tax	Hon'ble High Court, Mumbai	7.49	Hearing yet to be done.
2	2009-10	Income Tax	Hon'ble High Court, Mumbai	14.06	Hearing yet to be done
3	01 April 2010 to 31 March 2012	Service Tax	Commissioner of Central Excise (Appeal), Thane	4.94	Hearing done and order awaited
4	FY2007-08 to 2011-12	Excise Duty	Commissioner of Central Excise (Appeals)	0.5	

Auditor's comments in Company Auditor's Report Order - FY 2015-16

Clause vii (a)

According to the records of the Company and information and explanations given to us, in respect of statutory dues including Provident Fund, Employees State Insurance Scheme, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess have generally been deposited regularly with the appropriate authorities, as appearing in the books of accounts, except for small delay in payment in some cases. According to the information and explanations given to us, there are no dues undisputed in respect of Income-tax, sales-tax, custom duty, service tax, excise duty, wealth tax and cess outstanding as on 31 March 2016 for a period of more than 6 months from the date they became payable.

Clause vii (b)

According to the information and explanations given to us, the following disputed statutory dues have not been deposited as on 31 March 2016:

Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs In millions)
Income Tax Act,1961	Income Tax	High Court, Mumbai	AY 2006-07	7.49
Income Tax Act,1961	Income Tax	High Court, Mumbai	AY 2010-11	14.06
Service Tax	Service Tax	Commissioner of Central Excise (Appeals)	December 2010 to January 2012	1.82
Central Excise Act,1944	Excise Duty	Commissioner of Central Excise (Appeals)	FY 2007-08 to 2011-12	0.50

Auditor's comments in Company Auditor's Report Order - FY 2014-15

Clause vii (a)

According to the records of the Company and information and explanations given to us, in respect of statutory dues including Provident Fund, Employees State Insurance Scheme, Income tax, Sales tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess have generally been deposited regularly with the appropriate authorities, as appearing in the books of accounts, except for small delay in payment in some cases. According to the information and explanations given to us, there are no dues undisputed in respect of Income-tax, sales-tax, custom duty, service tax, excise duty, wealth tax and cess outstanding as on 31 March 2015 for a period of more than 6 months from the date they became payable.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure A.VI- Statement on Material Adjustments to prepare Restated Standalone Financial Information

Clause vii (b)

According to the inform ation and 3e xplanations given to us, the following disputed statutory dues have not been deposited as on 31 March 2015:

Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs In millions)
Income Tax Act,1961	Income Tax	CIT(Appeals), Mumbai	AY 2009-10	17.39
Service Tax	Service Tax	Additional Commissioner, Thane	December 2010 to January 2012	1.82
Central Excise Act,1944	Excise Duty	Deputy Commissioner, Kalyan	FY 2007-08 to 2011-12	0.50

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A.VII - Notes forming part of Restated Standalone Financial Information

Note 1 - Restated Standalone Statement of Property Plant and Equipment (PPE)

(Rs. in millions)

Particulars	Buildings	Factory Flat	Plant and Equipments	Electrical Equipments	Laboratory Equipments	Office Equipments	Furniture & Fixtures	Computer	Vehicles	Total Property Plant and Equipment
For the year ended 31 March 2015										
Gross carrying value										
Balance at 1 April 2014 Proforma	422.55	0.28	827.85	48.24	13.67	21.94	37.59	24.40	47.29	1,443.80
Add: Additions during the year	235.06	-	329.76	23.61	-	1.44	0.46	9.81	21.30	621.44
Less: Adjustment	-	-	266.64	2.24	0.75	10.90	6.44	17.86	8.19	313.03
Less: Disposals/ Adjustments	-	-	0.36	-	-	-	-	-	2.92	3.28
Balance at 31 March 2015 Proforma	**657.61**	**0.28**	**890.61**	**69.62**	**12.91**	**12.47**	**31.61**	**16.34**	**57.48**	**1,748.94**
Accumulated depreciation										
Balance at 1 April 2014 Proforma	185.60	0.08	458.34	25.79	7.72	9.62	24.75	19.03	31.69	762.62
Depreciation for the year	27.01	0.01	161.58	10.17	2.68	5.48	4.67	6.75	7.34	225.68
Less: Adjustment	-	-	219.20	2.02	0.66	7.49	6.20	17.07	8.08	260.71
Less: Disposals/ Adjustments	-	-	0.26	-	-	-	-	-	2.59	2.84
Balance at 31 March 2015 Proforma	**212.61**	**0.09**	**400.47**	**33.94**	**9.74**	**7.61**	**23.22**	**8.70**	**28.37**	**724.75**
Carrying amounts (net) as at 31 March 2015 Proforma	**445.00**	**0.18**	**490.14**	**35.68**	**3.17**	**4.87**	**8.39**	**7.64**	**29.11**	**1,024.18**
For the year ended 31 March 2016										
Gross carrying value										
Balance at 1 April 2015	657.61	0.28	890.61	69.62	12.91	12.47	31.61	16.34	57.48	1,748.94
Add: Assets Transferred from Amalgamating Companies	45.99	-	2.09	0.51	37.15	7.04	7.82	0.86	1.45	102.90
Add: Additions during the year	85.97	-	96.06	20.53	9.25	11.26	21.06	16.13	6.85	267.11
Disposals	-	-	0.04	-	-	-	-	0.07	5.24	5.34
Balance at 31 March 2016 Proforma	**789.57**	**0.28**	**988.71**	**90.65**	**59.31**	**30.77**	**60.49**	**33.27**	**60.55**	**2,113.60**
Accumulated depreciation										
Balance at 1 April 2015	212.61	0.09	400.47	33.94	9.74	7.61	23.22	8.70	28.37	724.75
Add: Depreciation on Assets Transferred from Amalgamating Company	27.56	-	1.77	0.46	29.42	5.92	7.21	0.40	0.99	73.74
Depreciation for the year	47.82	0.01	193.86	15.07	5.06	5.73	6.26	11.43	10.14	295.37
Disposals	-	-	0.02	-	-	-	-	0.04	4.93	4.98
Balance at 31 March 2016 Proforma	**287.99**	**0.10**	**596.09**	**49.47**	**44.23**	**19.26**	**36.69**	**20.50**	**34.56**	**1,088.89**
Carrying amounts (net) as at 31 March 2016 Proforma	**501.58**	**0.18**	**392.63**	**41.19**	**15.08**	**11.51**	**23.79**	**12.77**	**25.99**	**1,024.72**
For the year ended 31 March 2017										
Gross carrying value										
Balance at 1 April 2016	789.57	0.28	988.71	90.65	59.31	30.77	60.49	33.27	60.55	2,113.60
Add: Additions during the year	68.56	-	65.84	4.40	4.35	12.90	4.30	10.94	8.23	179.52
Less: Disposals/ Adjustments	1.62	-	-	-	-	0.01	0.20	0.14	0.97	2.94
Balance as at 31 March 2017	**856.51**	**0.28**	**1,054.55**	**95.05**	**63.67**	**43.66**	**64.59**	**44.06**	**67.81**	**2,290.18**
Accumulated Depreciation										-
Balance as at 1 April 2016	287.99	0.10	596.09	49.47	44.23	19.26	36.69	20.50	34.56	1,088.89
Add: Depreciation for the Year	50.14	0.01	135.56	12.00	4.64	7.90	6.77	10.33	8.94	236.30
Less: Disposals/ Adjustments	1.50	-	-	-	-	0.00	0.18	0.11	0.92	2.73
Balance as at 31 March 2017	**336.63**	**0.11**	**731.65**	**61.47**	**48.88**	**27.15**	**43.28**	**30.71**	**42.58**	**1,322.46**
Carrying amounts (net) as at 31 March 2017	**519.87**	**0.17**	**322.91**	**33.58**	**14.79**	**16.51**	**21.31**	**13.36**	**25.23**	**967.72**
For the Nine months period ended										
31 December 2017										
Gross carrying value										
Balance at 1 April 2017	856.51	0.28	1,054.55	95.05	63.67	43.66	64.59	44.06	67.81	2,290.18
Additions/(transfers)	20.34	-	57.32	2.28	0.43	4.65	0.67	3.76	11.92	101.36
Disposals	-	-	-	-	-	-	-	-	7.99	7.99
Balance at 31 December 2017	**876.85**	**0.28**	**1,111.87**	**97.33**	**64.09**	**48.32**	**65.25**	**47.82**	**71.74**	**2,383.55**
Accumulated depreciation										
Balance at 1 April 2017	336.63	0.11	731.65	61.47	48.88	27.15	43.28	30.71	42.58	1,322.46
Depreciation for the period	37.36	0.01	75.59	6.98	2.82	5.77	4.06	6.75	6.58	145.91
Disposals	-	-	-	-	-	-	-	-	7.29	7.29
Balance at 31 December 2017	**373.99**	**0.11**	**807.24**	**68.44**	**51.70**	**32.92**	**47.34**	**37.46**	**41.87**	**1,461.08**
Carrying amounts (net) as at 31 December 2017	**502.86**	**0.16**	**304.63**	**28.88**	**12.40**	**15.40**	**17.91**	**10.36**	**29.87**	**922.48**

Note 1.1
1.Additions and deletions for the year ended 31 March 2016 includes assets transferred on account of amalgamation [Refer Annexure A.VII Note 36 a]
2. Out of the total deletion for the year ended 31 March,2017, cost of Rs 1.97 million is due to fire at Dombivli Plant of amalgamating Company FSSPL

Note 1.2
a. The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.
The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A.VII - Notes forming part of Restated Standalone Financial Information

Note 2 - Restated Standalone Statement of Capital Work in Progress

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Gross Carrying Amount				
Balance as at the beginning of the year	27.97	56.50	81.12	241.48
Add: Opening Balance of FSSPL	-	-	0.38	-
Additions during the year	114.91	149.00	220.31	412.56
Written off during the year	-	-	-	-
Capitalization during the year	75.50	177.52	245.31	572.92
Balance as at the end of the year	**67.39**	**27.97**	**56.50**	**81.12**

Note 2.1:
a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.
b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A.VII - Notes forming part of Restated Standalone Financial Information

Note 3 - Restated Standalone Statement of Intangible Assets

(Rs. in millions)

Particulars	Software	Patents	Total Intangible Assets
For the year ended 31 March 2015 (Proforma)			
Gross carrying value			
Balance at 1 April 2014 Proforma	-	-	-
Additions/transfers	-	-	-
Disposals	-	-	-
Balance at 31 March 2015 (Proforma)	**-**	**-**	**-**
Accumulated amortisation			
Balance at 1 April 2014 Proforma	-	-	-
Add: Amortisation for the Period	-	-	-
Less: Disposals/ Adjustments	-	-	-
Balance at 31 March 2015 (Proforma)	**-**	**-**	**-**
Carrying amounts (net) as at 31 March 2015 (Proforma)	**-**	**-**	**-**
For the year ended 31 March 2016			
Gross carrying value			
Balance at 1 April 2015	-	-	-
Add: Assets Transferred from Amalgamating Companies	-	0.35	0.35
Add: Additions during the year	0.94	0.31	1.24
Disposals	-	-	-
Balance at 31 March 2016 (Proforma)	**0.94**	**0.66**	**1.60**
Accumulated amortisation			
Balance at 1 April 2015	-	-	-
Add: Depreciation on Assets Transferred from Amalgamating Company	-	0.03	0.03
Add: Amortisation for the Period	0.20	0.04	0.25
Less: Disposals/ Adjustments	-	-	-
Balance at 31 March 2016 (Proforma)	**0.20**	**0.07**	**0.28**
Carrying amounts (net) as at 31 March 2016 (Proforma)	**0.74**	**0.59**	**1.32**
For the year ended 31 March 2017			
Gross Carrying Amount			
Balance as at April 1, 2016	0.94	0.66	1.60
Add: Additions during the year	0.42	1.19	1.61
Less: Disposals/ Adjustments	-	-	-
Balance as at March 31, 2017	**1.36**	**1.84**	**3.20**
Accumulated Depreciation			
Balance as at April 1, 2016	0.20	0.07	0.28
Add: Amortisation for the Period	0.69	0.14	0.83
Less: Disposals/ Adjustments	-	-	-
Balance as at March 31, 2017	**0.89**	**0.21**	**1.10**
Carrying amounts (net) as at 31 March 2017	**0.47**	**1.63**	**2.10**
For the Nine months period ended 31 December 2017			
Gross carrying value			
Balance at 1 April 2017	1.36	1.84	3.20
Additions/transfers	0.04	0.25	0.30
Disposals	-	-	-
Balance at 31 December 2017	**1.40**	**2.10**	**3.50**
Accumulated amortisation			
Balance at 1 April 2017	0.89	0.21	1.10
Add: Amortisation for the Period	0.15	0.15	0.30
Less: Disposals/ Adjustments	-	-	-
Balance at 31 December 2017	**1.03**	**0.37**	**1.40**
Carrying amounts (net) as at 31 December 2017	**0.37**	**1.73**	**2.10**

Note 3.1:
a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.
b. The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A.VII - Notes forming part of Restated Standalone Financial Information

Note 4 - Restated Standalone Statement of Non Current Financial Assets : Investments

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Unquoted Investment in Equity Instruments of Subsidiaries				
Fine Organics (USA), Inc.	15.50	19.00	7.00	8.86
(1,000 shares of $ 1 each fully paid up purchased @ Rs.62.50 per $)	-	-	-	-
Fine Organics Europe BVBA	4.68	4.68	1.42	-
(185 shares of Euro 100 each fully paid up purchased @ Rs.76.94 per Euro)	-	-	-	-
Unquoted Investment in Equity Instruments of Jointly Controlled Entity				
Fine Zeelandia Private Limited	112.84	112.84	52.84	-
(11,284,250 shares of Rs. 10/- each fully paid up)	-	-	-	-
Unquoted Investment in Equity Instruments at FVTOCI				
Saraswat Co-op. Bank	0.52	0.52	0.51	-
(2,500 shares purchased at Rs 10/- each fully paid up)	-	-	-	-
Total	**133.54**	**137.05**	**61.77**	**8.86**

Note 4.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 5 - Restated Standalone Statement of Non Current Financial Assets : Loans

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Unsecured, considered good				
Advances to Subsidiaries	56.74	49.37	23.08	17.78
Total	**56.74**	**49.37**	**23.08**	**17.78**

Note 5.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 6 - Restated Standalone Statement of Non Current Assets : Other Financial Assets

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Security Deposits (Amortised Cost)	1.76	0.42	0.42	0.42
Fixed Deposits with Bank	1.10	0.87	-	0.28
(Original Maturity More than 12 months)				
Total	**2.86**	**1.28**	**0.42**	**0.70**

Note 6.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 7 - Restated Standalone Statement of Deferred Tax Assets/(Liabilities) (Net)

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Opening Balance	34.53	14.35	(3.44)	-
Add : Addition recognised in Profit / Loss during the year / Period	4.47	17.90	16.79	-
Add : Addition recognised in OCI during the Year / Period	-	1.11	(1.33)	-
Add : Addition on account of Amalgamation	-	-	2.34	-
Add : Deferred Tax Liabilities on Actuarial Gain Loss on employee benefits of FY 2015-16	-	1.17	-	-
Closing Balance *	39.00	34.53	14.35	(3.44)
Total	**39.00**	**34.53**	**14.35**	**(3.44)**

* This includes deferred tax on account of restatement adjustments and IND AS Adjustment

Note 7.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.
b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 8 - Restated Standalone Statement of Non Current Assets : Other Non Current Assets

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Capital Advances				
(Unsecured, Considered good)	393.59	245.76	284.38	283.87
Security Deposits	17.05	16.08	14.46	13.16
Income Tax Refund Receivable	6.93	11.40	11.40	18.02
Prepaid Rent on Leasehold Land	216.69	218.57	221.08	212.36
Prepaid Rent on Factory Premises	0.20	-	-	-
Total	**634.46**	**491.81**	**531.32**	**527.41**

Note 8.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 9 - Restated Standalone Statement of Inventories

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Raw Materials and Packing Materials	410.41	420.00	344.52	275.18
Semi-Finished Goods	27.38	6.77	8.99	21.08
Trading Goods	0.03	0.03	1.35	2.65
Finished goods	301.05	375.96	324.51	268.44
Consumables	3.48	2.59	2.65	4.27
Stores & Spares	80.63	79.23	55.03	51.12
Total	**822.98**	**884.58**	**737.05**	**622.74**

Note 9.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 10 - Restated Standalone Statement of Current Financial Assets : Trade Receivables

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Unsecured				
Considered good	1,316.66	1,227.36	957.17	936.10
Considered Doubtful	-	-	-	-
Less: Provision for doubtful Debts /expected credit loss	6.98	14.39	20.55	31.52
Total	**1,309.68**	**1,212.97**	**936.63**	**904.58**

Note 10.1: Movement of Expected Credit Loss

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Opening Balance	14.39	20.55	31.52	-
Addition during the year/period	-	-	-	31.52
Less: Reversal during the year/ period	7.41	6.16	10.97	-
Closing Balance	**6.98**	**14.39**	**20.55**	**31.52**

Note 10.2

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 11 - Restated Standalone Statement of Current Financial Assets : Cash and cash equivalents

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Balances with Banks				
In Current Account	153.99	48.82	288.35	6.84
In Exchange Earning Foreign Currency Account	29.96	31.38	34.04	5.78
In Fixed Deposit Account	2.09	21.56	33.89	-
(with original maturity of less than 3 months)				
Cash on hand	1.96	1.04	2.59	1.23
Cash and cash equivalents	**188.00**	**102.80**	**358.86**	**13.86**

Note 11.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 12 - Restated Standalone Statement of Current Financial Assets : Bank Balances

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Balances with Banks				
In Fixed Deposits	1.85	39.46	28.28	3.26
(with original maturity of 12 months or less)				
Total	**1.85**	**39.46**	**28.28**	**3.26**

Note 12.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 13 - Restated Standalone Statement of Current Financial Assets : Loans

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Unsecured, Considered Good				
Loans to employees	7.30	7.35	7.61	5.70
Total	**7.30**	**7.35**	**7.61**	**5.70**

Note 13.1
a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.
b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 14 - Restated Standalone Statement of Current Financial Assets : Others

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Unsecured, Considered Good				
Security Deposit to Trade Creditors	1.10	0.98	1.02	0.14
Prepaid Rent on Factory Premises	0.25	-	-	-
Total	**1.35**	**0.98**	**1.02**	**0.14**

Note 14.1
a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.
b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 15 - Restated Standalone Statement of Current Tax Assets (Net)

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Advance Income tax (Net of Provision for Taxation)	23.78	39.74	-	15.19
Total	**23.78**	**39.74**	**-**	**15.19**

Note 15.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 16 - Restated Standalone Statement of Other Current Assets

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Prepaid expenses	14.05	19.39	14.23	11.99
Balance with Statutory / Government Authorities *	286.48	123.17	66.20	115.13
Gratuity Fund Balance with LIC of India	5.92	5.92	7.21	3.98
Other Advances (including advance to suppliers)				
Unsecured, Considered good	321.77	407.38	328.13	389.77
Total	**628.22**	**555.86**	**415.76**	**520.87**

Note 16.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

* Balances with Government Authorities primarily include amounts realisable from the excise, service tax, value added tax and customs authorities of India, the unutilised excise input credits on purchases and amounts paid under protest relating to indirect tax matters. These are generally realised within one year or regularly utilised to offset the excise duty liability on goods manufactured by the Company. Accordingly, these balances have been classified as "Other Current Assets".

Note 17 - Restated Standalone Statement of Equity Share Capital

(Rs. in millions)

Sr. No.	Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
1	**AUTHORISED**				
	40,000,000 Equity Shares of Re. 5/- each	200.00	52.00	52.00	51.00
	(For the year ended 31st March 2015 - 5,100,000 Equity Shares & for the year ended 31st March 2016 and 2017 respectively 5,200,000 Equity Shares of Re. 10/- each)	-	-	-	-
	[Refer Note No 36 a]	-	-	-	-
	Total	**200.00**	**52.00**	**52.00**	**51.00**
2	**ISSUED, SUBSCRIBED AND PAID-UP**				
	3,06,59,976 Equity Shares of Rs. 5/- each	153.30	48.30	48.30	48.30
	(Previous Years: 4,829,996 Equity Shares of Re. 10/- each)	-	-	-	-
	Total	**153.30**	**48.30**	**48.30**	**48.30**
3	**EQUITY SHARE SUSPENSE ACCOUNT**				
	[280,000 ordinary equity shares of Rs. 10/- each issued as fully paid up to the shareholders of Fine Research & Development Centre Private Limited ("FRDCPL") & Fine Speciality Surfactants Private Limited ("FSSPL") as per the scheme of amalgamation][Refer note 36 a]	-	2.80	2.80	-
	Total	**-**	**2.80**	**2.80**	**-**

Note 17.1- Details of Shareholders holding more than 5 % shares of the Company

Name of share holders	As at 31 December 2017 (Ind AS)		As at 31 March 2017 (Ind AS)		As at 31 March 2016 (Proforma Ind AS)		As at 31 March 2015 (Proforma Ind AS)	
	Numbers of Share	% in Share Capital	Numbers of Share	% in Share Capital	Numbers of Share	% in Share Capital	Numbers of Share	% in Share Capital
Mukesh Maganlal Shah	2,588,442	8.44	403,945	8.36	403,945	8.36	807,884	16.73
Prakash Damodar Kamat	5,982,840	19.51	941,355	19.49	941,355	19.49	941,350	19.49
Jayen Ramesh Shah	4,953,630	16.16	808,455	16.74	808,455	16.74	807,308	16.71
Jyotsna Ramesh Shah	5,870,862	19.15	922,489	19.10	922,489	19.10	922,479	19.10
Bimal Mukesh Shah	2,822,436	9.21	456,244	9.45	456,244	9.45	-	-
Tushar Ramesh Shah	5,229,186	17.06	860,715	17.82	860,715	17.82	859,572	17.80

Note 17 - Restated Standalone Statement of Equity Share Capital

Note 17.2 - Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Sr. No.	Particulars	As at 31 December 2017 (Ind AS)		As at 31 March 2017 (Proforma Ind AS)		As at 31 March 2016 (Proforma Ind AS)		As at 31 March 2015 (Proforma Ind AS)	
		No. of Shares	% held	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
	Number of shares at the beginning of the year	4,829,996	15.75	4,829,996	100.00	4,829,996	100.00	4,829,996	100.00
	Issued during the year/period *	25,829,980	84.25	-	-	-	-	-	-
	Number of shares at the end of the year	30,659,976	100.00	4,829,996	100.00	4,829,996	100.00	4,829,996	100.00

*Shares issued to amalgamating companies, i.e., 'FRDCPL' & 'FSSPL' as appearing in Share Capital Suspense Account are not included in above table as at 31 March 2016 and 2017 respectively [Refer note no. 36(a)]
These shares have been issued to the shareholders of the amalgamating companies and allotted during the nine months period ended 31 December 2017. Subsequent to allotment of shares to the amalgamating companies, the Company has issued bonus shares in the ratio of 2 shares for every 1 share, on 16 October 2017 thereby making the total number of shares 15,329,988. Further, there was subdivision of equity shares of face value of Rs. 10 each into equity shares of face value of Rs. 5 each on 06 November 2017, thereby making the total number of shares 30,659,976.

Note 17.3 : Rights, Preferences & Restrictions of each class of shares

The Company has issued one class of shares, i.e. equity shares, which enjoys the same rights in respect of voting, payment of dividend and repayment of capital. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Note 17.4 : Particulars of shares reserved for options and contracts / commitments for sale of shares / disinvestment

The Company has not reserved any shares for issue of options and contracts / commitments for sale of shares / disinvestment.

Note 17.5 : Particulars of shares issued / allotted as fully paid up by way of consideration other than cash

The Company has issued 280,000 Equity Shares of Rs. 10 each on 05 July 2017 for consideration other than cash to the shareholders of FRDCPL and FSSPL on account of amalgamation.

The Company has issued bonus shares to all the shareholders in the ratio of 2 shares for every 1 share on 16 October 2017, thereby making the total number of shares to 15,329,988. Further, there was a subdivision of equity shares of face value of Rs. 10 each into equity shares of face value of Rs. 5 each on 06 November 2017, thereby making total number of shares 30,659,976.

Note 17.6 : Particulars of calls unpaid

There is no calls unpaid, thus such disclosure is not applicable.

Note 17.7 : Subdivision of Shares
The Shareholders vide a special resolution has approved sub division of shares of the Company in the ratio of 2 shares of face value of Rs. 5 each for every existing 1 share of the face value of Rs. 10 each.
The requisite approvals for modification of the Memorandum and Articles of Association of the Company had been accorded by the shareholders on 06 November 2017.

Note 17.8
a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.
b The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A.VII - Notes forming part of Restated Standalone Financial Information

Note 18 - Restated Standalone Statement of Other Equity

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
(a) General Reserve				
Balance as at the beginning of year / period	47.39	47.39	47.39	47.39
Less: Utilised for the purpose of Bonus Issue	47.39	-	-	-
Balance as at the end of the year / period	**-**	**47.39**	**47.39**	**47.39**
(b) Amalgamation Reserve (Includes Rs.4,23,400 On Account of Amalgamation of FSSPL)	**115.52**	**115.52**	**115.52**	**-**
(c) Securities Premium Account				
Balance as at the beginning of year / period	0.00	0.00	0.00	0.00
Less: Utilized for the purpose of Bonus Issue	0.00	-	-	-
Balance as at the end of the year / period	**-**	**0.00**	**0.00**	**0.00**
(d) Retained Earnings				
Balance as at the beginning of year / period	3,144.48	2,338.67	2,007.27	1,506.10
Add :				
Deferred Tax income of FY 2015-16 on Actuarial Gain /Loss	-	1.17	-	-
Profit for the year / period	652.50	804.64	774.62	553.22
Interest on Loan to subsidiary prior to Ind AS Transition	-	-	-	-
Deferred Tax Charged in IGAAP now reversed	-	-	-	-
Less:				
Utilized for the purpose of Bonus Issue	54.81	-	-	-
Dividend paid on Equity shares	229.95	-	-	-
Dividend Distribution Tax Paid	46.81	-	-	-
Adjustment relating to Fixed Assets	-	-	-	52.32
Adjustment pertaining to opening retained earning - Interest on Loan to Subsidiary	-	-	-	(0.27)
Deferred Tax Charged in IGAAP now reversed	-	-	-	-
Dividend of FY 2014-15			144.90	
DDT on Dividend of FY 2014-15			29.50	
Interim Dividend on Equity shares	-	-	223.35	-
Income Tax on Interim Dividend	-	-	45.47	-
Balance as at the end of the year / period	**3,465.40**	**3,144.48**	**2,338.67**	**2,007.27**
(e) Other Comprehensive Income				
Balance as at the beginning of year / period	0.52	2.62	0.10	-
Add: Other Comprehensive Income for the Year	-	(2.10)	2.52	0.10
Balance as at the end of the year / period	**0.52**	**0.52**	**2.62**	**0.10**
Total (a + b + c + d + e)	**3,581.44**	**3,307.91**	**2,504.20**	**2,054.76**

Note 18.1

a) The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b)The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 19 - Restated Standalone Statement of Non Current Financial Liabilities : Borrowings

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Secured Loans				
Foreign Currency Term Loan*				
From Financial Institution	-	-	212.68	290.55
Total	-	-	**212.68**	**290.55**

***Note 19.1**

Nature of Loan	Lender	As at 31 March 2015 (Rs. In Million)		Nature of Securities	Interest Rate	Tenure of Repayment
		Non-Current	Current			
Foreign Currency Term Loan	UBI	290.55	80.04	EM on Land & Building, Hyp of Plant & Machinery	BR + 4% (BR = 10.25%)	5 Years

Nature of Loan	Lender	As at 31 March 2016 (Rs. In Million)		Nature of Securities	Interest Rate	Tenure of Repayment
		Non-Current	Current			
Foreign Currency Term Loan	UBI	212.68	80.04	First Pari Passu Charge on Current Asset with Citi Bank NA, Hyp of Stock & Debtors	BR + 2% (BR = 10.25%)	5 Years

Note 19.2

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A.VII - Notes forming part of Restated Standalone Financial Information

Note 20 - Restated Standalone Statement of Current Financial Liabilities : Borrowings

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Secured Loans				
From a Scheduled Bank Repayable on demand*				
Cash Credit Facility	285.48	99.88	193.34	141.91
Packing Credit	-	-	231.74	251.40
Term Loan	-	-	0.00	0.00
Unsecured Loans				
Loans from Directors	-	302.75	303.61	262.59
Total	**285.48**	**402.62**	**728.68**	**655.90**

***Note : 20.1**

Nature of Loan	Lender	As at 31 March 2015 (Rs. In Million) Current	Nature of Securities	Interest Rate	Tenure of Repayment
Cash Credit	UBI	100.41	First Pari Passu Charge on Current Asset with Citi Bank NA, Hyp of Stock & Debtors	BR + 3.75% (BR = 10.25%)	On demand
Cash Credit	CITI Bank	41.50	First Pari Passu Charge on Present and Future Stocks and books debts of the borrower, Personal Guarantee of Mr. Bimal Shah and Mr. Tushar Shah, Security to be in line with existing working capital bankers	13.50%	On demand
Packing Credit	CITI Bank	251.40	First Pari Passu Charge on Present and Future Stocks and books debts of the borrower, Personal Guarantee of Mr. Bimal Shah and Mr. Tushar Shah, Security to be in line with existing working capital bankers	2.4031%	On demand
Term Loan	UBI	0.00	EM on Land & Building, Hyp of Plant & Machinery	BR + 4% (BR = 10.25%)	On demand

Nature of Loan	Lender	As at 31 March 2016 (Rs. In Million) Current	Nature of Securities	Interest Rate	Tenure of Repayment
Cash Credit	UBI	193.34	First Pari Passu Charge on Current Asset with Citi Bank NA, Hyp of Stock & Debtors	BR + 2% (BR = 10.25%)	On demand
Packing Credit	CITI Bank	231.74	First Pari Passu Charge on Present and Future Stocks and books debts of the borrower, Security to be in line with existing working capital bankers	1 month libor + 1.5% (1 months libor - 0.43)	On demand
Term Loan	UBI	0.00	EM on Land & Building, Hyp of Plant & Machinery	BR + 4% (BR = 10.25%)	On demand

Nature of Loan	Lender	As at 31 March 2017 (Rs. in million) Current	Nature of Securities	Interest Rate	Tenure of Repayment
Cash Credit	UBI	25.10	First Pari Passu Charge on Current Asset with Citi Bank NA, Hyp of Stock & Debtors	MCLR + 1.4% (MCLR = 9.5%)	On demand
Cash Credit	CITI Bank	74.77	First Pari Passu Charge on Present and Future Stocks and books debts of the borrower, Security to be in line with existing working capital bankers	12.50% till 23rd Aug 16, then 11% from till 21 March 2017 and thereafter 9.5%	On demand

Nature of Loan	Lender	As at 31 December 2017 (Rs. in million) Current	Nature of Securities	Interest Rate	Tenure of Repayment
Cash Credit	CITI Bank	285.48	First Pari Passu Charge on Present and Future Stocks and books debts of the borrower, Security to be in line with existing working capital bankers	9.50%	On demand

Note 20.2

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 21 - Restated Standalone Statement of Current Financial Liabilities : Trade Payables

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Micro, Small and Medium Enterprises*	44.24	38.35	35.16	25.12
Others	721.16	639.54	496.87	506.87
Total	**765.40**	**677.89**	**532.03**	**531.99**

* Due to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

Note 21.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 22 - Restated Standalone Statement of Current Financial Liabilities : Others

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Current maturities of long-term debt (Refer Note 19.1)	-	-	80.04	80.04
Security Deposits	8.15	9.12	6.33	8.13
Total	**8.15**	**9.12**	**86.37**	**88.17**

Note 22.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 23 - Restated Standalone Statement of Other Current Liabilities

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Statutory dues payable	10.95	63.62	51.83	43.25
Advances from customers	16.86	25.33	11.72	18.79
Other Liabilities	17.15	15.00	11.89	9.62
Insurance Claim Received Pending Settlement / Allocation (Refer Note 36 b)	2.99	2.99	-	-
Total	**47.95**	**106.94**	**75.43**	**71.65**

Note 23.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 24 - Restated Standalone Statement of Current Liabilities: Provisions

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Proposed Dividend	-	-	-	-
Dividend Distribution tax	-	-	-	-
Provision for employee benefits	-	-	3.25	1.64
Total	**-**	**-**	**3.25**	**1.64**

Note 24.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 25 - Restated Standalone Statement of Current Tax Liabilities (Net)

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Provision for Income Tax (Net of Taxes Paid)	-	-	4.93	-
Total	**-**	**-**	**4.93**	**-**

Note 25.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 26 - Restated Standalone Statement of Revenue from Operations

(Rs. in millions)

Particulars	For the Nine month period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Sale of Products				
Speciality Chemicals	5,800.50	8,014.80	6,637.08	6,148.44
Others	101.43	118.45	210.04	225.39
Total [A]	**5,901.93**	**8,133.25**	**6,847.12**	**6,373.83**
Other Operating Revenue				
Income from sale of Scrap	0.17	1.06	1.13	0.83
Research and Development Receipts	-	0.36	0.58	-
Total [B]	**0.17**	**1.42**	**1.71**	**0.83**
Total [A] + [B]	**5,902.10**	**8,134.66**	**6,848.83**	**6,374.66**

Note 26.1
a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.
b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 27 - Restated Standalone Statement of Other Income

(Rs. in millions)

Particulars	For the Nine month period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Interest Income	7.23	13.27	13.85	3.67
Dividend Income	0.01	0.00	0.00	8.37
Net gain on foreign exchange fluctuations	-	25.24	73.74	-
Other Non Operating Income				
Profit on Sale of PPE (net of Loss on sale/discard of PPE)	0.36	0.23	0.74	0.37
Insurance claim received	-	0.08	0.00	0.07
Status Holder Incentive Scrip License	-	-	0.61	5.26
Other Income	-	-	0.38	0.23
FPS Duty Benefit	-	1.05	-	-
Service Tax Refund (Customs)	-	2.51	-	-
Miscellaneous Income	0.07	0.02	-	-
Processing Charges Received	-	0.19	0.77	-
Reversal of Gratuity	-	-	(0.00)	0.00
Other Income	-	-	0.03	3.71
Exchange Gain on Foreign Currency Term Loan & EEFC	69.04	0.24	-	-
Compensation received (Refer note 36 g)	7.00	-	-	-
Reversal for allowance of expected Credit loss	7.41	4.13	10.97	-
				-
Total	**91.11**	**46.97**	**101.10**	**21.68**

Note 27.1
a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.
b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 28 - Restated Standalone Statement of Cost of Material Consumed

(Rs. in millions)

Particulars	For the Nine month period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Raw Materials and packing Materials Consumed				
Opening Stock at the beginning of the year	420.00	344.52	275.18	250.78
Add : Stock Transferred from Amalgamating Companies	-	-	10.94	-
Add : Purchases and incidental expenses	3,771.18	5,109.83	3,952.78	3,891.28
	4,191.18	5,454.35	4,238.89	4,142.06
Less : Loss of Stock due to Fire	-	6.78	-	-
Less : Closing stock at the end of the year	410.41	420.00	344.52	275.18
Total	**3,780.77**	**5,027.57**	**3,894.37**	**3,866.89**

Note 28.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 29 - Restated Standalone Statement of Changes In Finished Goods, Work in Progress and Trading Goods

(Rs. in millions)

Particulars	For the Nine month period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
A] Opening stock of inventories				
Finished Goods	375.96	324.51	268.44	225.68
Semi-Finished Goods	6.77	8.99	21.08	19.29
Trading Goods	0.03	1.35	2.65	0.09
Add: Opening stock transferred from Amalgamating Companies				
Finished Goods	-	-	1.06	-
Semi-Finished Goods	-	-	2.38	-
Total [A]	**382.76**	**334.85**	**295.61**	**245.05**
B] Closing Stock of inventories				
Finished Goods	301.05	375.96	324.51	268.44
Semi-Finished Goods	27.38	6.77	8.99	21.08
Trading Goods	0.03	0.03	1.35	2.65
Total [B]	**328.46**	**382.76**	**334.85**	**292.17**
Net Total [A] - [B]	**54.31**	**(47.91)**	**(39.24)**	**(47.11)**

Note 29.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 30 - Restated Standalone Statement of Employee Benefit Expenses

(Rs. in millions)

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Salaries and other benefits to Directors	87.85	316.66	273.58	238.42
Salaries, wages & other benefits to others	250.51	275.04	239.28	176.85
Contribution to Provident Fund and Other Funds	19.66	10.37	6.90	4.50
Employee Welfare and other amenities	2.27	17.73	12.70	11.14
Total	**360.29**	**619.81**	**532.45**	**430.91**

As per Indian Accounting Standard 19 "Employee Benefits" the disclosures as defined are given below:

A] Defined Contribution Plans

The company makes contributions towards provident fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefit.
Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

(Rs. in millions)

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Employer's Contribution to Provident fund	1.61	1.91	1.65	1.04
Employer's Contribution to Pension Scheme	3.62	4.10	3.62	2.32
Total	**5.23**	**6.01**	**5.27**	**3.36**

B] Defined Benefits Plans

(i) Assumptions used to determine the defined benefit obligation

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Valuation Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method
Mortality Table Rate	LIC (1994 - 96) Ultimate	LIC (1994 - 96) Ultimate	LIC (1994 - 96) Ultimate	LIC (1994 - 96) Ultimate
Discount Rate(p.a.)	-	8.00 % P.A.	8.00 % P.A.	8.00 % P.A.
Estimated rate of return on Plan Assets(p.a.)	-	-	-	-
Expected rate of increase in salary(p.a.)	-	5.00 % P.A.	5.00 % P.A.	7.00 % P.A.

(Ii) Reconciliation of opening and closing balances of the present value of the defined benefit obligation

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Defined Benefit Obligation at beginning of the Year	-	29.63	29.84	21.93
Add: Current Service Cost	-	1.99	2.05	1.65
Add: Current Interest Cost	-	2.38	2.39	1.75
Add: Actuarial (Gain) / Loss	-	3.22	(3.37)	(0.15)
Add: Benefits paid / (Received)	-	(0.50)	(1.28)	(0.15)
Defined Benefit Obligation at the end of the Year	**-**	**36.71**	**29.63**	**25.04**

Note 30 - Restated Standalone Statement of Employee Benefit Expenses

(Rs. in millions)

(iii) Reconciliation of opening & closing balances of fair value of plan assets

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Fair Value of Plan Asset at beginning of the Year	-	36.84	34.53	25.17
Add: Interest Income	-	-	-	-
Add: Expected Return on Plan Assets	-	3.04	2.81	2.26
Add: Contributions Paid	-	3.25	0.77	1.74
Add: Fund Transferred In	-	-	-	-
Less: Fund Transferred out	-	-	-	-
Add: Benefits Paid / (Received)	-	(0.50)	(1.28)	(0.15)
Fair Value of Plan Asset at the end of the Year	**-**	**42.63**	**36.84**	**29.03**

(iv) Net Liability/(Assets) recognised in the Balance Sheet

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Present Value of Defined Benefit Obligation at end of the Year	-	36.71	29.63	25.04
Less: Fair Value of Plan Asset at the end of the Year	-	42.63	36.84	29.03
Liability/ (Asset) recognised in the Balance Sheet	**-**	**(5.92)**	**(7.21)**	**(3.98)**

(v) Expenses Recognised During the year

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
In Income Statement				
(a) Current Service Cost	-	1.99	2.05	1.65
(b) Net Interest Cost	-	2.38	2.39	1.75
Expected Return on plan Assets	-	(3.04)	(2.81)	(2.26)
Net Cost [(a) - (b)]	-	(3.43)	(3.15)	(2.37)
In Other Comprehensive Income (OCI)				
(a) Actuarial (Gain)/ Loss	-	3.22	(3.37)	(0.15)
(b) Return on plan assets	-	-	-	-
Net (Income)/Expenses for the period recognised in OCI [(a) - (b)]	-	3.22	(3.37)	(0.15)

Provision for Gratuity has been made for the nine months period ended 31 December 2017 on proportionate estimated basis in absence of actuarial valuation.For the year ended 31 March,2015, 31 March,2016 & 31 March,2017, the actuarial valuation for this purpose were available as per previous GAAP and adjustment to fair value has been done for these periods. Management estimates that the provisions are adequate in this regard.

Note 30.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 31 - Restated Standalone Statement of Finance Costs

(Rs. in millions)

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Interest Expenses	16.18	38.20	60.96	70.84
Exchange Loss on Foreign Currency Term Loan & EEFC	1.09	-	16.00	0.33
Bank Charges and Commission	5.57	5.34	5.40	5.22
Franking Charges	-	0.01	0.60	0.45
Registration Charges	-	-	0.03	-
Stamp Duty	1.56	0.04	-	-
Premium / Discount on Forward Contract	5.56	1.78	-	-
Total	**29.96**	**45.36**	**82.99**	**76.84**

Note 31.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 32 - Restated Standalone Statement of Depreciation / Impairment & Amortization Expenses

(Rs. in millions)

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Depreciation / Amortisation on Property, Plant and Equipment	145.91	236.30	295.37	225.68
Depreciation / Amortisation on Investment Property	-	-	-	-
Depreciation / Amortisation on Intangible Assets	0.30	0.83	0.25	-
Total	**146.20**	**237.12**	**295.62**	**225.68**

Note 32.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 33 - Restated Standalone Statement of Other Expenses

(Rs. in millions)

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Advertisement & Publicity Expenses	0.27	0.81	0.92	1.26
Allowance for expected Credit loss on Trade Receivables	-	-	-	29.49
Auditors Remuneration:				
(i) Statutory Audit Fees	1.80	2.40	2.21	1.60
(ii) Tax Audit Fees	-	-	0.60	0.40
(iii) Income Tax Matters	-	-	0.81	-
(iv) Others Matters	-	-	-	-
Consumption of stores and spares	0.83	1.22	2.11	1.82
Corporate Social Responsibility Expenses (refer to no. 36.1)	-	13.10	9.50	6.50
Electricity Charges	4.11	5.15	5.00	1.75
Excise Duty Expenses	-	8.23	(0.25)	4.92
Freight and forwarding charges	114.15	142.05	129.99	130.54
Insurance Charges	5.22	10.97	9.39	8.29
Laboratory Expenses	6.93	10.76	12.16	6.47
Lease Rent on Leasehold Land	1.88	2.51	2.51	0.76
Legal and Professional fees	41.42	26.77	42.59	18.16
Other Administrative Expenses	5.82	11.29	9.52	7.29
Postage, Telephone and Telegram	6.10	8.13	6.55	3.98
Power, Fuel and Water Charges	218.60	280.36	266.33	269.14
Printing and Stationery Expenses	2.25	2.41	3.16	1.98
Product Registration Fees	0.25	2.89	7.62	12.43
Provision For Doubtful Debts	-	-	-	-
Research & development expenses	-	-	-	44.76
Rates and Taxes	9.44	15.24	11.27	7.86
Repairs and Maintenance to:				
(i) Factory Building	4.20	6.15	2.50	3.50
(ii) Machinery	52.10	51.14	46.04	54.54
(iii) Others	11.52	18.45	16.50	16.31
Sales Promotion Expenses	-	-	-	6.05
Security Charges	7.29	8.76	7.64	4.92
Seminar & Trade Fair Expenses	15.84	30.09	15.12	15.90
Subscription ,Membership, Books & Periodicals	2.39	7.91	2.60	1.82
Travelling and Conveyance Expenses	13.76	20.64	23.17	17.45
VAT Audit Fees	0.08	0.62	0.32	0.22
Vehicle Expenses	3.85	5.33	4.99	4.72
Total	**530.10**	**693.38**	**640.87**	**684.83**

Note 33.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 34 - Restated Standalone Statement of Earnings Per Equity Share

(Rs. in millions)

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Net Profit for EPS (A)	652.50	804.64	774.62	553.22
Weighted Average Number of Equity Shares for calculation of Basic EPS (B)	23,099,982	30,659,976	30,659,976	28,979,976
Basic EPS (A/B)	28.25	26.24	25.26	19.09
Weighted Average Number of Equity Shares for calculation of Diluted EPS (C)	23,099,982	30,659,976	30,659,976	28,979,976
Diluted EPS (A/C)	28.25	26.24	25.26	19.09

The Board of Directors of the Company in their meeting held on 05 July 2017 have allotted 280,000 equity shares of Rs. 10 each to the shareholders of the Amalgamating Companies FRDCPL and FSSPL pending allotment as at 31 March 2016 and 31 March 2017 respectively. Equity shares allotted as part of the consideration being an amalgamation in the nature of merger are included in the calculation of the weighted average number of outstanding equity shares of respective years.
Subsequent to allotment of shares to the Amalgamating Companies, the Company has issued bonus shares in the ratio of 2 shares for every one 1 share, on 16 October 2017 thereby making total number of shares to 15,329,988. Further, there was subdivision of equity shares of face value of Rs. 10 each into equity shares of face value of Rs. 5 each on 06 November 2017 thereby making total number of shares to 30,659,976 and the same has been considered for the calculation of Basic and Diluted E.P.S. for the period upto 31 March 2017.

Note 34.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.
b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 35 - Restated Standalone Statement of Contingent Liabilities and Commitments

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Contingent Liabilities				
Income tax liability that may arise in respect of matters in appeal	34.15	21.55	21.55	17.39
Excise Duty / Custom Duty / service tax liability may arise in respect of matters in appeal (#)	-	7.26 (#)	7.26 (#)	2.32
Commitments				
Estimated contracts remaining to be executed on capital account not provided for Plant & Machinery	279.47	8.91	42.37	20.98
Bank Guarantee	33.32	19.12	26.37	21.89

(#) Service Tax Matters includes Rs. 4.94 million pertaining to amalgamating company FSSPL

Income tax matters disputed in appeal with :	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Hon'ble High Court, Mumbai for FY 2005-06	7.49	7.49	7.49	-
Hon'ble High Court, Mumbai for FY 2008-09	12.60	-	-	-
Hon'ble High Court, Mumbai for FY 2009-10	14.06	14.06	14.06	-
ITAT, Mumbai for FY 2008-09	-	-	-	17.39
CIT (Appeals), Mumbai for FY 2005-06	-	-	-	-
CIT (Appeals), Mumbai for FY 2009-10	-	-	-	-
CIT (Appeals), Mumbai for FY 2008-09	-	-	-	-
	-	-	-	-
Total	**34.15**	**21.55**	**21.55**	**17.39**

Service Tax matters disputed in appeal with :	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Commissioner of Central Excise (Appeal), Thane Period - April' 2010 to March' 2012 (FSSPL)	-	4.94	4.94	-
Commissioner of Central Excise (Appeals) Period - December 2010 to January 2012	-	1.82	1.82	-
Additional Commissioner, Thane Period - December 2010 to January 2012		-	-	1.82
Total	-	**6.77**	**6.77**	**1.82**

Excise Duty matters disputed in appeal with :	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Commissioner of Excise (Appeals) for FY 2008 -12	-	0.50	0.50	-
Deputy Commissioner, Kalyan for FY 2008-12	-	-	-	0.50
Total	**-**	**0.50**	**0.50**	**0.50**

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Guarantees given by Bank	33.32	19.12	26.37	21.89

Note 35.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.
b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Annexure A.VII–Notes forming a part of Restated Consolidated Financial Information

Note 36 : Other notes to Restated Consolidated Financial Information

a. Scheme of Arrangement (Merger) between the Company, Fine Research & Development Centre Private Limited (FRDCPL) and Fine Speciality Surfactants Private Limited (FSSPL)

In accordance with Ind AS 101 provisions related to first time adoption, the company has elected to apply Ind AS 103 Accounting for business combinations prospectively from April 01, 2016 (transition date). As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, if any, have been carried forward.

The Scheme of amalgamation for the merger of Fine Research & Development Centre Private Limited (FRDCPL) and Fine Speciality Surfactants Private Limited (FSSPL) ("the amalgamating companies") with the Company was approved by the Board of Directors in its meeting held on January 20, 2016 with an appointed date of April 01, 2015. The said scheme has been approved by National Company Law Tribunal ("NCLT") and final order has been received on June 22, 2017. This accounting for amalgamation is accounted as per the scheme and in accordance with Accounting Standard 14 "Amalgamation" notified under the Companies Act, 2013. Further, in terms of the Scheme, 2,80,000 equity shares of Rs. 10 each of the Company are pending to be issued and allotted as fully paid up to the shareholders of the amalgamating companies.

Fine Research & Development Centre Private Limited (FRDCPL) is a Private Limited Company incorporated in India on under the provisions of the Companies Act, 1956. The registered office of the company is situated in the state of Maharashtra. The company is engaged in undertaking scientific and industrial research and development.

Fine Speciality Surfactants Private Limited (FSSPL) is a Private Limited Company incorporated in India under the provisions of the Companies Act, 1956. The registered office of the company is situated in the state of Maharashtra. The company carries on business as manufacturers, importers, exporters, merchants, distributors, commission agents, brokers, wholesale and retail dealers and producers of oil-based chemicals, their intermediates, co-products and finished products and fine chemicals and other related products.

Pursuant to the aforesaid Scheme of amalgamation, the authorised equity share capital of the Company stands increased by the authorised equity share capital of the amalgamating company aggregating Rs.52 million/- (52,00,000 equity shares of face value of Rs. 10 each).

Accounting treatment

The business combination has been accounted by using the Pooling of Interest method in accordance with the said approved Scheme of Amalgamation and Accounting standard 14 "Amalgamation", which is also consistent with Ind AS 103 on "Business Combinations", since the entities before and after the amalgamation are under the common control. Since the Company originally did not have any investments in the amalgamating companies, there is no further adjustment required in terms of Ind AS 103.

Annexure A.VII–Notes forming a part of Restated Consolidated Financial Information

Note 36 : Other notes to Restated Consolidated Financial Information

The Company has restated the financi al information as at 1st April, 20 16 being the begi nning of the preceeding period for which the financial state ments are prepared and accordingly recorded all the assets, liabilities and reserves of the am algamating companies at their respective book values as appearing in the their books of account as on April 1, 2015, the details of which are as follows:

Particulars	FSSPL	FRDCPL	Total
Assets:			
Non Current Assets:			
Fixed Assets	3.47	37.62	41.09
Non- Current Investments	0.00	0.03	0.03
Deferred Tax Assets (Net)	0.10	2.23	2.34
Long -Term Loans and Advances	1.02	7.03	8.05
Current Assets:			
Inventories	12.33	2.63	14.96
Trade Receivables	13.28	0.00	13.28
Cash and Cash Equivalents	76.80	26.15	102.94
Short- Term Loans and Advances	1.66	1.60	3.25
Other Current Assets	0.00	1.22	1.22
Total Assets	**108.66**	**78.50**	**187.16**
Liabilities:			
Long -Term Borrowings	1.99	39.45	41.43
Short- Term Borrowings	0.00	0.00	0.00
Trade Payables	11.58	6.23	17.81
Other Current Liabilities	1.79	0.29	2.08
Short -Term Provisions	7.52	0.00	7.52
Total Liabilities	**22.87**	**45.97**	**68.84**
Net Assets as on 01 April 2015	**85.79**	**32.53**	**118.32**
Share Capital Suspense Account (#)	2.03	0.77	2.80
Amalgamation Reserve	83.76	31.76	115.52

Note 36 : Other notes to Restated Consolidated Financial Information

(#) Pending allotment, an amount of Rs 2.80 million has been shown under the "Share Capital Suspense account" as at 31 March 2017 and 31 March 2016 for the purpose of the Restated Consolidated Financial Information.

During the period between the appointed date and the effective date as FSSPL and FRDCPL carried on the existing business in "trust" on behalf of the Company, all vouchers, documents, etc., for the period are in the name of FSSPL and FRDCPL. The title deeds for leasehold land, building, licenses, agreements, loan documents, etc., are being transferred in the name of the Company. However, credit has not been taken for claims arising as a consequence of the amalgamation in respect of levies/taxes of such claims pending settlement. The income accruing and expenses incurred by FSSPL and FRDCPL during the period April 01, 2016 to March 31, 2017 have also been incorporated in these accounts. The effect of Income accruing and Expenditure incurred by FSSPL & FRDCPL for the period from April 1, 2015 to March 31, 2016 has been considered in the balance of Profit & Loss account in the audited financial statements. For the purpose of Restated Consolidated Financial Information, the income and expenditure for both these amalgamating companies has been shown in the respective year, i.e., for the year ended 31 March 2016 and 31 March 2017.
In terms of the Scheme, the Equity Shares when issued and allotted by the Company shall rank for dividend, voting rights and in all respects pari-passu with the existing Equity Shares of the Company. Accordingly, the appropriation for the proposed dividend includes dividend on 2,80,000 Equity Shares, which would be allotted to the shareholders of FSSPL and FRDCPL on 05 July, 2017.

b. A Major fire broke at the premises of the amalgamating Company FSSPL's factory located at W260 / 261, MIDC Phase 2, Dombivli, District Thane - 421204, on 26 May 2016, gutting the entire building of the factory. The said premises held certain plant & equipment as well as the Books of Account, Computers holding financial and accounting data, financial records, and related documents. No salvage was possible in respect of building premises. The Company is adequately insured for the property restoration. The Company has received full and final settlement/satisfaction and discharge of its claim from the insurance Company after adjustment on account of expected deductions from claim amounts.

c. The Company has entered in to a joint venture with Zeelandia International Holding B.V., a Netherland based Company by forming a separate Company namely Fine Zeelandia Private Limited having equal ownership. This Company is in process of setting up manufacturing facility at Patalganga, Maharashtra to manufacture additive chemicals.

d. The Company has purchased a plot of land (Plot E-73) in Additional Patalganga Industrial Area, within the village limits of Karade-Budruk, Taluka- Panvel, District- Raigad. The Company has executed Articles of Agreement with M/s Neo Wheels Limited and paid advance of Rs. 65 million towards partial cost of Land.

Annexure A.VII–Notes forming a part of Restated Consolidated Financial Information

Note 36 : Other notes to Restated Consolidated Financial Information

e. The Company has entered into a Joint-Venture agreement with a German Company, Adcotec GmbH on 17 January 2018 to set- up joint venture Company named "FineAdd Ingredients GmbH" in Germany with 50% equity interest. Application for registration of the Joint-Venture Company has been made and amount as partial contribution towards equity has been transferred.

f. Depreciation on tangible Fixed Assets is provided using the written down value method based on the useful life of the asset as prescribed under Part C of Schedule II of the Companies Act,2013 and is charged to the Statement of Profit and Loss. Pursuant to the Act being effective from 01 April2014, the Company has revised the depreciation rates on Fixed Assets as per the useful life specified in Part C of Schedule II of the Companies Act, 2013. Further an amount of 52.32 million has been adjusted against the opening balance of retained earnings for the year ended31 March2015.

g. The Company has filed complaint dated 16 August 2017 in relation to criminal breach of trust, dishonesty, misappropriation of property and criminal conspiracy against one of its past employee. The Company has also filed a suit before honorable Mumbai high Court. The Company has received an adhoc compensation of Rs. 7 million in this regards which is recorded under the head other income for the nine months period ended 31 December, 2017.

Annexure A.VII - Notes forming part of Restated Standalone Financial Information

Note 37 : Restated Standalone Statement on Related party disclosure as per IND AS 24

A Name of the Related Parties and their Relationships

Sr. No.	Name	Relationship			
		As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
1	Mukesh Maganlal Shah	Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel
2	Prakash Damodar Kamat	Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel
3	Jayen Ramesh Shah	Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel
4	Tushar Ramesh Shah	Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel
5	Bimal Mukesh Shah	Key Management Personnel	Key Management Personnel	Key Management Personnel	Key Management Personnel
6	Bina Tushar Shah	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
7	Esha Tushar Shah	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
8	Jayen R. Shah-HUF	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
9	Jayshree Mukesh Shah	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
10	Jyotsna Ramesh Shah	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
11	Manali Jinesh Bhayani	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
12	Mukesh M. Shah-HUF	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
13	Neeta Jayen Shah	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
14	Prakash D. Kamat-HUF	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
15	Ramesh M. Shah-HUF	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
16	RheaTushar Shah	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
17	Shaili Nirav Doshi	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
18	Akruti Bimal Shah	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
19	Tushar R. Shah-HUF	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
20	Smoothex Chemicals Private Limited	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP
21	Fine Research & Development Centre Pvt. Ltd.	N.A.	N.A.	N.A.	Significant influence by KMP
22	Fine Speciality Surfactants Private Limited	N.A.	N.A.	N.A.	Significant influence by KMP
23	Olefine Organics	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP
24	Oleofine Organics SDN. BHD.	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP
25	Oleofine Organics(Thailand) Co.Ltd.	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP
26	Fine Organic Industries	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP
27	Fine Organics (USA) Inc.	Foreign Subsidiary	Foreign Subsidiary	Foreign Subsidiary	Foreign Subsidiary
28	Fine Zeelandia Private Limited	Joint Venture Company	Joint Venture Company	Joint Venture Company	Joint Venture Company
29	Fine Organics Europe BVBA	Subsidiary	Subsidiary	Subsidiary	N.A.
30	Shri R. M. Shah Foundation	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP
31	Nikhil Dattatray Kamat	Key Management Personnel	Significant influence by KMP	Significant influence by KMP	N.A.
32	Dr Mayukh Warawdekar	Key Management Personnel	N.A.	N.A.	N.A.
33	Dr Vijay Prabhu	Key Management Personnel	N.A.	N.A.	N.A.
34	Pooja Gaonkar	Key Management Personnel	N.A.	N.A.	N.A.

Note 37 : Restated Standalone Statement on Related party disclosure as per IND AS 24

B Transactions (in aggregate) with Related parties during the year/period and Closing balance as at year/period end.

(Rs. in million

Sr. No.	Particulars	Transactions during the year/ Nine months period ended				Closing Balance			
		April-December 2017 (Ind AS)	2016-17 (Ind AS)	2015-16 (Proforma Ind AS)	2014-15 (Proforma Ind AS)	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
1	**Remuneration**								
	Prakash Damodar Kamat	18.02	74.22	64.16	56.32	-	3.74	3.04	2.44
	Mukesh Maganlal Shah	19.86	60.68	52.86	45.67	-	2.54	2.02	0.81
	Jayen Ramesh Shah	18.02	74.22	64.16	56.32	-	3.74	3.03	1.63
	Tushar Ramesh Shah	18.02	74.22	64.16	57.16	-	3.74	3.04	2.44
	Bimal Mukesh Shah	13.61	33.34	28.97	23.85	-	1.25	1.01	2.44
2	**Purchase of Goods / Samples**								
	Fine Organic Industries	93.38	22.29	29.93	17.92	8.20	-	-	-
	Fine Zeelandia Pvt. Ltd.	-	0.03	-	-	-	-	-	-
	Fine Speciality Surfactants Private Limited	-	-	-	2.74	-	-	-	-
	Oleofine Organics Sdn. Bhd.	-	-	-	5.55	-	-	-	-
3	**Sale of Goods / Samples**								
	Oleofine Organics Sdn. Bhd.	31.97	53.12	53.47	52.45	9.68	1.82	11.55	-
	Oleofine Organics (Thailand) Co.Ltd.	19.17	20.06	17.19	21.42	3.03	3.49	5.00	-
	Fine Organic Industries	32.58	41.04	42.69	88.01	1.92	-	-	-
	Fine Organics (USA) Inc.	90.27	169.93	73.29	61.92	30.80	83.89	78.92	48.02
	Fine Organics Europe BVBA	186.62	66.44	-	-	155.83	62.93	-	-
	Fine Zeelandia Private Limited	0.01	1.54	-	-	-	-	-	-
	Fine Speciality Surfactants Private Limited	-	-	-	45.79	-	-	-	-
	Fine Research & Devlopment Centre Pvt. Ltd.	-	-	-	0.17	-	-	-	-
4	**Sale of Components / Assets**								
	Fine Organic Industries	-	-	0.37	-	-	-	-	-
	Fine Zeelandia Private Limited	-	-	0.07	-	-	-	-	-
	Oleofine Organics (Thailand) Co. Ltd.	1.40	-	-	-	0.00	-	-	-
5	**Purchase of Components / Assets**								
	Fine Organic Industries	22.58				-			
6	**Processing Charges Paid**								
	Fine Organic Industries	0.00	0.00	0.01	-	-	-	-	-
	Olefine Organics	31.38	28.52	27.50	23.95	4.53	-	-	-
7	**Processing Charges Received**								
	Fine Organic Industries	-	0.19	0.77	0.29	-	-	-	-
8	**Purchase of License**								
	Fine Zeelandia Private Limited	-	0.02	-	-	-	-	-	-
9	**Sale of License**								
	Fine Organic Industries	8.72	7.24	11.14	14.18	-	-	-	-
	Fine Zeelandia Private Limited	5.85	3.31	3.73	-	0.54	-	-	-
	Fine Speciality Surfactants Private Limited	-	-	-	1.12	-	-	-	-
10	**Corporate Social Responsibility Expenses**								
	R M Shah Foundation	-	13.10	9.50	6.50	-	-	-	-
11	**Interest on Unsecured Loan/Security Deposit**								
	Prakash D. Kamat	2.50	11.17	11.20	8.21	-	109.18	126.60	109.21
	Mukesh Maganlal Shah	0.26	0.67	0.67	0.27	-	3.11	7.56	3.11
	Jayen Ramesh Shah	1.39	6.54	6.58	7.14	-	65.73	74.09	66.11
	Tushar Ramesh Shah	1.71	8.01	8.09	8.55	-	80.47	91.38	81.30
	Bimal Mukesh Shah	0.06	0.33	0.33	0.25	-	2.82	3.74	2.85
	Nikhil Dattatraya Kamat	0.00	0.02	0.02	-	-	0.25	0.24	-
	Akruti Bimal Shah	-	-	-	0.07	-	-	-	-
	Bina Tushar Shah	-	-	-	1.37	-	-	-	-
	Esha Tushar Shah	-	-	-	0.02	-	-	-	-
	Jayen R. Shah-HUF	-	-	-	0.19	-	-	-	-
	Jayshree Mukesh Shah	-	-	-	1.06	-	-	-	-
	Jyotsna Ramesh Shah	-	-	-	11.51	-	-	-	-
	Manali Jinesh Bhayani	-	-	-	0.03	-	-	-	-
	Mukesh M. Shah-HUF	-	-	-	0.55	-	-	-	-
	Neeta Jayen Shah	-	-	-	1.31	-	-	-	-
	Prakash D. Kamat-HUF	-	-	-	0.10	-	-	-	-
	Ramesh M. Shah-HUF	-	-	-	0.50	-	-	-	-
	Rhea Tushar Shah	-	-	-	0.05	-	-	-	-
	Shaili Nirav Doshi	-	-	-	0.11	-	-	-	-
	Smoothex Chemicals Private Limited	-	-	-	3.08	-	-	-	-
	Tushar R. Shah-HUF	-	-	-	0.06	-	-	-	-
	Fine Organic Industries (Notional Interest)	0.07	-	-	-	0.07	-	-	-

(Rs. in millions)

Sr. No.	Particulars	Transactions during the year/ Nine months period ended				Closing Balance			
		April-December 2017 (Ind AS)	2016-17 (Ind AS)	2015-16 (Proforma Ind AS)	2014-15 (Proforma Ind AS)	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
12	**Dividend paid/Proposed**								
	Mukesh Maganlal Shah	19.41	-	18.72	-	-	-	-	-
	Rhea Tushar Shah	0.80	-	0.77	-	-	-	-	-
	Neeta Jayen Shah	4.95	-	4.36	-	-	-	-	-
	Jyotsna Ramesh Shah	44.03	-	42.71	-	-	-	-	-
	Bina Tushar Shah	4.31	-	3.50	-	-	-	-	-
	Shaili Nirav Doshi	0.92	-	0.77	-	-	-	-	-
	Mukesh M. Shah HUF	1.05	-	1.05	-	-	-	-	-
	Jayshree Mukesh Shah	4.26	-	3.95	-	-	-	-	-
	Bimal Mukesh Shah	21.17	-	20.86	-	-	-	-	-
	Prakash D. Kamath HUF	1.03	-	1.03	-	-	-	-	-
	Manali Jinesh Bhayani	0.57	-	0.54	-	-	-	-	-
	Jayen R. Shah HUF	2.30	-	2.30	-	-	-	-	-
	Tushar Ramesh Shah	39.22	-	38.78	-	-	-	-	-
	Prakash Damodar Kamath	44.52	-	43.32	-	-	-	-	-
	Esha Tushar Shah	0.80	-	0.77	-	-	-	-	-
	Tushar R. Shah HUF	0.77	-	0.77	-	-	-	-	-
	Ramesh M. Shah HUF	2.32	-	2.32	-	-	-	-	-
	Jayen Ramesh Shah	37.15	-	36.61	-	-	-	-	-
	Nikhil Dattatray Kamat	0.36	-	0.23	-	-	-	-	-
13	**Salary**								
	Akruti Bimal Shah	0.33	0.78	0.78	0.78	-	-	-	-
	Manali Jinesh Bhayani	-	0.13	1.83	1.33	-	-	-	-
	Nikhil Kamat	3.13	-	-	-	-	-	-	-
	Vijay Prabhu	1.89	-	-	-	-	-	-	-
	Pooja Gaonkar	0.60	-	-	-	-	-	-	-
	Dr. Mayukh Warwadekar	3.77	-	-	-	-	-	-	-
14	**R & D Expenses**								
	Fine Organic Industries	-	0.36	0.66	-	-	-	-	-
	Fine Research & Development Centre Pvt. Ltd.	-	-	-	50.30	-	-	-	-
15	**Export Commission**								
	Oleofine Organics Sdn. Bhd.	0.08	0.32	0.50	0.67	0.08	0.15	0.16	-
	Oleofine Organics(Thailand) Co.Ltd.	-	-	0.02	0.23	-	-	-	-
16	**Leave and License Agreement**								
	Fine Organic Industries	0.60				0.60			
	Fine Organic Industries (Interest free Security Deposit)	1.80				1.80			
17	**Rent (Office Usage Charges)**								
	Jayshree Mukesh Shah	0.63	0.84	0.84	0.84	0.06	0.13	0.13	-
	Jyotsna Ramesh Shah	0.63	0.84	0.84	0.84	0.06	0.13	0.13	-
	Bina Tushar Shah	0.63	0.84	0.84	0.84	-	-	-	-
	Olefine Organics	-	-	-	0.22	-	-	-	-
	Fine Organic Industries (Notional Rent)	0.07	-	-	-	0.07	-	-	
18	**Loan to Subsidiaries**								
	Fine Organics (USA) Inc.	(0.77)	31.66	0.61	11.99	51.67	45.42	23.08	17.78
	Fine Organics Europe BVBA	0.72	6.87	-	-	5.07	3.94	-	-
19	**Reimbursement of Expenses**								
	Manali Jinesh Bhayani	-	-	0.05	-	-	-	-	-
	Fine Zeelandia Private Limited	0.02	6.63	0.45	0.41	-	-	-	0.41
	Fine Organic Industries	-	-	0.01	-	-	-	-	-
	Nikhil Dattatray Kamat	0.08	-	-	-	-	-	-	-
	Mukesh Maganlal Shah	2.58	-	-	-	3.42	-	-	-
	Prakash D. Kamath	2.58	-	-	-	3.42	-	-	-
	Jayen R. Shah	2.58	-	-	-	3.42	-	-	-
	Tushar Ramesh Shah	2.58	-	-	-	3.42	-	-	-
	Jyotsna Ramesh Shah	2.58	-	-	-	3.42	-	-	-
20	**Sharing of cost (ERP)**								
	Fine Organic Industries	-	1.59	1.49	-	-	-	-	-
21	**Investments in equity instruments**								
	Fine Organics (USA), Inc.	-	-	-	-	15.50	19.00	7.00	8.86
	Fine Zeelandia Private Limited	-	60.00	52.84	-	112.84	112.84	52.84	-
	Fine Organics Europe BVBA	-	-	1.42	-	4.68	4.68	1.42	-
22	**Interest on Loan to Subsidiaries**								
	Fine Organics (USA), Inc.	3.50	2.69	1.86	1.43	-	-	-	-
	Fine Organics Europe BVBA	0.41	0.33	-	-	-	-	-	-

Note 37 B.1

a.The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Com

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 38 - Segment Reporting

Since the Company operates in a single segment i.e. "Speciality chemical manufacturing" Ind AS 108 - Operating Segment is not applicable.

Note 39: Restated Standalone Statement of Expenditure towards Corporate Social Responsibility (CSR) activities

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Amount Required to be spent as per section 135 of the Companies Act,2013 calculated as per section 198 of Companies Act,2013	-	13.10	9.49	6.49
Amount actually spent towards CSR	-	13.10	9.50	6.50

Note 39.1 : The Company has not provided for CSR expenditure for the nine months period ended 31 December 2017.

Note 40 - Material Regrouping of Restated Standalone Financial Information

Appropriate adjustments have been made in the Restated Standalone Financial Information wherever required, by a classification of the corresponding items of income, expenses, assets, liabilities, cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company as at and for the nine months period ended 31 December 2017.

Note:41 Restated Standalone statement of other Litigations

AIG Europe Limited, an insurance Company incorporated under English law, has filed an appeal before the Court of Appeal, Antwerp in relation to a purchase agreement entered into by the Company with one of its clients. The appeal has been disposed of by the Court of Appeal, Antwerp awarding AIG Europe Limited to pay legal indemnity for an amount of EUR 6,000.00 in favour of the Company.

Note 42 A - Restated Standalone Statement of Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments **(Rs. in millions)**

Particulars	Carrying Value				Fair Value			
	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Financial assets at fair value through profit & loss								
Financial assets at fair value through OCI								
Non Current Financial Assets: Investments	0.52	0.52	0.51	-	0.52	0.52	0.51	-
Non Current Financial Assets: Investments in Jointly controlled entity	133.03	136.53	61.27	8.86	133.03	136.53	61.27	8.86
Financial assets at amortised cost								
Non Current Financial Assets								
Loan to Subsidiary	56.74	49.37	23.08	17.78	56.74	49.37	23.08	17.78
- Other Financial Assets	2.86	1.28	0.42	0.70	2.86	1.28	0.42	0.70
Current Financial Assets								
Trade Receivables	1,309.68	1,212.97	936.63	904.58	1,309.68	1,212.97	936.63	904.58
- Cash and Cash Equivalents	188.00	102.80	358.86	13.86	188.00	102.80	358.86	13.86
- Bank Balances	1.85	39.46	28.28	3.26	1.85	39.46	28.28	3.26
- Loans	7.30	7.35	7.61	5.70	7.30	7.35	7.61	5.70
- Other Financial Assets	1.35	0.98	1.02	0.14	1.35	0.98	1.02	0.14
Financial liabilities at fair value through profit & loss								
Financial liabilities at amortised cost:								
Non Current Financial Liabilities : Borrowings	-	-	212.68	290.55	-	-	212.68	290.55
Current Financial Liabilities								
- Borrowings	285.48	402.62	728.68	655.90	285.48	402.62	728.68	655.90
- Trade Payables	765.40	677.89	532.03	531.99	765.40	677.89	532.03	531.99
- Other Financial Liabilities	8.15	9.12	86.37	88.17	8.15	9.12	86.37	88.17

In all cases, the management has assessed that the fair value of all financial assets and liabilities other than investment in subsidiaries and joint ventures approximate their carrying amounts as stated above.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Note 42 A.1

a. The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A.VII - Notes forming part of Restated Standalone Financial Information
Note 42 B - Restated Standalone Statement of Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Note 42.1 - Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 December 2017:

(Rs. in millions)

Particulars	Fair value measurement Using				
	Date of Valuation	Total	Level 1*	Level 2**	Level 3***
FINANCIAL ASSETS					
A) Financial assets at fair value through profit & loss					
B] Financial assets at fair value through OCI					
Investments in equity instruments	31-03-2017	0.52		0.52	
C) Financial assets at amortised cost					
Current Financial Assets : Trade Receivables	31-12-2017	1,309.68			1,309.68
Non Current Other Financial Assets : Rent Deposits	31-12-2017	1.35			1.35
Non Current Financial Assets : Loan to Subsidiary	31-12-2017	56.74			56.74
FINANCIAL LIABILITIES					
A) Financial liabilities at fair value through profit & loss					
B) Financial liabilities at amortised cost:					

*Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
**Level 2 - Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
***Level 3 - inputs for the asset or liability that are not based on observable market data

Note 42.2 - Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2017

(Rs. in millions)

Particulars	Fair value measurement Using				
	Date of Valuation	Total	Level 1*	Level 2**	Level 3***
FINANCIAL ASSETS					
A) Financial assets at fair value through profit & loss					
B] Financial assets at fair value through OCI					
Investments in equity instruments	31-03-2017	0.52		0.52	
C) Financial assets at amortised cost					
Current Financial Assets : Trade Receivables	31-03-2017	1,212.97		-	1,212.97
Non Current Financial Assets : Loan to Subsidiary	31-03-2017	49.37		-	49.37
FINANCIAL LIABILITIES					
A) Financial liabilities at fair value through profit & loss					
B) Financial liabilities at amortised cost:					

*Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
**Level 2 - Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
***Level 3 - inputs for the asset or liability that are not based on observable market data

Note 42 B - Restated Standalone Statement of Fair value hierarchy

Note 42.3 - Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2016

(Rs. in millions)

Particulars	Fair value measurement Using				
	Date of Valuation	Total	Level 1*	Level 2**	Level 3***
FINANCIAL ASSETS					
A) Financial assets at fair value through profit & loss					
Investments in equity instruments	31-03-2016	0.51	-	0.51	
B) Financial assets at amortised cost					
Current Financial Assets : Trade Receivables	31-03-2016	936.63	-	-	936.63
Non Current Financial Assets : Loan to Subsidiary	31-03-2016	23.08	-	-	23.08
FINANCIAL LIABILITIES					
A) Financial liabilities at fair value through profit & loss					
B) Financial liabilities at amortised cost:					

*Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
**Level 2 - Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
***Level 3 - inputs for the asset or liability that are not based on observable market data

Note 42.4 - Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2015

(Rs. in millions)

Particulars	Fair value measurement Using				
	Date of Valuation	Total	Level 1*	Level 2**	Level 3***
FINANCIAL ASSETS					
A) Financial assets at fair value through profit & loss					
B) Financial assets at amortised cost					
Current Financial Assets : Trade Receivables	31-03-2015	904.58			904.58
Non Current Financial Assets : Loan to Subsidiary	31-03-2015	17.78			17.78
FINANCIAL LIABILITIES					
A) Financial liabilities at fair value through profit & loss					
B) Financial liabilities at amortised cost:					

*Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
**Level 2 - Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
***Level 3 - inputs for the asset or liability that are not based on observable market data

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A.VII - Notes forming part of Restated Standalone Financial Information
Note 42 B - Restated Standalone Statement of Fair value hierarchy

Note 42.5 - Measurement of Fair Value : Valuation techniques

The following table shows the valuation techniques used in measuring Level 2 fair values for assets and liabilities carried at fair value through profit or loss

Type	Valuation Technique
FINANCIAL ASSETS	
A) Financial assets at fair value through profit & loss	
Non Current Financial Assets: Investments	Level - 2
B) Financial assets at amortised cost	
Current Financial Assets : Trade Receivables	
Non Current Other Financial Assets : Rent Deposits	Level - 3
Non Current Financial Assets : Loan to Subsidiary	
FINANCIAL LIABILITIES	
A) Financial liabilities at fair value through profit & loss	
B) Financial liabilities at amortised cost:	

Note 42.6
a. The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.
b.The above statement should be read with the notes to restated standalone summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V,A.VI & A.VII respectively.

Note 43 - Effect of adoption of Ind AS on the Balance Sheet as on 31 March 2015

Balance Sheet as at 31st March 2015 (Proforma Ind AS) **(Rs. in millions)**

ASSETS	As at 31st March 2015 (Proforma Ind AS)				
	As per IGAAP	Adjustment on to transition to Ind AS	As per Proforma Ind AS	Restatement Adjustments	Restated Proforma Ind As
Non-current assets					
Property, plant and equipment	1,236.54	(212.36)	1,024.18	-	1,024.18
Capital work-in-progress	81.12	-	81.12	-	81.12
Investment Property	-	-	-	-	-
Goodwill	-	-	-	-	-
Intangible assets	-	-	-	-	-
Intangible Assets under development	-	-	-	-	-
Biological Assets other than bearer plant	-	-	-	-	-
Financial Asset	-	-	-	-	-
- Investment	0.06	8.80	8.86	-	8.86
- Loans	24.88	(7.10)	17.78	-	17.78
- Trade Receivables	-	-	-	-	-
- Other Financial Assets	0.70	-	0.70	-	0.70
Deferred tax assets (Net)	5.38	(5.38)	-	-	-
Other Non - current assets	315.05	212.36	527.41	-	527.41
Total Non-current assets	**1,663.75**	**(3.68)**	**1,660.06**	**-**	**1,660.06**
					-
Current assets					-
Inventories	622.74	-	622.74	-	622.74
Financial assets					-
Investments	-	-	-	-	-
Trade receivables	936.10	(29.49)	906.61	(2.03)	904.58
Cash and cash equivalents	13.86	-	13.86	-	13.86
Bank Balances	3.26	-	3.26	-	3.26
Loans	5.70	-	5.70	-	5.70
Others (to be specified)	0.14	-	0.14	-	0.14
Current Tax Assets (Net)	11.46	-	11.46	3.74	15.19
Other current assets	520.87	-	520.87	-	520.87
Total current assets	**2,114.12**	**(29.49)**	**2,084.63**	**1.71**	**2,086.34**
					-
Total Assets	**3,777.86**	**(33.17)**	**3,744.69**	**1.71**	**3,746.40**

EQUITY AND LIABILITIES	As at 31st March 2015 (Proforma Ind AS)				
	As per IGAAP	Adjustment on to transition to Ind AS	As per Proforma Ind AS	Restatement Adjustments	Restated Proforma Ind As
Equity					
Equity Share capital	48.30	-	48.30	-	48.30
Equity Share Suspense Account	-	-	-	-	-
Other equity	1,915.26	137.08	2,052.35	2.41	2,054.76
Total Equity	**1,963.56**	**137.08**	**2,100.65**	**2.41**	**2,103.06**
Liabilities					
Non-current liabilities					
Financial liabilities					
Borrowings	290.55	-	290.55	-	290.55
Trade Payables	-	-	-	-	-
- Other Financial Liabilities	-	-	-	-	-
Provisions	-	-	-	-	-
Deferred tax liabilities (Net)	-	4.14	4.14	(0.70)	3.44
Other non-current Liabilities	-	-	-	-	-
Total Non-current liabilities	**290.55**	**4.14**	**294.69**	**(0.70)**	**293.99**
Current liabilities					
Financial liabilities					
Borrowings	655.90	-	655.90	-	655.90
Trade payables	531.99	-	531.99	-	531.99
Others	88.17	-	88.17	-	88.17
Other current liabilities	71.65	-	71.65	0.00	71.65
Provisions	176.04	(174.40)	1.64	(0.00)	1.64
Current tax liabilities (Net)	-	-	-	-	-
Total Current liabilities	**1,523.75**	**(174.40)**	**1,349.35**	**0.00**	**1,349.35**
Total Liabilities	**1,814.30**	**(170.26)**	**1,644.04**	**(0.70)**	**1,643.34**
Total Equity and Liabilities	**3,777.86**	**(33.17)**	**3,744.69**	**1.71**	**3,746.40**

The previous GAAP figures have been reclassified to confirm to IndAS presentation requirements for the purpose of this note.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A.VII - Notes forming part of Restated Standalone Financial Information

Note 44 - Effect of Ind AS Adoption on the Statement of Profit and Loss for the year ended 31 March 2015

(Rs. in millions)

Particulars	For the year ended 31st March 2015 (Proforma Ind AS)				
	As per IGAAP	Adjustment on to transition to Ind AS	As per Proforma Ind AS	Restatement Adjustments	Restated Proforma Ind AS
Income					
Revenue from operations	6,162.47	212.19	6,374.66	-	6,374.66
Other income	14.31	3.67	17.97	3.71	21.68
Total revenue	**6,176.77**	**215.86**	**6,392.63**	**3.71**	**6,396.34**
Expenditure					
Cost of Materials Consumed	3,866.89	(0.00)	3,866.89	-	3,866.89
Purchase of Stock-in-trade	18.90	-	18.90	-	18.90
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	(47.11)	0.00	(47.11)	-	(47.11)
Excise Duty / Goods and Service Tax Expenses	-	291.25	291.25	-	291.25
Employee Benefits Expense	430.76	0.15	430.91	-	430.91
Finance Costs	74.61	2.23	76.84	-	76.84
Depreciation / Impairment & Amortization Expenses	226.44	(0.76)	225.68	-	225.68
Other Expenses	733.55	(48.81)	684.74	0.09	684.83
Total Expenses	**5,304.03**	**244.07**	**5,548.10**	**0.09**	**5,548.19**
Profit / (Loss) before exceptional items and tax	872.74	(28.21)	844.53	3.62	848.15
Exceptional Item	-	-	-	-	-
Profit / (Loss) before tax	**872.74**	**(28.21)**	**844.53**	**3.62**	**848.15**
Tax Expenses		-	-	-	-
Current Tax	300.00	-	300.00	-	300.00
Deferred Tax	(15.77)	9.47	(6.29)	1.23	(5.06)
Short / (Excess) Provision for earlier years	0.04	-	0.04	(0.05)	(0.01)
Total Tax Expense	**284.27**	**9.47**	**293.75**	**1.18**	**294.93**
Profit / (Loss) for the period from continuing operations	588.47	(37.69)	550.78	2.44	553.22
Profit / (Loss) for the period from discounted operations	-	-	-	-	-
Tax expense of discounted operations	-	-	-	-	-
Profit / (Loss) from discontinued operations (after tax)	-	-	-	-	-
	-	-	-	-	-
PROFIT / (LOSS) FOR THE PERIOD	**588.47**	**(37.69)**	**550.78**	**2.44**	**553.22**
OTHER COMPREHENSIVE INCOME					
(A) (i) Items that will not be reclassified to Profit or Loss					
(a) Change in fair value of Equity instruments through OCI	-	-	-	-	-
(b) Remeasurements of Loss on employees defined benefit plan	-	0.15	0.15	-	0.15
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(0.05)	(0.05)	-	(0.05)
(B) (i) Items that will be reclassified to Profit or Loss					
(ii) Income tax relating to items that will be reclassified to profit or loss					
Total Other Comprehensive Income					
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**588.47**	**(37.58)**	**550.88**	**2.44**	**553.32**

The previous GAAP figures have been reclassified to confirm to IndAS presentation requirements for the purpose of this note.

Note 45 - Effect of Adoption of Ind AS on the Balance Sheet as on 31 March 2016

Balance Sheet as at 31st March 2016 (Proforma Ind AS) **(Rs. in millions)**

ASSETS	As at 31st March 2016 (Proforma Ind AS)				
	As per IGAAP	Adjustment on to transition to Ind AS	As per Proforma Ind AS	Restatement Adjustments	Restated Proforma Ind As
Non-current assets					
Property, plant and equipment	1,245.80	(221.08)	1,024.72	-	1,024.72
Capital work-in-progress	56.50	-	56.50	-	56.50
Investment Property	-	-	-	-	-
Goodwill	-	-	-	-	-
Intangible assets	1.32	-	1.32	-	1.32
Intangible Assets under development	-	-	-	-	-
Biological Assets other than bearer plant	-	-	-	-	-
Financial Asset	-	-	-	-	-
- Investment	54.35	7.42	61.77	-	61.77
- Loans	26.45	(3.37)	23.08	-	23.08
- Trade Receivables	-	-	-	-	-
- Other Financial Assets	-	0.42	0.42	-	0.42
Deferred tax assets (Net)	29.04	(15.35)	13.69	0.66	14.35
Other Non - current assets	311.67	219.65	531.32	-	531.32
Total Non-current assets	**1,725.13**	**(12.32)**	**1,712.81**	**0.66**	**1,713.48**
Current assets					
Inventories	737.05	(0.00)	737.05	-	737.05
Financial assets					-
Investments	-	-	-	-	-
Trade receivables	957.17	(18.52)	938.66	(2.03)	936.63
Cash and cash equivalents	358.86	(0.00)	358.86	-	358.86
Bank Balances	28.28	-	28.28	(0.00)	28.28
Loans	7.61	-	7.61	-	7.61
- Other Financial Assets	-	1.02	1.02	-	1.02
Current Tax Assets (Net)	-	-	-	-	-
Other current assets	415.76	-	415.76	0.00	415.76
Total current assets	**2,504.73**	**(17.50)**	**2,487.23**	**(2.03)**	**2,485.20**
Total Assets	**4,229.86**	**(29.82)**	**4,200.05**	**(1.37)**	**4,198.68**

EQUITY AND LIABILITIES	As at 31st March 2016 (Proforma Ind AS)				
	As per IGAAP	Adjustment on to transition to Ind AS	As per Proforma Ind AS	Restatement Adjustments	Restated Ind As
Equity					
Equity Share capital	48.30	-	48.30	-	48.30
Equity Share Suspense Account	2.80	-	2.80	-	2.80
Other equity	2,533.79	(29.82)	2,503.98	0.22	2,504.20
Total Equity	**2,584.89**	**(29.82)**	**2,555.08**	**0.22**	**2,555.30**
Liabilities					
Non-current liabilities					
Financial liabilities					
Borrowings	212.68	-	212.68	-	212.68
Trade Payables	-	-	-	-	-
Others	-	-	-	-	-
Provisions	-	-	-	-	-
Deferred tax liabilities (Net)	-	-	-	-	-
Other non-current Liabilities	-	-	-	-	-
Total Non-current liabilities	**212.68**	**-**	**212.68**	**-**	**212.68**
Current liabilities					
Financial liabilities					
Borrowings	728.68	-	728.68	-	728.68
Trade payables	532.03	-	532.03	0.00	532.03
- Other Financial Liabilities	86.37	-	86.37	-	86.37
Other current liabilities	75.55	-	75.55	(0.12)	75.43
Provisions	3.25	-	3.25	-	3.25
Current tax liabilities (Net)	6.40	-	6.40	(1.47)	4.93
Total Current liabilities	**1,432.29**	**-**	**1,432.29**	**(1.59)**	**1,430.70**
Total Liabilities	**1,644.97**	**-**	**1,644.97**	**(1.59)**	**1,643.38**
Total Equity and Liabilities	**4,229.86**	**(29.82)**	**4,200.05**	**(1.37)**	**4,198.68**

The previous GAAP figures have been reclassified to confirm to IndAS presentation requirements for the purpose of this note.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A.VII - Notes forming part of Restated Standalone Financial Information

Note 46 - Effect of Ind AS Adoption on the Statement of Profit and Loss for the year ended 31 March 2016

(Rs. in millions)

Particulars	For the year ended 31st March 2016 (Proforma Ind AS)				
	As per IGAAP	Adjustment on to transition to Ind AS	As per Proforma Ind AS	Restatement Adjustments	Restated Proforma Ind AS
Income					
Revenue from operations	6,584.94	263.89	6,848.83	-	6,848.83
Other income	81.84	24.83	106.67	(5.57)	101.10
Total revenue	**6,666.78**	**288.71**	**6,955.50**	**(5.57)**	**6,949.93**
Expenditure					
Cost of Materials Consumed	3,894.37	-	3,894.37	-	3,894.37
Purchase of Stock-in-trade	22.03	-	22.03	-	22.03
Changes in Inventories of Finished Goods, Stock-in-trade and Work-progress	(39.24)	-	(39.24)	-	(39.24)
Excise Duty / Goods and Service Tax Expenses	-	335.17	335.17	-	335.17
Employee Benefits Expense	529.09	3.37	532.45	-	532.45
Finance Costs	71.00	11.99	82.99	-	82.99
Depreciation / Impairment & Amortization Expense	298.13	(2.51)	295.62	-	295.62
Other Expenses	715.32	(68.77)	646.55	(5.68)	640.87
Total Expenses	**5,490.70**	**279.24**	**5,769.94**	**(5.68)**	**5,764.26**
Profit / (Loss) before exceptional items and tax	1,176.09	9.47	1,185.56	0.12	1,185.67
Exceptional Item	-	-	-	-	-
Profit / (Loss) before tax	**1,176.09**	**9.47**	**1,185.56**	**0.12**	**1,185.67**
Tax Expenses		-	-	-	-
Current Tax	427.84	-	427.84	-	427.84
Deferred Tax	(21.32)	4.49	(16.83)	0.04	(16.79)
Short / (Excess) Provision for earlier years	(2.26)	-	(2.26)	2.26	0.00
Total Tax Expense	**404.26**	**4.49**	**408.75**	**2.30**	**411.05**
Profit / (Loss) for the period from continuing operations	771.82	4.98	776.81	(2.19)	774.62
Profit / (Loss) for the period from discounted operations	-	-	-	-	-
Tax expense of discounted operations	-	-	-	-	-
Profit / (Loss) from discontinued operations (after tax)	-	-	-	-	-
	-	-	-	-	-
PROFIT / (LOSS) FOR THE PERIOD	**771.82**	**4.98**	**776.81**	**(2.19)**	**774.62**
OTHER COMPREHENSIVE INCOME					
(A) (i) Items that will not be reclassified to Profit or Loss					
(a) Change in fair value of Equity instruments through OCI	-	0.48	0.48	-	0.48
(b) Remeasurements of Loss on employees defined benefit plan	-	3.37	3.37	-	3.37
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(1.33)	(1.33)	-	(1.33)
(B) (i) Items that will be reclassified to Profit or Loss					
(ii) Income tax relating to items that will be reclassified to profit or loss					
Total Other Comprehensive Income					
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**771.82**	**7.50**	**779.32**	**(2.19)**	**777.14**

The previous GAAP figures have been reclassified to confirm to IndAS presentation requirements for the purpose of this note.

Note :47 Cash flows between previous GAAP and Ind AS

The company did not have any significant material differences in cash flows prepared under previous GAAP and cash flows prepared under IND AS . The differences, if any are on account of re-classification requirement under IND AS & IND AS adjustments.

Note 48 -Reconciliation of profit/loss as at March 31,2017, March 31,2016 and March 31, 2015

Particulars	Note	For the year ended		
		31 March 2017 (Ind AS)	31 March 2016 (Proforma Ind AS)	31 March 2015 (Proforma Ind AS)
Profit after tax as per Restated IGAAP		**794.76**	**769.64**	**590.91**
Ind As Adjustments :				
Remeasurement of Defined Benefit Plan	1	3.22	(3.37)	(0.15)
Interest on loan to Subsidiaries	2	3.02	1.86	1.43
Deferred Tax (Net)	3	(0.48)	(4.49)	(9.47)
Expected Credit Loss on trade receivables	4	4.13	10.97	(29.49)
Profit after tax as per Restated Ind AS		**804.64**	**774.62**	**553.22**

Working note on Reconciliation of profit/loss as at March 31,2017, March 31,2016 and March 31, 2015

1 **Remeasurement of Defined Benefit Plan**
Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

2 **Interest on Loan to Subsidiaries**
Under the previous GAAP, interest free loans to subsidiaries were recorded at their transaction value. Under Ind AS 109, all financial assets are required to be recognised at fair value. Accordingly, the company has fair valued these loans. Difference between the fair value and transaction value of the loans has been recognised as increased in Investment in subsidiaries.

3 **Deferred Tax (Net)**
The above transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or as a separate component of equity.

4 **Expected Credit Loss on trade receivables**
Under Indian GAAP, the Company had created provision for impairment of financial assets based on losses incurred. However, under Ind AS impairment allowance has been determined based on expected credit loss (ECL) model , which considers the probable non recovery of amount and delayed expected receipts.

Note 49 - Reconciliation of Total equity as at March 31,2017, March 31,2016 and March 31, 2015

Particulars	Note	As at		
		31 March 2017 (Ind AS)	31 March 2016 (Proforma Ind AS)	31 March 2015 (Proforma Ind AS)
Total Equity as per Restated IGAAP		**3,103.11**	**2,585.12**	**1,965.97**
Ind As Adjustments :				
Proposed Dividend	1	229.95	-	144.90
Tax on Dividend	1	46.81	-	29.50
Interest on Loan to Subisdiaries	2	6.58	3.56	1.70
Expected Credit Loss on trade receivables	3	-14.39	-18.52	-29.49
Remeasurement of Defined Benefit Plan	4	-0.30	-3.52	-0.15
Deferred tax (Net)	5	-13.28	-13.96	-9.47
Fair value / Remeasurements routed through OCI	6	0.52	2.62	0.10
Total Equity as per Restated Ind AS		**3,359.01**	**2,555.30**	**2,103.06**

Working note on Reconciliation of equity as at March 31,2017, March 31,2016 and March 31, 2015

1 **Proposed Dividend & Tax on Dividend**

Under previous IGAAP, dividend proposed by the board of directors after the reporting date but before the approval of financial statement were considered to be adjusting event as per AS 4 and accordingly

As per Para 12 of the Ind AS 10 “Events after reporting period”, if an entity declares dividends to holders of equity instruments (as defined in Ind AS 32, Financial Instruments: Presentation) after the reporting period,

As per Para 13 of the Ind AS 10 “Events after reporting period”, If dividends are declared after the reporting period but before the financial statements are approved for issue, the dividends are not recognised as a

From the above explanation dividend so proposed by the board of directors are considered to be non-adjusting event. Accordingly, provision for proposed dividend and DDT recognised under previous IGAAP has been reversed.

2 **Interest on loan to Subsidiaries**

Under the previous GAAP, interest free loans to subsidiaries were recorded at their transaction value. Under Ind AS 109, all financial assets are required to be recognised at fair value. Accordingly, the company has fair valued these loans. Difference between the fair value and transaction value of the loans has been recognised as increased in Investment in subsidiaries.

3 **Expected Credit Loss on trade receivables**

Under Indian GAAP, the Company had created provision for impairment of financial assets based on losses incurred. However, under Ind AS impairment allowance has been determined based on expected credit loss (ECL) model , which considers the probable non recovery of amount and delayed expected receipts.

4 **Remeasurement of Defined Benefit Plan**

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

5 **Deferred Tax (Net)**

The above transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the

6 **Fair value / Remeasurements routed through OCI**

Under Indian GAAP, the Company has not presented other comprehensive income separately. As per IndAS, certain items needs to be routed through Other Comprehensive Income (OCI). Accordingly, the company has classified remeasurement of definned contributions employees benefits and fair value of investments in equity instruments through OCI.

Annexure A.VIII – Restated Standalone Statement of Capitalisation

Particulars	Pre-Issue as at 31 December 2017 (Rs. in millions)	Post -Issue (Refer Note i below)
Borrowings		
Current Borrowings	285.48	
Non-Current Borrowings including current maturity		
Total Borrowings (A)	**285.48**	
Equity		
Equity Share Capital	**153.30**	
Other Equity	3581.44	
Total Equity (B)	**3734.74**	
Total Borrowings/Total Equity	0.08:1	

Notes:

i) Total Equity post- issue can be calculated only on the conclusion of the book building process and hence the same has not been provided in the statement.

ii) The above ratios have been computed on the basis of the Restated Standalone Summary Statement of Assets and Liabilities as at 31 December 2017 to be read together with summary of significant accounting policies in Annexure A.V, impact of Material Adjustments to prepare Restated Standalone Financial Information in Annexure A.VI and notes to restated standalone financial information in Annexure A.VII.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure A.IX - Restated Standalone Statement of Dividend

(Rs. in millions)

Particulars	For the Year/Nine months period ended			
	31 December 2017 (Ind AS)	31 March 2017 (Ind AS)	31 March 2016 (Proforma Ind AS)	31 March 2015 (Proforma Ind AS)
Class of Shares				
Equity Shares				
Equity Shares of 10 each - Numbers	-	4,829,996	4,829,996	4,829,996
Equity Shares of 5 each - Numbers	30,659,976	-	-	-
Amount (In Rupees)	153	48	48	48
Equity Shares (**Share Capital Suspense Account**)of 10 each - Numbers	-	-	-	-
Share Capital Suspense (Rs) [**Refer Note 2 below**]	-	3	3	-
Final Dividend (Refer Note 3 below)				
Rate of Dividend (%)	450		300	-
Dividend per share	45		30	-
Amount of dividend	230		145	-
Corporate dividend tax	47		30	-
Interim Dividend (Refer Note 4a)				
Rate of Dividend (%)	-	-	450	-
Dividend per share	-	-	45	-
Amount of dividend	-	-	217	-
Corporate dividend tax	-	-	44	-
Interim Dividend (Refer Note 4b below)				
Rate of Dividend (%)	-	-	1,200	-
Dividend per share	-	-	1,200	-
Amount of dividend	-	-	6	-
Corporate dividend tax	-	-	1	-

Note:

1. The above statement should be read with Restated Standalone Summary Statements as appearing in Annexure A.V, A.VI & A. VII respectively

2.Share Capital Suspense (Rs 2.80 million)comprises of shares pending allotment to amalgamating companies Fine Research & Development Centre Private Limited (FRDCPL) and Fine Speciality Surfactants Private Limited (FSSPL) amounting to Rs 0.77 million and Rs 2.03 million respectively and subsequently allotted on 05 July 2017.

3a. Final Dividend proposed for the year ended 31 March 2015 amounting to Rs 144.90 million has been disclosed in the period in which it is actually paid as per requirement of Para 12 & Para 13 of Ind AS 10- Events after the Reporting Period.

3b. Final Dividend proposed for the year ended 31 March 2017 amounting to Rs 229.95 million including the Final dividend proposed to the shareholders of Amalgamating Companies (FSSPL (Rs. 0.91 million) & FRDPL (Rs. 0.35 million)) has been disclosed in the period in which it is actually paid as per requirement of Para 12 & Para 13 of Ind AS 10- Events after the Reporting Period.

4a.The Interim Dividend amounting to Rs. 217.35 million has been paid to the shareholders of the Company.

4b. The Interim Dividend amounting to Rs. 6 million has been paid to the shareholders of FSSPL by FSSPL prior to giving effect of the amalgamation.

Annexure A.X - Restated Standalone Statement of Accounting Ratios

(Rs. in millions)

Particulars		For the Nine months period ended 31 December 2017 (Ind AS)	For the Year ended 31 March 2017 (Ind AS)	For the Year ended 31 March 2016 (Proforma Ind AS)	For the Year ended 31 March 2015 (Proforma Ind AS)
Net Profit After Tax as Restated	A	652.50	804.64	774.62	553.22
Total Number of Equity Shares outstanding at the end of the year/period	B	30,659,976	4,829,996	4,829,996	4,829,996
Weighted Average Number of Equity Shares outstanding during the year/period	C	23,099,982	30,659,976	30,659,976	28,979,976
Weighted Average Number of Diluted Equity Shares outstanding during the year/period	D	23,099,982	30,659,976	30,659,976	28,979,976
Total Number of Equity Shares outstanding at the end of the year/period(as restated)	E	30,659,976	30,659,976	30,659,976	28,979,976
Basic Earnings Per Share (Rs) [A/C]		28.25	26.24	25.26	19.09
Diluted Earnings Per Share (Rs) [A/D]		28.25	26.24	25.26	19.09
Return on Net Worth (%)		18.03%	24.83%	31.79%	26.31%
Net Asset Value per Equity Share(Net Worth/E)		118.04	105.70	79.48	72.57
Face value per share		5	10	10	10

Notes:

1. These ratios have been computed as below:

a) Basic Earnings Per Share = $\frac{\text{Net Profit After Tax (As Restated)}}{\text{Weighted Average Number of Equity Shares outstanding during the year}}$

b) Diluted Earnings per Share = $\frac{\text{Net Profit After Tax (As Restated)}}{\text{Weighted Average Number of Diluted Equity Shares outstanding during the year}}$

c) Return on Net Worth (%) = $\frac{\text{Net Profit After Tax (As Restated)}}{\text{Net Worth at the end of the year}}$

d) Net Asset Value Per Share (Rs) = $\frac{\text{Net Worth at the end of the Year (As Restated)}}{\text{Total Number of Equity Shares outstanding at the end of the year/period(as restated)}}$

2. Weighted Average Number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of equity shares during year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

3. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure A.VII

4. The figures/ratios disclosed above are based on Restated Standalone Summary Statements of the company

5.Net Worth = Equity Share Capital+Reserves & Surplus (included General Reserves, Surplus in Profit & Loss Account and Securities Premium) in accordance with section 2(57) of the Companies Act, 2013.

Calculation of Net Worth

(Rs.in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Paid Up Share Capital	153.30	48.30	48.30	48.30
Reserves				
Retained Earnings	3,465.40	3,144.48	2,338.67	2,007.27
General Reserve	-	47.39	47.39	47.39
Securities Premium	-	0.00	0.00	0.00
Other Comprehensive Income	0.52	0.52	2.62	0.10
Net Worth	**3,619.22**	**3,240.68**	**2,436.98**	**2,103.06**

6. The aforesaid statement of Accounting Ratios has been prepared as per the restated standalone summary statement of assets and liabilities and profits and losses of the Company.

7. The Board of Directors of the Company in their meeting held on 05 July 2017 have allotted 280,000 equity shares of Rs. 10 each to the shareholders of the Amalgamating Companies Fine Research and Development Center Private Limited(FRDCPL) and Fine Speciality Surfactants Private Limited (FSSPL) pending allotment as at 31 March 2016 and 31 March 2017 respectively. Equity shares allotted as part of the consideration being an amalgamation in the nature of merger are included in the calculation of the weighted average number of outstanding equity shares of respective years

8. Subsequent to the allotment of shares to the Amalgamating Companies, the Company has issued bonus shares in the ratio of 2 shares for every 1 share, on 16 October 2017 thereby making total number of shares 15,329,988. Further there was subdivision of equity shares of face value of Rs. 10 each into equity shares of Face Value of Rs. 5 each on 06 November 2017, thereby making total number of shares 30,659,976 and the same has been considered for the calculation of Basic and Diluted EPS for the period upto 31 March 2017

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure A.XI - Restated Standalone Statement of Tax Shelter

(Rs. in millions)

Particulars		For the Nine months period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Restated Profit Before Taxes	A	997.03	1,236.73	1,185.67	848.15
Tax Rate (%)	B	34.608%	34.608%	34.608%	33.990%
Tax Expense	C	345.05	428.01	410.34	288.29
Adjustments					
Permanent Difference					
Interest on TDS & VAT		-	-	0.76	1.10
Penalties		-	0.37	0.00	-
Donation Disallowed		-	0.17	-	0.11
Wealth Tax		-	-	-	0.38
Prior Period Expenses		-	0.26	(0.11)	(0.15)
Corporate Social Responsibility		-	13.10	9.50	6.50
Exchange Gain on Forward Contract		1.53	(6.57)	-	-
Employees' contribution to PF/ESI etc. paid after prescribed date u/s 36(1)(va)		-	0.68	0.00	-
80JJAA - Deduction for Additional employee cost		-	(0.53)	-	-
Others		(25.05)	(1.18)	(22.16)	26.25
Total	D	**(23.52)**	**6.30**	**(12.01)**	**34.19**
Temporary Difference					
Difference between Book Depreciation & Tax Depreciation		32.42	56.96	64.75	47.07
(Profit)/Loss on sale of Fixed Assets		(0.36)	(0.23)	(0.74)	(0.37)
Deductions U/s. 32 AC (1A)		-	-	-	(45.32)
Provision for doubtful debts / advances		-	-	-	-
Disallowance of Gratuity under Section 40A(7) of Income-tax Act, 1961		3.41	1.30	(1.98)	(0.75)
35DD - Amortisation of expenditure in case of amalgamation or demerger		(0.54)	(0.64)	(0.34)	(0.58)
Rates & Taxes		-	(0.14)	(5.57)	0.23
Total	E	**34.93**	**57.24**	**56.13**	**0.27**
Net Adjustments (D+E)	F	**11.41**	**63.54**	**44.12**	**34.46**
Tax Expenses/(Savings) thereon (F*B)	G	3.95	21.99	15.27	11.71
Current Tax (C+G)	H	349.00	450.00	425.61	300.00
Calculation of MAT					
Taxable Income (Book Profits as per MAT)	I	997.03	1,236.73	1,185.67	848.15
MAT Rate (%)	J	21.3416	21.3416	21.3416	20.9605
Tax Liability as per MAT (I*J)	K	212.78	263.94	253.04	177.78
Current Tax (Higher of H & K)	L	349.00	450.00	425.61	300.00
Interest under section 234 B & 234 C (As per Income Tax Returns & Orders)	M	-	-	2.23	-
Deferred Tax Charge/(Income)	N	(4.47)	(17.90)	(16.79)	(5.06)
Short/(Excess) Provision for earlier years	O	-	-	0.00	(0.01)
Total Tax Expense as per Restated Statement of Profit and Loss (L+M+N+O)		**344.53**	**432.10**	**411.05**	**294.93**

Note :

a) The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.

b) The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure A.V, A.VI & A.VII respectively.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure I - Restated Standalone Summary Statement of Assets and Liabilities

(Rs. in millions)

Sr No.	Particulars	Note No.	As at 31 March 2014	As at 31 March 2013
	Equity and Liabilities			
(1)	**Shareholders' funds**			
	(a) Share Capital	1	48.30	48.30
	(b) Reserves and Surplus	2	1,553.48	927.37
			1,601.78	**975.67**
(2)	**Share Application Money pending Allotment**		-	-
(3)	**Non-Current Liabilities**			
	(a) Long-Term Borrowings	3	871.05	664.11
	(b) Deferred Tax Liabilities (Net)	11	8.45	13.77
	(c) Other Long Term Liabilities		-	-
	(c) Long-Term Provisions	4	-	0.63
			879.50	**678.52**
(4)	**Current Liabilities**			
	(a) Short-Term Borrowings	5	200.52	349.70
	(b) Trade Payables	6	584.15	412.46
	(c) Other Current Liabilities	7	121.64	139.95
	(d) Short-Term Provisions	8	23.57	(2.51)
			929.88	**899.60**
	Total		**3,411.16**	**2,553.78**
	Assets			
(5)	**Non-Current Assets**			
	(a) Fixed Assets	9		
	Tangible Assets		700.60	753.18
	Intangible Assets		-	-
	Capital Work-In-Progress		241.48	27.34
			942.08	**780.52**
	(b) Non-Current Investments	10	0.06	-
	(c) Deferred Tax Assets (Net)	11	-	-
	(d) Long-Term Loans and Advances	12	521.79	28.11
			521.86	**28.11**
(6)	**Current Assets**			
	(a)Current Investments		-	-
	(b) Inventories	13	538.47	616.90
	(c) Trade Receivables	14	769.79	557.63
	(d) Cash and Bank Balances	15	88.90	78.64
	(e) Short-Term Loans and Advances	16	543.38	491.81
	(f) Other Current Assets	17	6.68	0.18
			1,947.22	**1,745.16**
	Total		**3,411.16**	**2,553.78**

Notes :-

The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

As per our report of even date
For B Y & Associates
Chartered Accountants
Firm Registration No.: 123423W

CA Bhavesh Vora
Partner
M. No. 043908

Place: Mumbai
Date:

For and on behalf of Board of Directors of
Fine Organic Industries Limited
(formerly known as Fine Organic Industries Private Limited)

Mukesh Shah
Managing Director
DIN: 00106799

Jayen Shah
Whole Time Director and CEO
DIN: 00106919

Tushar Shah
Whole Time Director and CFO
DIN: 00107144

Pooja Gaonkar
Company Secretary

Place: Mumbai
Date:

Annexure II - Restated Standalone Summary Statement of Profit and Loss

(Rs. in millions)

Sr No.	Particulars	Note No	For the Year ended 31 March 2014	For the Year ended 31 March 2013
A	**Incomes**			
i	Revenue from operations	18	5,676.68	4,964.50
ii	Other income	19	69.81	10.60
iii	**Total revenue (i+ii)**		**5,746.49**	**4,975.10**
B	**Expenses**			
	Cost of materials consumed	20	3,490.02	3,534.12
	Purchase of Stock in Trade		-	-
	Changes in inventory of finished goods and work- in-progress	21	10.34	(37.68)
	Employee benefits expense	22	374.80	328.26
	Other expenses	23	714.41	632.43
	Depreciation and amortisation	24	106.07	113.55
	Finance costs	25	96.49	94.86
	Total expenses		**4,792.13**	**4,665.53**
iv	**Net profit before tax and exceptional items**		**954.36**	**309.57**
v	**Exceptional Items**		**-**	**-**
vi	**Net profit from Ordinary Items before tax**		**954.36**	**309.57**
vii	**Tax expenses**			
	- Income taxes- current tax		335.00	103.00
	- Deferred tax (credit)/ charge		(5.32)	(0.96)
	Short/(Excess) Provision for earlier years/periods		(1.44)	(1.44)
	Total Tax Expense		**328.24**	**100.60**
viii	**Net Profit from Ordinary Activities After Tax (vi-vii)**		**626.12**	**208.97**
ix	**Extraordinary Item (Net of Tax Expense)**		-	-
x	**Profit for the period/ year**		**626.12**	**208.97**
xi	**Earnings Per Equity Share**			
	Basic (In Rupees)		**21.61**	**7.21**
	Diluted (In Rupees)		**21.61**	**7.21**

Notes:

The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure IV & V respectively

As per our report of even date
For B Y & Associates
Chartered Accountants
Firm Registration No.: 123423W

CA Bhavesh Vora
Partner
M. No. 043908

For and on behalf of Board of Directors of
Fine Organic Industries Limited
(formerly known as Fine Organic Industries Private Limited)

Mukesh Shah
Managing Director
DIN: 00106799

Jayen Shah
Whole Time Director and CEO
DIN: 00106919

Tushar Shah
Whole Time Director and CFO
DIN: 00107144

Pooja Gaonkar
Company Secretary

Place: Mumbai
Date:

Place: Mumbai
Date:

Fine Organic Industries Limited (formerly Known as Fine Organics Industries Private Limited)

Annexure III- Restated Standalone Summary Statement of Cash Flows

(Rs. in millions)

Particulars	For the Year ended 31 March 2014	For the Year ended 31 March 2013
A.Cash flows from operating activities		
Restated Profit before tax	954.36	309.57
Adjustments for:		
Depreciation and amortisation	106.07	113.55
(Profit)/ loss on sale of fixed assets	(0.19)	(0.08)
Exchange Gain/Loss on Foreign Currency Rollover & EEFC	25.56	20.30
Interest income	(1.36)	(4.60)
Interest expense and other finance costs	72.29	79.16
Operating profit before working capital changes	**1,156.73**	**517.90**
Changes in working capital		
(Increase)/decrease in inventories	78.43	(142.52)
(Increase)/decrease in trade receivables	(212.17)	(64.65)
(Increase)/decrease in loans and advances and other current assets	(539.81)	(91.36)
Increase /(decrease) in trade payables, other current liabilities, provisions and borrowings	(162.75)	374.50
Cash flows generated from /(used in) operating activities	**320.43**	**593.87**
Direct taxes paid	(290.35)	(104.58)
Net cash flows generated from /(used in) operating activities (A)	**30.09**	**489.29**
B. Cash flows from investing activities		
Purchase of fixed assets (net of capital work-in- progress, capital creditors and capital advance)	(267.99)	(88.21)
Investment in Joint Venture	-	-
Investment in foreign Subsidiary	(0.06)	-
Proceeds from sale of fixed assets	0.54	0.28
Exchange Gain/Loss on Foreign Currency Rollover & EEFC	(25.56)	(20.30)
Interest Income	1.36	4.60
Net cash flows generated from /(used in) investing activities (B)	**(291.71)**	**(103.63)**
C. Cash flows from financing activities		
Proceeds/Repayment of long-term Loans & Advances/borrowings	206.94	(102.65)
Proceeds / Repayment of short-term borrowings	149.18	(146.50)
Advance to Subsidiary	(11.95)	-
Dividend paid, including tax thereon	-	-
Finance costs paid	(72.29)	(79.16)
Net cash flows generated from/ (used in) financing activities (C)	**271.88**	**(328.31)**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	**10.26**	**57.35**
Cash and cash equivalents at the beginning of the period/ year	78.64	21.29
Cash and cash equivalents at the end of the period/year	**88.90**	**78.64**
Cash and cash equivalents at the end of the year comprises:		
(a) cash on hand	1.69	0.59
(b) balances with banks		
(i) in current accounts	49.09	8.65
(ii) in EEFC accounts	34.27	68.08
(iii) in deposit accounts	0.25	0.20
(iv) in term loan accounts	0.00	0.00
(v) in Margin Account	3.60	1.12
Total of Balances with banks	**87.21**	**78.05**
	88.90	**78.64**

Notes :-

The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure IV & V respectively.

As per our report of even date
For B Y & Associates
Chartered Accountants
Firm Registration No.: 123423W

CA Bhavesh Vora
Partner
M. No. 043908

Place: Mumbai
Date:

Mukesh Shah
Managing Director
DIN: 00106799

Jayen Shah
Whole Time Director and CEO
DIN: 00106919

Tushar Shah
Whole Time Director and CFO
DIN: 00107144

Pooja Gaonkar
Company Secretary

Place: Mumbai
Date:

Annexure IV - Notes to restated standalone summary statements of assets and liabilities, profits and losses and cash flows

1. Corporate Information:

Fine Organic Industries Limited ("the Company") (formerly known as Fine Organic Industries Private Limited) is a limited Company incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is situated in the state of Maharashtra. The Company carries on business, in India and abroad, as manufacturers, processors, suppliers, distributors, dealers, importers, exporters of flavours, perfumes and flavouring chemicals, oil and colours, surface active agents, emulsifiers, preservatives, clouding agents, textile auxiliaries, lubricants, oleo chemicals and their derivatives, fatty acids and their derivatives, salt and esters. It also develops, processes, manufactures, deals in and carries on business in India and abroad in fine and heavy chemicals, oils, fats, dyes, dyestuffs, dye retardants, dye assistants, organic and inorganic chemicals.

2. Significant Accounting Policies:

2(1). Basis of Preparation of Financial Statements:

The Restated Statement of Assets and Liabilities of Fine Organic Industries Limited (hereinafter referred as "The Company") as at 31 March 2014 and 31 March 2013 and the Restated Statement of Profit and Loss and the Restated Statement of Cash flows for the years ended 31 March 2014 and 31 March 2013 respectively (collectively the "Restated Standalone Financial Information") has been prepared as per the historical cost convention, in accordance with applicable accounting standards notified by the companies (accounting standards) Rules,2006 & the relevant provisions of the Companies Act,1956.

The Restated Standalone Financial Information have been compiled by the Company from the Audited Financial Statements of the Company for the respective years ("Audited Financial Statements") prepared under the generally accepted accounting principles followed in India ('Indian GAAP'). Accounting policies, unless specifically stated to be otherwise, are consistent and are in accordance with Indian GAAP.

The Restated Standalone Financial Information has been prepared under Indian GAAP defined above and in accordance with the requirements of:

(a) Section 26 of Part I of Chapter III of the Companies Act 2013 read with Rule 4 to Rule 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014,

(b) item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date in pursuance of provisions of Securities and Exchange Board of India Act,1992 read along with the SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated 31 March 2016 on Clarification regarding disclosures in Offer Documents under the SEBI Regulations issued by the Securities and Exchange Board of India in connection with the proposed Initial Public Offering of Equity Shares of the Company.

Annexure IV - Notes to restated standalone summary statements of assets and liabilities, profits and losses and cash flows

The Restated Standalone Financial Information has been extracted by the Management from the Audited Financial Statements and:

• there were no audit qualifications on these financial statements,

• there were no changes in accounting policies during the years of these financial statements,

• material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted,

• adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited Financial Statements of the Company as at and for the year ended 31 March, 2014 and the requirements of the SEBI Regulations, and

• the resultant tax impact on above adjustments has been appropriately adjusted in deferred tax in the respective years and the impact of current tax in respect of short/excess income tax arising out of assessments, appeals, revised income tax returns, etc., has been adjusted in the current tax of respective years to which they relate.

2(2). Fixed Assets & Depreciation:

Fixed Assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

(1) Depreciation and Amortization:

Depreciation on fixed assets upto the year ended 31 March 2014, is provided to the extent of depreciable amount on the Written Down Value (WDV) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 over their useful life. In respect of additions to Fixed Assets, the Depreciation and amortization is provided on pro rata basis for the year.

The premium paid for lease-hold plots have been amortized equally over the period of lease term. Leasehold improvements are depreciated over the shorter of the unexpired period of the lease and the estimated useful life of the assets.

2(3). Inventories:

Inventories are valued at lower of cost and net realizable value. The cost is determined on the basis of Average Method. For the purpose of finished goods, cost comprises of all direct and indirect cost related to production and includes excise duty.

2(4). Borrowing Cost:

Interest & borrowing cost other than those directly attributable to the acquisition, construction or installation of qualifying capital assets are recognized as an expense in the period in which they are incurred.

2(5). Revenue Recognition:

Revenue from operation includes sale of goods, excise duty and sales during trial run period, adjusted for discounts (Net) and Value Added Tax (VAT).

2(6). Taxes on Income:

Current Tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

2(7). Employee Benefits:

a) In accordance with the provision of Employees Provident Funds & Miscellaneous Provisions Act,1952, eligible employees of the company are entitled to receive benefits with respect to provident fund, a defined contribution plan in which both the Company & the employee contribute monthly at a determined rate (currently 12% of employees basic salary). Company's contribution to PF is charged to Profit & Loss Account.

b) The Company has taken a Policy with Life Insurance Corporation of India for the payment of gratuity, a defined contribution plan & premium paid on the policy has been charged to Profit & Loss Account.

2(8). Foreign Exchange Transactions:

Transactions denoted in Foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transactions. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit & Loss account as Other Income/Expense. Any Income/Expense on account of exchange difference on foreign currency loan at the year end is recognised in Profit & Loss account as Finance Charges.

2(9). Contingent Liabilities and Provisions:

A provision is recognized when there is a present obligation as a result of past events for which 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. These are reviewed at each balance sheet date & adjusted to reflect the current best estimates. Contingent liabilities are discovered after an evaluation of the facts & legal aspects of the matters involved.

Research & Development:

Revenue expenditure on research and development is charged as an expense in the year in which it is incurred.

Annexure V: Statement on Material Adjustments to prepare Restated Standalone Financial Information

I. Below mentioned is the summary of results of adjustments made in the Audited Financial Statements of the respective years and its impact on the restated standalone summary statement of profit and loss and restated standalone summary statement of assets and liabilities:

(Rs. in millions)

Sr No.	Particulars	Note	For the year ended 31 March 2014	For the year ended 31 March 2013
A	Net profit after Tax as per audited financial statements		626.09	209.04
B	**Restatement Adjustments**			
	Prior Period Adjustment	1	-	0.25
	Reversal of Provision on Gratuity	2	-	(1.35)
	Rates & Taxes Adjustment	3(a)	(1.74)	(1.16)
	Rates & Taxes Adjustment	3(b)	-	(0.14)
			(1.74)	**(2.40)**
C	**Tax Adjustments**	5	1.77	2.33
D	**Total Adjustment (B+C)**		**0.03**	**(0.07)**
E	**Restated (loss) / profit after tax (A + D)**		**626.12**	**208.97**

II **Adjustment made in the opening balance of surplus in the statement of profit and loss as on 01 April 2012.**

(Rs.in millions)

Particulars	Note	Rs	Amounts
Surplus in the Statement of Profit & Loss as at 01 April 2012			**670.99**
Adjustment on account of Restatements:-			
Prior Period Adjustment	1		(0.25)
Gratuity	2		1.35
Rates & Taxes Adjustments	3(a)		(2.43)
Rates & Taxes Adjustments	3(c)		1.86
Provision for Doubtful Debts/Bad debts	4		(2.03)
Tax Adjustment	5		1.53
Balance as per Restated Standalone Financial Information as at 01 April 2012			**671.01**

Annexure V: Statement on Material Adjustments to prepare Restated Standalone Financial Information

Notes to I & II

Prior Period Adjustment

1 This represents export clearing charges provided in FY 2012-13 aggregating to Rs. 0.25 million pertaining to earlier years.

2 **Employee Benefits**

This represents excess provision for gratuity and interest on gratuity fund recorded in FY 2011-12 reversed in FY 2012-13 aggregating to Rs. 1.35 million adjusted to Opening Reserve as on 01 April 2012.

3 **Rates & Tax Adjustments**

This Represents Adjustments of Service Tax,Customs & Vat detailed as below recorded in FY 2015-16 pertaining to earlier years.

a	**Service Tax**	**(Rs. in millions)**
i	Expense pertaining to FY 2012-13	1.16
ii	Expense pertaining to FY 2013-14	1.74
iii	Adjustment to Opening Reserve as on 01.04.2012	2.43
	Adjustment to Rates & Taxes of FY 2015-16	**5.33**

b **Customs Duty**

This represents Customs Duty agregating to Rs. 0.14 million written off pertaining to FY 2012-13

c	**Interest On Vat Refund**	**(Rs. in millions)**
	Adjustment to Opening Reserve as on 01.04.2012	1.86
	Adjustment to Rates & Taxes of FY 2015-16	**1.86**

4 **Provision for Doubtful Debts**

This represents Provision for Doubtful Debts for the FY 2011-12 aggregating to Rs. 2.03 million.

5 **Tax Adjustments**

This represents income tax (current tax +deferred tax) adjustment on account of excess/short provision pertaining to earlier years which has been adjusted in respective years along with tax adjustment on account of restatement of standalone financial information.

Annexure V- Statement on Material Adjustments to prepare Restated Standalone Financial Information

III Matters not requiring Adjustment in Restated Standalone Financial Information :

The Statutory Auditors have made the following comments as per Audited Financial Statement for the financial years 2013-14 and 2012-13 in terms with the requirements of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub section 4A of section 127 of the Companies Act,1956.

Auditor's comments in Company Auditor's Report Order - FY 2013-14

Clause ix (a)

According to the records of the company and information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, ESIC, Income Tax, Sales Tax including Works Contract Tax, Service Tax and other material statutory dues applicable to it.

Clause ix (b)

According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax ,Wealth Tax, Sales tax, Customs Duty, Excise Duty, Service Tax and cess were in arrears as on March 31, 2014 for a period of more than six months from the date they became payable.

Clause ix (c)

According to the information and explanations given to us, details of Statutory dues which have not been deposited as on 31 March 2014 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs In millions)
Income Tax Act,1961	Income Tax	CIT (Appeals), Mumbai	AY 2006-07	11.14
Income Tax Act,1961	Income Tax	CIT (Appeals), Mumbai	AY 2010-11	20.37

Auditor's comments in Company Auditor's Report Order - FY 2012-13

Clause ix (a)

According to the records of the company and information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, ESIC, Income Tax, Sales Tax including Works Contract Tax, Service Tax and other material statutory dues applicable to it.

Clause ix (b)

According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax ,Wealth Tax, Sales tax, Customs Duty, Excise Duty, Service Tax and cess were in arrears as on 31 March 2013 for a period of more than six months from the date they became payable.

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According to the information and explanations given to us, details of Statutory dues which have not been deposited as on 31 March 2013 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs In millions)
Income Tax Act,1961	Income Tax	CIT (Appeals), Mumbai	AY 2006-07	11.14
Income Tax Act,1961	Income Tax	CIT (Appeals), Mumbai	AY 2010-11	20.37

Annexure VA : Notes to Restated Standalone Financial Information

Note 1 : Restated Standalone Statement of Share Capital

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	**SHARE CAPITAL**		
	AUTHORISED		
	51,00,000 Equity Shares of Re. 10/- each	51.00	51.00
2	**ISSUED, SUBSCRIBED & PAID-UP**		
	48,29,996 Equity Shares of Re. 10/- each (Refer note 1.5)	48.30	48.30
	Total	**48.30**	**48.30**

Note 1.1 : Details of shareholders holding more than 5%

Sr. No.	Name of the Shareholder	As at 31 March 2014		As at 31 March 2013	
		No. of Shares	% held	No. of Shares	% held
1	Mukesh Maganlal Shah	807,884	16.73	807,884	16.73
2	Prakash Damodar Kamat	941,350	19.49	941,350	19.49
3	Jayen Ramesh Shah	807,308	16.71	807,308	16.71
4	Jyotsna Ramesh Shah	922,479	19.10	922,479	19.10
5	Bimal Mukesh Shah	-	-	-	-
6	Tushar Ramesh Shah	859,572	17.80	859,572	17.80

Note 1.2 : Reconciliation of No. of Shares Outstanding

Sr. No.	Particulars	As at 31 March 2014		As at 31 March 2013	
		No. of Shares	% held	No. of Shares	% held
	Number of shares at the beginning of the year	4,829,996	100.00	4,829,996	100.00
	Issued during the year	-	-	-	-
	Number of shares at the end of the year	4,829,996	100.00	4,829,996	100.00

Note 1.3 : Rights, Preferences & Restrictions of each class of shares

The Company has issued one class of shares, i.e.equity shares, which enjoys the same rights in respect of voting, payment of dividend and repayment of capital. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Note 1.4 : Particulars of shares reserved for options and contracts / commitments for sale of shares / disinvestment

The Company has not reserved any shares for issue of options and contracts / commitments for sale of shares / disinvestment.

Note 1.5 : Particulars of shares issued / alloted as fully paid up by way of consideration other than cash

The Company has issued 2,830,000 Equity Shares of Rs. 10 each on 11 August 2011 for consideration other than cash to the shareholders of Oleofine Organics India Private Limited ("OOIPL") on account of amalgamation.

Note 1.6 : Particulars of calls unpaid

There is no calls unpaid, thus such disclosure is not applicable.

Note 1.7

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Annexure VA : Notes to Restated Standalone Financial Information

Note 2 : Restated Standalone Statement of Reserves & Surplus

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	**General Reserve**	**47.39**	**47.39**
2	**Amalgamation Reserve**	**-**	**-**
3	**Securities Premium Account**	**0.00**	**0.00**
4	**Surplus in Statement of Profit and Loss**		
	As per last balance sheet	879.98	671.01
		-	-
	Add : Profit for the year	626.12	208.97
	Amount Available for Appropriation	1,506.10	879.98
	Less: Appropriations		
	Proposed Dividend on Equity shares	-	-
	Income Tax on Proposed Dividend	-	-
	Interim Dividend on Equity shares	-	-
	Income Tax on Interim Dividend	-	-
		-	-
		-	-
		1,506.10	**879.98**
	Total	**1,553.48**	**927.37**

Note 2.1

a. The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Annexure VA : Notes to Restated Standalone Financial Information

Note 3 : Restated Standalone Statement of Long Term Borrowings

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	**Secured Loans**		
	Term Loans from a Scheduled Bank	-	-
	Foreign Currency Term Loan	324.30	101.66
	(secured against equitable mortgage over land & building and plant & machinery)		
2	**Unsecured Loans:**		
	From Directors	271.89	304.05
	From Shareholders and others	274.87	258.41
	Total	**871.05**	**664.11**

Note 3.1

Sr No	Nature of Loan	Lender	As at 31 March 2013 (Rs. In Million)		Nature of Securities	Interest Rate	Tenure of Repayment
			Non-Current	Current			
1	Foreign Currency Term Loan	UBI	101.66	75.36	EM on Land & Building, Hyp of Plant & Machinery	BR + 4.75% (BR = 10%)	5 Years

Sr No	Nature of Loan	Lender	As at 31 March 2014 (Rs. In Million)		Nature of Securities	Interest Rate	Tenure of Repayment
			Non-Current	Current			
1	Foreign Currency Term Loan	UBI	324.30	50.40	EM on Land & Building, Hyp of Plant & Machinery	BR + 4.75% (BR = 10.25%)	5 Years

Note 3.2

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Annexure VA : Notes to Restated Standalone Financial Information

Note 4 : Restated Standalone Statement of Long Term Provisions

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	**Provision for employee benefits:**		
	Provision for employee group gratuity	-	0.63
	Total	**-**	**0.63**

Note 4.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Note 5 : Restated Standalone Statement of Short Term Borrowings

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	**Secured Loans**		
	From a Scheduled Bank Repayable on demand		
	Cash Credit	181.38	151.00
	Packing Credit	-	132.78
	Term Loan	0.00	0.01
	From a Scheduled Bank (Export Loan)	-	46.51
	(Secured against hypothecation of stock and book debts)		
2	**Unsecured Loans:**		
	From Directors	-	-
	From Shareholders and others	19.14	19.39
	Total	**200.52**	**349.70**

Annexure VA : Notes to Restated Standalone Financial Information

Note 5.1

Sr No	Nature of Loan	Lender	As at 31 March 2013 (Rs. In Million)	Nature of Securities	Interest Rate	Tenure of Repayment
			Current			
1	Cash Credit	UBI	151.00	Hyp of Stock and Book Debts	BR + 4% (BR = 10%)	On demand
2	Packing Credit	UBI	132.78	Stock Meant for export	BR + 4% (BR = 10%)	On demand
3	Term Loan	UBI	0.01	EM on Land & Building, Hyp of Plant & Machinery	BR + 4.75% (BR = 10.25%)	On demand
4	Export Loan	CITI Bank	46.51	First Pari Passu Charge on Present and Future Stocks and books debts of the borrower, Personal Guarantee of Mr. Bimal Shah and Mr. Tushar Shah, Security to be in line with existing working capital bankers	2.4031%	On demand

Sr No	Nature of Loan	Lender	As at 31 March 2014 (Rs. In Million)	Nature of Securities	Interest Rate	Tenure of Repayment
			Current			
1	Cash Credit	UBI	181.38	Hyp of Stock and Book Debts	BR + 4.50% (BR = 10.25%)	On demand
2	Term Loan	UBI	0.00	EM on Land & Building, Hyp of Plant & Machinery	BR + 4% (BR = 10.25%)	On demand

Note 5.2

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Annexure VA : Notes to Restated Standalone Financial Information

Note 6 : Restated Standalone Statement of Trade Payables

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	Micro and Small Enterprises (refer note 6.1)	28.46	24.20
2	Others	555.69	388.26
	Total	**584.15**	**412.46**

Note 6.1 Disclosure of outstanding dues to MSME under restated standalone statement of trade payable is based on the information available with the Company regarding the status of suppliers as defined under Micro, Small and Medium Enterprise Development Act, 2006. Balances in Trade Payables are subject to confirmation and/or reconciliation.

Note 6.2

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Note 7 : Resated Standalone Statement of Other Current Liabilities

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	Current maturities of long-term borrowings (Secured) [Refer Note 3.1]	50.40	75.36
2	Statutory dues payable	42.59	40.02
3	Trade / security deposits	6.44	7.58
4	Advances from customers	11.61	9.22
5	Other Liabilities	10.60	7.78
	Total	**121.64**	**139.95**

Note 7.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Note 8 : Restated Standalone Statement of Short Term Provisions

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	Proposed Dividend	-	-
2	Provision for employee benefits	-	-
3	Income Tax on Proposed Dividend (u/s 115-O)	-	-
4	Provision for Income Tax, Net of Taxes Paid	23.57	(2.51)
	Total	**23.57**	**(2.51)**

Note 8.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure VA : Notes to Restated Standalone Financial Information

Note 9 : Restated Standalone Statement of Fixed Assets as at 31 March 2013

(Rs. in millions)

Sr. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01 April 2012	Additions during the year	Deductions during the year	As at 31 March 2013	As at 01 April 2012	Provided for the year	Deductions during the year	As at 31 March 2013	As at 31 March 2013	As at 31 March 2012
	TANGIBLE ASSETS										
1	Factory Land	21.75	-	-	21.75	1.87	0.05	-	1.93	19.82	19.88
2	Factory Building	394.76	7.39	-	402.15	130.78	26.70	-	157.48	244.67	263.98
3	Factory Flat	0.28	-	-	0.28	0.11	0.01	-	0.12	0.16	0.17
4	Residential Premises	0.44	-	-	0.44	0.22	0.01	-	0.23	0.21	0.22
5	Office Premises	4.83	-	-	4.83	2.64	0.11	-	2.75	2.07	2.18
6	Plant & Machinery	818.06	45.63	-	863.70	347.20	75.67	-	422.87	440.82	470.86
7	Furniture & Fixtures	31.54	5.70	-	37.24	19.35	2.65	-	22.00	15.25	12.19
8	Automobiles	41.68	2.13	1.20	42.62	25.17	4.48	0.99	28.65	13.96	16.51
9	Air-Conditioner	5.31	0.13	-	5.45	2.91	0.34	-	3.25	2.19	2.40
10	Computer System	18.80	2.77	-	21.57	14.00	2.56	-	16.56	5.01	4.80
11	Office Equipments	9.23	4.37	-	13.59	3.62	0.97	-	4.59	9.00	5.61
	Grand Total	**1,346.67**	**68.13**	**1.20**	**1,413.60**	**547.87**	**113.55**	**0.99**	**660.43**	**753.18**	**798.80**
	Previous Year	1,108.49	238.51	0.34	1,346.67	456.71	91.38	0.22	547.87	798.80	651.78
	Capital Work-in-Progress									**27.34**	**7.25**

Note 9.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Note 9 : Restated Standalone Statement of Fixed Assets as at 31 March 2014

(Rs. in millions)

Sr.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01 April 2013	Additions during the year	Deductions during the year	As at 31 March 2014	As at 01 April 2013	Provided for the year	Deductions during the year	As at 31 March 2014	As at 31 March 2014	As at 31 March 2013
	TANGIBLE ASSETS										
1	Factory Land	21.75	-	-	21.75	1.93	0.40	-	2.32	19.42	19.82
2	Factory Building	402.15	15.14	-	417.29	157.48	24.98	-	182.46	234.83	244.67
3	Factory Flat	0.28	-	-	0.28	0.12	0.01	-	0.13	0.15	0.16
4	Residential Premises	0.44	-	-	0.44	0.23	0.01	-	0.24	0.20	0.21
5	Office Premises	4.83	-	-	4.83	2.75	0.10	-	2.86	1.97	2.07
6	Plant & Machinery	863.70	26.44	0.38	889.76	422.87	69.20	0.22	491.85	397.91	440.82
7	Furniture & Fixtures	37.24	0.35	-	37.59	21.97	2.79	-	24.76	12.83	15.28
8	Automobiles	42.62	6.20	1.53	47.29	28.65	4.38	1.34	31.69	15.60	13.96
9	Air-Conditioner	5.45	0.08	-	5.53	3.25	0.31	-	3.56	1.97	2.19
10	Computer System	21.57	2.83	-	24.40	16.59	2.43	-	19.02	5.38	4.98
11	Office Equipments	13.59	2.81	-	16.41	4.59	1.47	-	6.06	10.35	9.00
	Grand Total	**1,413.60**	**53.85**	**1.91**	**1,465.55**	**660.43**	**106.07**	**1.55**	**764.94**	**700.60**	**753.18**
	Previous Year	1,346.67	68.13	1.20	1,413.60	547.87	113.55	0.99	660.43	753.18	798.80
	Capital Work-in-Progress									**241.48**	**27.34**

Note 9.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Annexure VA : Notes to Restated Standalone Financial Information

Note 10 : Restated Standalone Statement of Non Current Investment

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
	Investment (At cost)		
1	Investment in equity instruments (unquoted)		
	Shares with the Saraswat Co-op. Bank	-	-
2	Wholly Owned Subsidiary - Fine Organics (USA), Inc. (1,000 shares of of $ 1 each fully paid up @ Rs. 62.50 per $)	0.06	-
	Total	**0.06**	**-**

Note 10.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Note 11 : Restated Standalone Statement of Deferred Tax Assets/(Liabilities)

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
	Opening Balance	(13.77)	(14.73)
	Add: During the year/period	5.32	0.96
	Closing Balance	**(8.45)**	**(13.77)**
	Total	**(8.45)**	**(13.77)**

Note 11.1 : Restated Standalone Statement of Deferred Tax Expenses

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
	Deferred Tax		
1	On Account of Depreciation difference on Fixed Assets	(6.04)	0.03
2	On Account of Amalgamation Expenses	-	-
3	On Account of Provision for gratuity and others *	0.72	(0.98)
	Total	**(5.32)**	**(0.96)**

* This includes the amount of deferred tax on account of restatement adjustments.

Annexure VA : Notes to Restated Standalone Financial Information

Note 11.2

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Note 12 : Restated Standalone Statement of Long Term Loans & Advances

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
	Unsecured, considered good		
1	Capital Advances	510.70	0.16
2	Security Deposits	11.09	9.47
3	Advance Income-Tax (net of provision)	-	18.48
	Total	**521.79**	**28.11**

Note 12.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Note 13 : Restated Standalone Statement of Inventories

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	Raw Materials and Packing Materials	250.78	333.35
2	Materials-in-Transit	-	0.00
3	Finished goods	225.68	237.47
4	Waste Material (Sludge)	-	0.15
5	Consumables(Furnace Oil/LDO)	5.90	11.04
6	Semi-Finished Goods(Work-in-Progress)	19.29	17.78
7	Trading Goods	0.09	-
8	Stores & Spares	36.73	17.11
	Total	**538.47**	**616.90**

Note 13.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Note 14 : Restated Standalone Statement of Trade Receivables

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
	Unsecured, considered good		
1	Outstanding for more than six months	4.07	5.04
	Less: Provision for Doubtful Debts	(2.03)	(2.03)
		2.04	3.01
2	Others	767.75	554.62
	Total	**769.79**	**557.63**

Note 14.1

Balances in Trade Receivables are subject to confirmation and/ or reconciliation.

Note 14.2

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Note 15 : Restated Standalone Statement of Cash & Cash Equivalents

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	Balances with banks		
	- In Current Account	49.09	8.65
	- In EEFC Account	34.27	68.08
	- In Term Loan Account	0.00	0.00
	- In Margin Account	3.60	1.12
2	Cash on hand	1.69	0.59
3	Fixed Deposits with banks	0.25	0.20
	Total	**88.90**	**78.64**

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Note 16 : Restated Standalone Statement of Short Term Loans & Advances

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
	Unsecured, considered good		
1	Prepaid Expenses	11.64	9.49
2	Loans to employees	5.25	4.11
3	Balance with Statutory / Government Authorities	100.46	132.25
4	Other loans and advances (including advance to suppliers)	409.84	345.96
5	Gratuity Fund Balance with LIC of India	3.23	-
6	Advance to Subsidiary	11.95	-
7	Others	1.00	-
	Total	**543.38**	**491.81**

Note 16.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Note 17 : Restated Standalone Statement of Other Current Assets

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	Income Tax Refund Receivable	6.68	0.18
	Total	**6.68**	**0.18**

Note 17.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure IV & V respectively.

Annexure VA- Restated Standalone Summary Statement of Profit and Loss

Note 18 : Restated Standalone Statement of Revenue From Operations

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	**Sale of products**		
	Manufactured	5,898.67	5,181.26
	Traded	39.17	0.27
		5,937.84	**5,181.53**
	Less : Excise duty / GST	(265.95)	(238.11)
	Sale of products (Net)	**5,671.89**	**4,943.42**
2	**Other Operating revenues**	4.79	21.08
		4.79	**21.08**
	Total	**5,676.68**	**4,964.50**

Note 18.1 : Particulars of Sale Products

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Speciality Chemicals	5,778.12	5,104.90
2	Others	159.73	76.63
	Total	**5,937.84**	**5,181.53**

Note 18.2

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure IV & V respectively

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure VA- Restated Standalone Summary Statement of Profit and Loss

Note 19 : Restated Standalone Statement of Other Income

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Net gain on foreign currency transactions and translations	65.24	10.07
		65.24	**10.07**
	Other non-operating income		
2	Gain on Sale of Assets	0.22	0.08
3	Insurance claim received	0.27	0.02
4	FPS Duty Benefit	0.22	-
5	Balances written back	-	0.42
6	Reversal of Gratuity	-	-
7	Service Tax Refund (Customs)	-	0.01
8	Central Sales Tax	0.04	-
9	Status Holder Incentive Scrip Licence	3.82	-
		4.56	**0.53**
	Total	**69.81**	**10.60**

Note 19.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure IV & V respectively

Annexure VA- Restated Standalone Summary Statement of Profit and Loss

Note 20 : Restated Standalone Statement of Cost of Materials Consumed

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Opening Stock of Raw Material (including Packing Materials)	333.35	225.49
2	**Add :** Purchases (including expenses)	3,407.45	3,641.98
3	**Less :** Closing stock of Raw Material (including Packing Materials)	250.78	333.35
	Total	**3,490.02**	**3,534.12**

Note 20.1 :Restated Standalone Statement Particulars of Material Consumed

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Oils and Chemicals	3,405.32	3,462.80
2	Packing Materials	84.70	71.32
	Total	**3,490.02**	**3,534.12**

Note 20.2

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure IV & V respectively

Note 21 :Restated Standalone Statement of Changes in Inventories of Finished Goods, Work in Progress and Stock In Trade

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
	Decrease/(Increase) in stock		
	Opening stock :		
1	Finished Goods	237.47	206.23
2	Work-in-Progress	17.78	11.34
3	Trading Goods	-	-
4	Waste Material (Sludge)	0.15	0.15
5	Finished Goods	-	-
6	Work-in-Progress	-	-
7	Trading Goods	-	-
		255.40	**217.71**
	Closing stock :		
1	Finished Goods	225.68	237.47
2	Work-in-Progress	19.29	17.78
3	Waste Material(Sludge)	-	0.15
4	Trading Goods	0.09	-
		245.05	**255.40**
	Total	**10.34**	**(37.68)**

Note 21.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure IV & V respectively

Annexure VA- Restated Standalone Summary Statement of Profit and Loss

Note 22 :Restated Standalone Statement of Employee Benefit Expenses

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Salaries and other benefits to Directors	211.95	183.20
2	Salaries, wages & other benefits to others	149.17	132.12
3	Contribution to gratuity fund	2.25	2.34
4	Contribution to provident and other funds	2.42	2.31
5	Staff welfare expenses & Insurance	9.01	8.29
	Total	**374.80**	**328.26**

Note 22.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure IV & V respectively

Note 23: Restated Standalone Statement of Other Expenses

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Consumption of stores and spares	3.98	2.64
2	Power, Fuel and Water Charges	275.87	256.18
3	Repairs to		
	(i) Factory Building	4.26	2.61
	(ii) Machinery	30.12	38.25
	(iii) Others	10.81	16.28
4	Insurance Premium	7.45	5.73
5	Rates and taxes, excluding, taxes on income	13.30	9.85
6	Auditors Remuneration		
	(i) Audit fees	1.20	1.30
	(ii) Tax Audit Fees	0.30	0.30
	(iii) Income Tax Matters	0.10	-
	(iv) Certification Charges	0.20	-
7	Excise Duty Expenses*	(1.16)	3.56
8	Legal and Professional fees	31.38	16.84
9	VAT Audit Fees	0.22	0.21
10	Postage, Telephone and Telegram	3.70	3.18
11	Printing and Stationery	2.20	1.63
12	Travelling and Conveyance	18.66	18.59
13	Freight and forwarding charges	127.54	124.62
14	Motor Car Expenses	2.85	3.93
15	Sales Commission	73.45	59.44
16	Advertisement & Publicity Expenses	0.19	3.38
17	Seminar & Trade Fair Expenses	24.25	-
18	Laboratory Expenses	6.35	5.33
19	Research & Development Charges	37.95	36.58
19	Electricity Charges	2.02	2.17
20	Subscription ,Membership, Books & Periodicals	1.19	1.24
21	Other Administrative Expenses	7.40	3.54
22	Bank charges and Commission	7.44	5.24
23	Sales Promotion Expenses	6.29	7.05
24	Product Registration Fees	12.14	-
25	Security charges	2.77	2.76
26	Provision For Doubtful Debts	-	-
	Total	**714.41**	**632.43**

* Excise Duty shown under Expenditure represents the aggregate of excise duty borne by the Company and the difference between excise duty on opening and closing stock of Finished Goods.

Note 23.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure IV & V respectively

Annexure VA- Restated Standalone Summary Statement of Profit and Loss

Note 24: Restated Standalone Statement of Depreciation & Ammortization Expenses

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Depreciation & Ammortization Expenses	106.07	113.55
	Total	**106.07**	**113.55**

Note 24.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure IV & V respectively

Note 25 : Restated Standalone Statement of Finance Cost

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Interest expense	75.60	79.16
	Less : Interest Income	(1.36)	(4.60)
	Less : Interest Capitalised	(3.31)	
		70.93	74.56
2	Exchange Loss on Foreign Currency Term Loan & Exchange Earners' Foreign Currency account(EEFC)	25.56	20.30
3	Bank charges and Commission	-	-
4	Franking charges	-	-
5	Stamp Duty	-	-
6	Premium / Discount on Forward Contract	-	-
	Total	**96.49**	**94.86**

Note 25.1

a The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Standalone Financial Information as appearing in Annexure IV & V respectively

Annexure VA - Notes to Restated Standalone Financial Information

Note 26: Restated Standalone Statement of Contingent Liabilities & Commitments

Capital Commitments

(Rs. in millions)

Sr. No.	Particulars	As at 31 March 2014	As at 31 March 2013
1	Estimated amounts of contracts remaining to be executed on capital account and not provided for	27.52	7.32

Contingent Liabilities

Claims against Companies not acknowledged as debts

(Rs. in millions)

Sr. No.	Particulars	As at 31 March 2014	As at 31 March 2013
1	Income Tax Matters	31.51	48.91
2	Excise Duty & Service Tax Matters	-	-

Brief description of contingent liabilities

(Rs. in millions)

Sr. No.	Income tax matters disputed in appeal with :	As at 31 March 2014	As at 31 March 2013
1	Hon'ble High Court, Mumbai for FY 2005-06	-	-
2	Hon'ble High Court, Mumbai for FY 2008-09	-	-
3	Hon'ble High Court, Mumbai for FY 2009-10	-	-
4	ITAT, Mumbai for FY 2008-09	-	-
5	CIT (Appeals), Mumbai for FY 2005-06	11.14	11.14
6	CIT (Appeals), Mumbai for FY 2009-10	20.37	20.37
7	CIT (Appeals), Mumbai for FY 2008-09	-	17.39
	Total	**31.51**	**48.91**

Guarantees & Others

(Rs. in millions)

Sr. No.	Particulars	As at 31 March 2014	As at 31 March 2013
1	Guarantees given by Bank	25.06	7.56

Note 27 : Restated Standalone Statement of Segment Reporting Applicability

Since the Company operates in a single segment i.e. "Speciality Chemical Manufacturing", Accounting Standard (AS)-17 Segment Reporting issued by the Institute of Chartered Accountants of India is not applicable.

Annexure VA - Notes to Restated Standalone Financial Information

Note 28: Restated Standalone Statement of Value of Import on CIF Basis

(Rs. in millions)

Sr. No.	Particulars	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Raw Materials	483.05	938.86
2	Trading Goods	22.31	-
3	Plant & Machinery	6.26	7.30
4	Spares	-	-
5	Computers	-	-
6	Laboratory Equipments	-	-
	Total	**511.62**	**946.16**

Note 29: Restated Standalone Statement of Value of Imported and indigenous Raw Materials Consumed

Sr. No.	Particulars	For the Year ended 31 March 2014		For the Year ended 31 March 2013	
		Value	Percent of Consumption	Value	Percent of Consumption
1	Imported	484.56	13.88	930.99	26.34
2	Indigenous	3005.46	86.12	2603.12	73.66
	Total	**3490.02**	**100.00**	**3534.12**	**100.00**

Note 30: Restated Standalone Statement of Expenses in Foreign Currency

(Rs. in millions)

Sr. No.	Particulars	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Legal and Professional fees	5.49	1.61
2	Seminar & Trade Fair Expenses	13.50	0.46
3	Export Commission	60.02	48.85
4	Freight, Insurance and Export Clearing Charges	8.77	10.30
5	Foreign Travel	0.10	0.18
6	Subscription & Membership Fees	0.51	-
7	Product Registration Charges	12.14	-
8	Repairs & Maintenance	0.11	-
9	Sales Promotion Expenses	-	0.96
10	Other Administrative Expenses	0.23	1.71
	Total	**100.87**	**64.07**

Note 31: Restated Standalone Statement of Earnings in Foreign Currency

(Rs. in millions)

Sr. No.	Particulars	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	FOB Value of Exports	3,383.60	3,113.03

Annexure VA - Notes to Restated Standalone Financial Information

Note 32 : Restated Standalone Statement on Related party disclosure as per AS 18

A Name of the Related Parties and their Relationships

Sr. No.	Name	Relationship	
		As at 31 March 2014	As at 31 March 2013
1	Mukesh Maganlal Shah	Key Management Personnel (KMP)	Key Management Personnel (KMP)
2	Prakash Damodar Kamat	Key Management Personnel (KMP)	Key Management Personnel (KMP)
3	Jayen Ramesh Shah	Key Management Personnel (KMP)	Key Management Personnel (KMP)
4	Tushar Ramesh Shah	Key Management Personnel (KMP)	Key Management Personnel (KMP)
5	Bimal Mukesh Shah	Key Management Personnel (KMP)	Key Management Personnel (KMP)
6	Bina Tushar Shah	Relative of KMP	Relative of KMP
7	Esha Tushar Shah	Relative of KMP	Relative of KMP
8	Jayen R. Shah-HUF	Relative of KMP	Relative of KMP
9	Jayshree Mukesh Shah	Relative of KMP	Relative of KMP
10	Jyotsna Ramesh Shah	Relative of KMP	Relative of KMP
11	Manali Jinesh Bhayani	Relative of KMP	Relative of KMP
12	Mukesh M. Shah-HUF	Relative of KMP	Relative of KMP
13	Neeta Jayen Shah	Relative of KMP	Relative of KMP
14	Prakash D. Kamat-HUF	Relative of KMP	Relative of KMP
15	Ramesh M. Shah-HUF	Relative of KMP	Relative of KMP
16	RheaTushar Shah	Relative of KMP	Relative of KMP
17	Shaili Nirav Doshi	Relative of KMP	Relative of KMP
18	Akruti Bimal Shah	Relative of KMP	Relative of KMP
19	Tushar R. Shah-HUF	Relative of KMP	Relative of KMP
20	Smoothex Chemicals Private Limited	Significant influence by KMP	Significant influence by KMP
21	Fine Research & Development Centre Pvt. Ltd.	Significant influence by KMP	Significant influence by KMP
22	Fine Speciality Surfactants Private Limited	Significant influence by KMP	Significant influence by KMP
23	Olefine Organics	Significant influence by KMP	Significant influence by KMP
24	Oleofine Organics SDN. BHD.	Significant influence by KMP	Significant influence by KMP
25	Oleofine Organics(Thailand) Co.Ltd.	Significant influence by KMP	Significant influence by KMP
26	Fine Organic Industries	Significant influence by KMP	Significant influence by KMP
27	Fine Organics (USA) Inc.	Foreign Subsidiary	N.A.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure VA - Notes to Restated Standalone Financial Information

Note 32 : Restated Standalone Statement on Related party disclosure as per AS 18

B Transactions (in aggregate) with Related parties during the year/period and Closing balance as at year/period end.

(Rs. in millions)

Sr. No.	Particulars	Transactions during the year			
		2013-14	2012-13	As at 31 March 2014	As at 31 March 2013
1	**Remuneration**				
	Prakash Damodar Kamat	50.49	43.76	2.59	-
	Mukesh Maganlal Shah	40.72	35.23	1.73	-
	Jayen Ramesh Shah	50.49	43.76	2.59	-
	Tushar Ramesh Shah	51.23	44.38	2.59	-
	Bimal Mukesh Shah	19.03	16.08	0.86	-
2	**Purchase of Goods / Samples**				
	Fine Organic Industries	28.02	38.05	-	-
	Fine Speciality Surfactants Private Limited	5.38	5.13	-	-
	Oleofine Organics Sdn. Bhd.	-	1.42	-	-
3	**Sale of Goods / Samples**				
	Oleofine Organics Sdn. Bhd.	70.49	59.34	-	-
	Oleofine Organics (Thailand) Co.Ltd.	8.36	5.28	-	-
	Fine Organic Industries	78.63	53.30	-	-
	Fine Organics (USA) Inc.	4.71	-	4.71	-
	Fine Speciality Surfactants Private Limited	36.52	37.37	-	-
	Fine Research & Devlopment Centre Pvt. Ltd.	0.11	0.03	-	-
4	**Sale of Components / Assets**				
	Fine Organic Industries	0.29	-	-	-
	Oleofine Organics (Thailand) Co. Ltd.	-	0.27	-	-
5	**Processing Charges Paid**				
	Fine Organic Industries	0.29	0.97	-	-
6	**Processing Charges Received**				
	Fine Organic Industries	0.64	0.82	-	-
7	**Sale of License**				
	Fine Organic Industries	8.80	6.66	-	-
	Fine Research & Development Centre Pvt. Ltd.	0.08	-	-	-
	Fine Speciality Surfactants Private Limited	1.13	0.52	-	-
8	**Interest on Unsecured Loan**				
	Prakash D. Kamat	10.87	11.00	66.01	124.66
	Mukesh Maganlal Shah	0.09	0.21	3.10	2.38
	Jayen Ramesh Shah	7.59	6.94	94.79	77.02
	Tushar Ramesh Shah	8.98	8.48	105.32	96.14
	Bimal Mukesh Shah	0.27	0.34	2.81	3.85
	Akruti Bimal Shah	0.05	-	1.12	-
	Bina Tushar Shah	1.68	1.55	20.59	17.55
	Esha Tushar Shah	0.03	0.03	0.35	0.35
	Jayen R. Shah-HUF	0.24	0.23	2.91	2.61
	Jayshree Mukesh Shah	1.24	1.01	15.99	11.40
	Jyotsna Ramesh Shah	12.62	12.55	143.96	141.42
	Manali Jinesh Bhayani	0.04	0.04	0.45	0.45
	Mukesh M. Shah-HUF	0.62	0.60	8.29	6.77
	Neeta Jayen Shah	1.73	1.70	19.64	19.23
	Prakash D. Kamat-HUF	0.12	0.11	1.55	1.25
	Ramesh M. Shah-HUF	0.85	0.83	10.40	9.38
	Rhea Tushar Shah	0.07	0.07	0.77	0.77
	Shaili Nirav Doshi	0.10	0.01	1.60	0.08
	Smoothex Chemicals Private Limited	4.09	4.09	46.33	46.33
	Tushar R. Shah-HUF	0.07	0.07	0.92	0.82
9	**Salary**				
	Akruti Bimal Shah	0.60	0.42	-	-
	Manali Jinesh Bhayani	0.90	0.60	-	-
	Shaili Nirav Doshi	-	1.13	-	-
10	**R & D Expenses**				
	Fine Organic Industries	-	-	-	-
	Fine Research & Development Centre Pvt. Ltd.	42.64	41.10	-	-
11	**Export Commission**				
	Oleofine Organics Sdn. Bhd.	0.65	0.49	-	-
	Oleofine Organics(Thailand) Co.Ltd.	0.31	0.93	-	-
12	**Rent (Office Usage Charges)**				
	Jayshree Mukesh Shah	0.84	0.84	-	-
	Jyotsna Ramesh Shah	0.84	0.84	-	-
	Bina Tushar Shah	0.84	0.84	-	-
	Olefine Organics	0.84	0.89	-	-
13	**Loan to Subsidiaries**				
	Fine Organics (USA) Inc.	12.29	-	11.95	-
14	**Sharing of cost (ERP)**				
	Fine Organic Industries	-	9.15	-	-
15	**Investments in equity instruments**				
	Fine Organics (USA), Inc.	0.06	-	0.06	-

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure VA - Notes to Restated Standalone Financial Information

Note 33: Material Regrouping of Restated Standalone Financial Information

Appropriate adjustments have been made in the Restated Standalone Financial Information wherever required,by a classification of the corresponding items of income, expenses, assets, liabilities, cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company as at and for the 31 March, 2014

Note 34: Restated Standalone Statement of Earnings per share

(Rs. in millions)

Particulars	As at 31 March 2014	As at 31 March 2013
Net Profit for EPS (A)	626.12	208.97
Weighted Average Number of Equity Shares for calculation of Basic EPS (B)	28,979,976	28,979,976
Basic EPS (A/B)	21.61	7.21
Weighted Average Number of Equity Shares for calculation of Diluted EPS (C)	28,979,976	28,979,976
Diluted EPS (A/C)	21.61	7.21

Note 34.1

Weighted Average number of Equity shares considered for the purpose of calculation of Basic EPS & Diluted EPS is in accordance with Para 44 of Accounting Standard-20 "Earnings Per Share" issued by The Institute of Chartered Accountants of India i.e. the weighted average number of equity shares are determined after giving effect to bonus issue and share split subsequently made by the Company during the period of Restatement prepared under Ind AS.

Note 35-Restated Standalone Statement of Employee Benefits

(Rs. in millions)

Particulars	As at 31 March 2014	As at 31 March 2013
Gratuity	2.25	2.34
Summary of the Actuarial Assumptions		
Discount Rate (%)	8.00	8.00
Salary Escalation (%)	7.00	7.00
Changes in Present Value of Obligations		
Present value of obligations as at beginning of year	19.43	15.82
Interest Cost	1.55	1.27
Current Service Cost	1.53	1.30
Benefits Paid	(1.33)	(0.31)
Actuarial (gain) / loss on obligations	0.75	1.35
Present value of obligations as at end of year	21.93	19.43
Changes in Fair Value Plan Assets		
Fair value of plan assets at the beginning of year	18.80	17.16
Expected return on plan assets	1.58	1.58
Contributions	6.12	0.36
Benefit paid	(1.33)	(0.31)
Actuarial gain / (loss) on plan assets	-	-
Fair value of plan assets at the end of year	25.17	18.80
Actuarial gain / (loss) recognised		
Actuarial (gain) / loss on obligations	0.75	1.35
Actuarial (gain) / loss on plan assets	-	-
Total (gain) / loss for the year	0.75	1.35
Actuarial (gain) / loss recognised in the year	0.75	1.35
Net Assets / (Liabilities) recognised in Balance Sheet		
Present value of obligations as at end of year	21.93	19.43
Fair value of plan assets at the end of year	25.17	18.80
Funded status	3.23	(0.63)
Net asset / (liability) recognised in balance sheet	3.23	(0.63)
Expenses recognised in the statement of profit and loss		
Current Service Cost	1.53	1.30
Interest Cost	1.55	1.27
Expected Return on plan assets	(1.58)	(1.58)
Net Actuarial (gain) / loss recognised in the year	0.75	1.35
Expenses recognised in statement of profit and loss	2.25	2.34

Fine Organic Industries Limited (Formerly Known as Fine Organic Industries Private Limited)

Annexure VI- Restated Standalone Statement of Dividend

(Rs. in million)

Particulars	31 March 2014	31 March 2013
Class of Shares		
Equity Shares		
Equity Shares of 10 each - Numbers	4,829,996	4,829,996
Equity Shares of 5 each - Numbers	-	-
Amount (Rupees in Millions)	48.30	48.30
Equity Shares (**Share Capital Suspense Account**)of 10 each - Numbers	-	-
Share Capital Suspense (Rupees in Millions)	-	-
Final Dividend		
Rate of Dividend (%)	-	-
Dividend per share	-	-
Amount of dividend	-	-
Corporate dividend tax	-	-
Interim Dividend		
Rate of Dividend (%)	-	-
Dividend per share	-	-
Amount of dividend	-	-
Corporate dividend tax	-	-
Interim Dividend		
Rate of Dividend (%)	-	-
Dividend per share	-	-
Amount of dividend	-	-
Corporate dividend tax	-	-

Note:

1. The above statement should be read with Restated Standalone Summary Statements as appearing in Annexure VA

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure VII - Restated Standalone Statement of Accounting Ratios

(Rs. in millions)

Particulars		For the Year ended 31 March 2014	For the Year ended 31 March 2013
Net Profit After Tax as Restated	A	626.12	208.97
Total Number of Equity Shares outstanding at the end of the year/period	B	4,829,996	4,829,996
Weighted Average Number of Equity Shares outstanding during the year/period (as restated)	C	28,979,976	28,979,976
Weighted Average Number of Diluted Equity Shares outstanding during the year/period (as restated)	D	28,979,976	28,979,976
Total Number of Equity Shares outstanding at the end of the year/period(as restated)	E	28,979,976	28,979,976
Basic Earnings Per Share (Rs) [A/C]		21.61	7.21
Diluted Earnings Per Share (Rs) [A/D]		21.61	7.21
Return on Net Worth (%)		39.09%	21.42%
Net Asset Value per Equity Share(Net Worth/E)		55.27	33.67
Face value per share		10	10

Notes:

1. These ratios have been computed as below:

a) Basic Earnings Per Share = $\frac{\text{Net Profit After Tax (As Restated)}}{\text{Weighted Average Number of Equity Shares outstanding during the year (as restated)}}$

b) Diluted Earnings per Share = $\frac{\text{Net Profit After Tax (As Restated)}}{\text{Weighted Average Number of Diluted Equity Shares outstanding during the year (as restated)}}$

c) Return on Net Worth (%) = $\frac{\text{Net Profit After Tax (As Restated)}}{\text{Net Worth at the end of the year}}$

d) Net Asset Value Per Share (Rs) = $\frac{\text{Net Worth at the end of the Year (As Restated)}}{\text{Total Number of Equity Shares outstanding at the end of the year/period(as restated)}}$

2. Weighted Average Number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of equity shares during year multiplied by the time weighing factor.The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

3. Earnings Per Share Calculations are done in accordance with Accounting Standard 20 " Earnings Per Share" issued by Institute of Chartered Accountants of India

4. The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure VA.

5. The figures/ratios disclosed above are based on Restated Standalone Summary Statements of the company

6.Net Worth = Equity Share Capital+Reserves & Surplus (included General Reserves, Surplus in Profit & Loss Account and Securities Premium) in accordance with the provisions of Companies Act

Annexure VII - Restated Standalone Statement of Accounting Ratios

Calculation of Net Worth

(Rs.in millions)

Particulars	As at 31 March 2014	As at 31 March 2013
Paid Up Share Capital	48.30	48.30
Reserves		
Surplus Transfer from Balance Sheet	1,506.10	879.98
General Reserve	47.39	47.39
Securities Premium	0.00	0.00
Net Worth	**1,601.78**	**975.67**

7. The aforesaid statement of Accounting Ratios has been prepared as per the restated standalone summary statement of assets and liabilities and profits and losses of the Company.

8. The above statement should be read with the notes to the restated standalone summary statement of assets and liabilities, profits and losses and cash flows as appearing in Annexure -VA

9. Weighted Average number of Equity shares considered for the purpose of calculation of Basic EPS & Diluted EPS is in accordance with Para 44 of Accounting Standard-20 "Earnings Per Share" issued by The Institute of Chartered Accountants of India i.e. the weighted average number of equity shares are determined after giving effect to bonus issue and share split subsequently made by the Company during the period of Restatement prepared under Ind AS.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure VIII - Restated Standalone Statement of Tax Shelter

(Rs. in millions)

Particulars		For the year ended 31 March 2014	For the year ended 31 March 2013
Restated Profit Before Taxes	A	954.36	309.57
Tax Rate (%)	B	33.990%	32.445%
Tax Expense	C	324.39	100.44
Adjustments			
Permanent Difference			
Interest on TDS & VAT		-	-
Penalties		-	-
Donation Disallowed		-	-
Wealth Tax		0.21	0.20
Prior Period Expenses		-	-
Corporate Social Responsibility		-	-
Exchange Gain on Forward Contract		-	-
Employees' contribution to PF/ESI etc. paid after prescribed date u/s 36(1)(va)		-	-
80JJAA - Deduction for Additional employee cost		-	-
Others		4.19	2.87
Total	D	**4.40**	**3.07**
Temporary Difference			
Difference between Book Depreciation & Tax Depreciation		17.78	(0.08)
(Profit)/Loss on sale of Fixed Assets		(0.19)	(0.08)
Deductions U/s. 32 AC (1A)		-	-
Provision for doubtful debts / advances		-	-
Disallowance of Gratuity under Section 40A(7) of Income-tax Act, 1961		(3.87)	0.63
35DD - Amortisation of expenditure in case of amalgamation or demerger		2.33	-
Rates & Taxes		1.74	1.30
Total	E	**17.79**	**1.77**
Net Adjustments (D+E)	F	**22.19**	**4.84**
Tax Expenses/(Savings) thereon (F*B)	G	7.54	1.57
Current Tax (C+G)	H	331.93	102.01
Calculation of MAT			
Taxable Income (Book Profits as per MAT)	I	954.36	309.57
MAT Rate (%)	J	20.96	20.01
Tax Liability as per MAT (I*J)	K	200.04	61.94
Current Tax (Higher of H & K)	L	331.93	102.01
Interest under section 234 B & 234 C (As per Income Tax Returns & Orders)	M	3.07	0.99
Deferred Tax Charge/(Income)	N	(5.32)	(0.96)
Short/(Excess) Provision for earlier years	O	(1.44)	(1.44)
Total Tax Expense as per Restated Statement of Profit and Loss (L+M+N+O)		**328.24**	**100.60**

Note :

a) The figures disclosed above are based on the restated standalone summary statement of assets and liabilities of the company.

b) The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare restated standalone financial information as appearing in Annexure Annexure IV & V respectively.

Independent Auditor's Report on Restated Consolidated Financial Information of Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited) in connection with Initial Public Offering

To,
The Board of Directors,
Fine Organic Industries Limited
(formerly known as Fine Organic Industries Private Limited)
Fine House, Anandji Street,
Off M.G.Road,
Ghatkopar (East),
Mumbai-400077

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited) (the "**Company**") and its subsidiaries and joint venture (together referred to as the "**Group**"), which comprise the Restated Consolidated Summary Statement of Assets and Liabilities as at 31 December 2017 and 31 March 2017, 31 March,2016, 31 March,2015,31 March,2014 and 31 March,2013 respectively, the Restated Consolidated Summary Statement of Profit and Loss (including other Comprehensive Income) for the nine months period ended 31 December 2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015 and the Restated Consolidated Summary Statement of Profit and Loss for the year ended 31 March 2014 and 31 March 2013 respectively, and the Restated Consolidated Summary Statement of Cash Flows for thenine months period ended 31 December,2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015,31 March 2014 and 31 March 2013 respectively, the Restated Consolidated Summary Statement of Changes in Equity for the nine months period ended 31 December 2017 and for each of the financial years ended 31 March 2017, 31 March 2016 and 31 March 2015 and related notes theretoand the Summary of Significant Accounting Policies annexed to this report (collectively together with the notes and annexures thereto, the "**Restated Consolidated Financial Information**"), as approved by the Board of Directors of the Company at their meeting held on 18 May 2018 for the purpose of inclusion in the Red Herring Prospectus ("**RHP**") and prospectus prepared by the Company in connection with its proposed initial public offer through an offer for sale of equity shares of the Company by certain selling shareholders ("**IPO**"). The Restated Consolidated Financial Information have been approved by the Board of Directors of the company prepared in terms of the requirements of:

    a. Section 26 of Part I of Chapter III of The Companies Act 2013 (the "**Act**") read with rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "**Rules**"); and

    b. Relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**ICDR Regulations**") issued by the Securities and Exchange Board of India ("**SEBI**"), as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992 and in accordance with the provisions of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated 31 March 2016 ("**SEBI Circular**") and

    c. the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (the "**ICAI**") (the "**Guidance Note**").

2. The preparation of the Restated Consolidated Financial Information, which is to be included in the RHP and prospectus, is the responsibility of the management of the Company for the purpose set out in paragraph 14 below. The management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and the ICDR Regulations.

3. We have examined such Restated Consolidated Financial Information taking into consideration:

    a. the terms of reference and terms of our engagement agreed upon with the company vide our engagement letter dated 23 March 2018;

    b. the Guidance Note; and

c. The requirements of Section 26(1)(b) of the Act read with applicable provisions within Rule 4 to 6 of the Rules and the ICDR Regulations and in accordance with the provisions of the SEBI Circular.

4. The Restated Consolidated Financial Information has been compiled by the management as follows:

   a. As at and for the nine months period ended 31 December 2017:- from the audited consolidated Ind AS financial statements which have been prepared by making Ind AS adjustments to the audited Consolidated Financial Statements as at and for the nine months period ended 31 December 2017 prepared in accordance with Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ("**Indian GAAP**") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. These consolidated Ind AS financial statements have been approved by the Board of Directors on 18 May, 2018.

   b. As at and for the year ended 31 March 2017: - from the audited consolidated Ind AS financial statements which have been prepared by making Ind AS adjustments to the audited Consolidated Financial Statements as at and for year ended 31 March ,2017 prepared in accordance with Indian GAAP read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. These consolidated Ind AS financial statements have been approved by the Board of Directors on 18 May, 2018.

   c. As at and for the year ended 31 March 2015 and 31 March 2016: - from the audited consolidated Proforma Ind AS financial statements which have been prepared by making Ind AS adjustments to the audited Consolidated Financial Statements as at and for year ended 31 March, 2016 and 31 March 2015 prepared in accordance with Indian GAAP read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. These Proforma Consolidated Ind AS Financial Statements have been approved by the Board of Directors as on 18 May, 2018.

   d. As at and for the year ended 31 March 2014: - from the audited consolidated financial statements of the company as at and for the year ended 31 March 2014, prepared in accordance with Indian GAAP read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act, which have been approved by the Board of Directors on 03 November, 2017.

   e. As at and for the year ended 31 March 2013: - the Company did not have any subsidiary or joint venture for the year ended 31 March 2013, and, consequently the consolidated financial statements for the year ended 31 March 2013 were not required to be prepared. Therefore, the Restated Consolidated Financial Information for the year ended 31 March 2013 has been prepared and presented on a standalone basis

5. The audit of the consolidated financial statements for the nine months period ended 31 December 2017 and for the year ended 31 March 2017 respectively was conducted by us, M/s BY & Associates, Chartered Accountants.

   The audit of the consolidated financial statements prepared in accordance with Ind AS for the year ended 31 March 2016 & 2015 and in accordance with Indian GAAP for the year ended 31 March 2014 & 2013 respectively was conducted by M/s D.B. Shah & Associates, Chartered Accountants (the company's Previous Statutory Auditors) and accordingly reliance has been placed on the audit reports issued by them on the respective dates.

6. The Restated Consolidated Financial Information included information in relation to the Company's subsidiaries and joint venture as listed below:

Name of the entity	Relationship	Period covered
Fine Organics (USA), Inc	Subsidiary	Nine months period ended 31 December, 2017 and financial years ended 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014.
Fine Organics Europe BVBA	Subsidiary	Nine months period ended 31 December, 2017 and financial years ended 31 March, 2017 and 31 March 2016.

Fine Zeelandia Private Limited	Joint Venture	Nine months period ended 31 December, 2017 and financial years ended 31 March, 2017, 31 March 2016 and 31 March 2015.

7. We did not audit the financial statements of the subsidiaries and joint venture as referred in Para 6 above, which is included in the Restated Consolidated Financial Information for the relevant period/years, as tabulated as below:

(Rs. in millions)

As at and for the year ended/period ended	Total Assets	Total Revenues	Cash Inflows/(outflows)	Net profit/ (loss) before tax
31 December 2017	180.17	279.66	35.89	(36.59)
31 March 2017	133.50	251.26	2.26	(19.50)

The financial statements of the subsidiaries, as informed to us are not required to be audited under the regulations governing the entity and therefore have been certified by the management and our opinion in so far as it relates to these amounts included in these Restated Consolidated Financial Information is based solely on the certification of the management.

The financial statements of the joint venture for the nine months period ended 31 December 2017 and financial years ended 31 March 2017, 31 March 2016 and 31 March 2015 have been audited by M/s D. B. Shah & Associates, Chartered Accountants whose reports have been furnished to us and our opinion in so far as it relates to these amounts included in these Restated Consolidated Financial Information is based solely on the report of the Previous Statutory Auditors.

M/s D. B. Shah & Associates, Chartered Accountants, the Company's Previous Statutory Auditors, did not audit the financial statements of the subsidiaries as referred to in Para 6 above, which are included in the audited consolidated financial statements for the relevant years, are tabulated as below:

(Rs. in millions)

As at and for the year ended	Total Assets	Total Revenues	Cash Inflows/(outflows)	Net profit/ (loss) before tax
31 March 2016	79.50	87.37	18.08	(2.88)
31 March 2015	51.42	46.56	13.90	(12.88)
31 March 2014	(8.60)	-	2.67	(8.66)

The financial statements of the subsidiaries, as informed to us are not required to be audited under the regulations governing the entity and the Previous Statutory Auditors' opinions on the audited consolidated financial statements for the relevant years in so far as they relate to these amounts included in the Restated Consolidated Financial information for those years are based solely on the certifications of the management.

8. Based on our examination in accordance with the requirements of sub-section (1) of Section 26 of Part 1 of Chapter III of the Act, read with Rules 4 to 6 of the Rules, the ICDR Regulations and the Guidance Note and terms of our engagement agreed upon with the company, we report that:

   a. The Restated Consolidated Summary Statement of Assets and Liabilities of the Company as at 31 December 2017 and 31 March 2017, 31 March 2016 and 31 March 2015 examined by us, as set out in Annexure A.I to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure A.VI - Statement on Material Adjustments to prepare Restated Consolidated Financial Information. The Restated Consolidated Summary Statement of Assets and Liabilities of the Company as at 31 March 2014 and 31 March 2013 respectively examined by us, as set out in Annexure I to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in

Annexure V - Statement on Material Adjustments to prepare Restated Consolidated Financial Information

b. The Restated Consolidated Summary Statement of Profit and Loss of the Company (including other Comprehensive Income) for the nine months period ended 31 December 2017 and each of the financial years ended 31 March 2017, 31 March 2016 and 31 March 2015 examined by us, as set out in Annexure A.II to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure A.VI - Statement on Material Adjustments to prepare Restated Consolidated Financial Information. The Restated Consolidated Summary Statement of Profit and Loss of the Company for the year ended 31 March 2014 and 31 March 2013 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure V - Statement on Material Adjustments to prepare Restated Consolidated Financial Information.

c. The Restated Consolidated Summary Statement of Cash Flows of the Company for the nine months period ended 31 December 2017 and each of the financial years ended 31 March 2017, 31 March 2016, 31 March 2015 examined by us, as set out in Annexure A.IV to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure A.VI -Statement on Material Adjustments to prepare Restated Consolidated Financial Information. The Restated Consolidated Summary Statement of Cash Flows of the Company for the year ended 31 March 2014 and 31 March 2013 examined by us, as set out in Annexure III to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure V - Statement on Material Adjustments to prepare Restated Consolidated Financial Information.

d. The restated consolidated summary statement of changes in equity of the Company for the nine months period ended 31 December 2017 and the years ended 31 March 2017, 2016 and 2015 examined by us, as set out in Annexure A.III to the Restated Consolidated Financial Information have been arrived at after making adjustments and regroupings/reclassifications as in our opinion, were appropriate and more fully described in Annexures A.VI - Statement on Material Adjustments to prepare Restated Consolidated Financial Information.

e. Based on the above and according to the information and explanations given to us, and also as per the reliance placed on the audit reports submitted by the Previous Statutory Auditors for the years ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, respectively, we further report that the Restated Consolidated Financial Information:

i. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods;

ii. have been made after incorporating adjustments and regroupings for the material amounts in the respective financial years to which they relate;

iii. do not contain any extraordinary items that need to be disclosed separately other than those presented in the Restated Consolidated Financial Information; and

iv. do not contain any qualification as at and for the nine months period ended 31 December 2017 and as at and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 respectively, which require adjustments

9. We have not audited any financial statements of the Group for any period subsequent to 31 December 2017. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Group as of any date or for any period subsequent to 31 December 2017.

10. We have also examined the following consolidated financial information proposed to be included in the RHP and the prospectus prepared by the management and approved by the Board of Directors of the Company on 18 May 2018 and annexed to this report relating to the Group as at and for nine months period

ended 31 December 2017 and as at and for each of the years ended 31 March 2017, 31 March 2016 (Proforma Ind AS) &31 March 2015 (Proforma Ind AS) respectively:

a) Annexure A.VI -Statement on Material Adjustments to prepare Restated Consolidated Financial Information
b) Annexure A.VII (Note 1) -Restated Consolidated Statement of Property Plant & Equipment
c) Annexure A.VII (Note 2) – Restated Consolidated Statement of Capital Work in Progress
d) Annexure A.VII (Note 3) – Restated Consolidated Statement of Intangible Assets
e) Annexure A.VII (Note 4) - Restated Consolidated Statement of Non-Current Financial Assets -Investments
f) Annexure A.VII (Note 5) -Restated Consolidated Statement of Non-Current Financial Assets: Loans
g) Annexure A.VII (Note 6)-Restated Consolidated Statement of Non-Current Financial Assets-Others
h) Annexure A.VII (Note7)-Restated Consolidated Statement of Deferred Tax Assets/(Liabilities) (Net)
i) Annexure A.VII (Note 8) -Restated Consolidated Statement of Other Non-Current Assets
j) Annexure A.VII (Note 9) - Restated Consolidated Statement of Inventories
k) Annexure A.VII (Note 10) -Restated Consolidated Statement of Current Financial Assets: Trade Receivables
l) Annexure A.VII (Note 11)-Restated Consolidated Statement of Current Financial Assets: Cash and cash equivalents
m) Annexure A.VII (Note 12)-Restated Consolidated Statement of Current Financial Assets: Bank Balances
n) Annexure A.VII (Note 13)-Restated Consolidated Statement of Current Financial Assets: Loans
o) Annexure A.VII (Note 14)-Restated Consolidated Statement of Current Financial Assets: Other
p) Annexure A.VII (Note 15)-Restated Consolidated Statement of Current Tax Assets (Net)
q) Annexure A.VII (Note 16)-Restated Consolidated Statement of Other Current Assets
r) Annexure A.VII (Note 17)-Restated Consolidated Statement of Equity Share Capital
s) Annexure A.VII (Note 18)-Restated Consolidated Statement of Other Equity
t) Annexure A.VII (Note 19)-Restated Consolidated Statement of Non-Current Financial Liabilities-Borrowings
u) Annexure A.VII (Note 20)-Restated Consolidated Statement of Current Financial Liabilities-Borrowings
v) Annexure A.VII (Note 21)-Restated Consolidated Statement of Current Financial Liabilities-Trade Payables
w) Annexure A.VII (Note 22)-Restated Consolidated Statement of Current Financial Liabilities-Other
x) Annexure A.VII (Note 23)-Restated Consolidated Statement of Other Current Liabilities
y) Annexure A.VII (Note 24)-Restated Consolidated Statement of Current Liabilities: Provisions
z) Annexure A.VII (Note 25)-Restated Consolidated Statement of Current Tax Liabilities (Net)
aa) Annexure A.VII (Note 26)-Restated Consolidated Statement of Revenue from Operations
bb) Annexure A.VII (Note 27)-Restated Consolidated Statement of Other Income
cc) Annexure A.VII (Note 28)-Restated Consolidated Statement of Cost of Material Consumed
dd) Annexure A.VII (Note 29)-Restated Consolidated Statement of Changes in Finished Goods, Work in Progress and Trading Goods
ee) Annexure A.VII (Note 30)-Restated Consolidated Statement of Employee Benefit Expenses
ff) Annexure A.VII (Note 31)-Restated Consolidated Statement of Finance Costs
gg) Annexure A.VII (Note 32)-Restated Consolidated Statement of Depreciation / Impairment & Amortization Expenses
hh) Annexure A.VII (Note 33)-Restated Consolidated Statement of Other Expenses
ii) Annexure A.VII (Note 34)-Restated Consolidated Statement of Earnings Per Equity Share
jj) Annexure A.VII (Note 35)- Restated Consolidated Statement of Contingent Liabilities and Commitments
kk) Annexure A.VII (Note 36)- Other Notes to Restated Consolidated Financial Information
ll) Annexure A.VII (Note 37)- Restated Consolidated Statement on Related Party Disclosure as per Ind AS 24
mm) Annexure A.VII (Note 38)- Segment Reporting
nn) Annexure A.VII (Note 39)- Restated Consolidated Statement of Expenditure towards Corporate Social Responsibility (CSR) activities

oo) Annexure A.VII (Note 40) - Material Regrouping of Restated Consolidated Financial Information
pp) Annexure A.VII (Note 41)- Restated Consolidated statement of other Litigations
qq) Annexure A.VII (Note 47 & 48)- Notes forming part of Restated Consolidated Financial Information -Reconciliation of Profit/Loss & Total Equity
rr) Annexure A.VIII- Restated Consolidated Statement of Capitalisation
ss) Annexure A.IX – Restated Consolidated Statement of Dividend
tt) Annexure A.X – Restated Consolidated Statement of Accounting Ratios

According to the information and explanations given to us and also as per the reliance placed on the Previous Statutory Auditor's reports, in our opinion, the Restated Consolidated Financial Information and the above restated consolidated financial information contained in Annexures A.I to A.X respectively accompanying this report, read with the Summary of Significant Accounting Policies disclosed in Annexure A.V are prepared after making adjustments and regroupings as considered appropriate as disclosed in Annexure A.VI and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

11. We have also examined the following consolidated financial information proposed to be included in the RHP and prospectus prepared by the management and approved by the Board of Directors of the Company on 18 May 2018 and annexed to this report relating to the Group as at and for each of the years ended 31 March 2014 & 31 March 2013 respectively:

a) Annexure V – Statement on Material adjustments to prepare Restated Consolidated Financial Information
b) Annexure VA (Note 1) – Restated Consolidated statement of Share Capital
c) Annexure VA (Note 2) – Restated Consolidated statement of Reserves & Surplus
d) Annexure VA (Note 3) – Restated Consolidated statement of Long Term Borrowings
e) Annexure VA (Note 4) – Restated Consolidated statement of Long Term Provisions
f) Annexure VA (Note 5) – Restated Consolidated statement of Short Term Borrowings
g) Annexure VA (Note 6) – Restated Consolidated statement of Trade Payables
h) Annexure VA (Note 7) – Restated Consolidated statement of Other Current Liabilities
i) Annexure VA (Note 8) – Restated Consolidated statement of Short Term Provisions
j) Annexure VA (Note 9) – Restated Consolidated statement of Fixed Assets
k) Annexure VA (Note 10) – Restated Consolidated statement of Deferred Tax Assets/(Liabilities)
l) Annexure VA (Note 11) – Restated Consolidated statement of Long Term Loans & Advances
m) Annexure VA (Note 12) – Restated Consolidated statement of Inventories
n) Annexure VA (Note 13) – Restated Consolidated statement of Trade Receivables
o) Annexure VA (Note 14) – Restated Consolidated statement of Cash & Cash Equivalents
p) Annexure VA (Note 15) – Restated Consolidated statement of Short-Term Loans & Advances
q) Annexure VA (Note 16) – Restated Consolidated statement of Other Current Assets
r) Annexure VA (Note 17) – Restated Consolidated statement of Revenue from Operations
s) Annexure VA (Note 18) – Restated Consolidated statement of Other Income
t) Annexure VA (Note 19) – Restated Consolidated statement of Cost of Material Consumed
u) Annexure VA (Note 20) – Restated Consolidated statement of Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade
v) Annexure VA (Note 21) – Restated Consolidated statement of Employee Benefit Expenses
w) Annexure VA (Note 22) – Restated Consolidated statement of Other Expenses
x) Annexure VA (Note 23) – Restated Consolidated statement of Depreciation and Amortization Expenses
y) Annexure VA (Note 24) – Restated Consolidated statement of Finance Cost
z) Annexure VA (Note 25) – Restated Consolidated statement of Contingent liabilities & Commitments
aa) Annexure VA (Note 26) – Restated Consolidated statement of Segment Reporting Applicability
bb) Annexure VA (Note 27) – Restated Consolidated statement of Value of Import on CIF basis
cc) Annexure VA (Note 28) – Restated Consolidated statement of Value of Imported and Indigenous Raw Materials Consumed
dd) Annexure VA (Note 29) – Restated Consolidated statement of Expenses in Foreign Currency
ee) Annexure VA (Note 30) – Restated Consolidated statement of Earnings in Foreign Currency

ff) Annexure VA (Note 31) – Restated Consolidated statement of Related Party Disclosure as per AS 18
gg) Annexure VA (Note 32) – Material Regrouping of Restated Consolidated Financial Information
hh) Annexure VA (Note 33) – Restated Consolidated statement of Earnings Per Share
ii) Annexure VA (Note 34) – Restated Consolidated statement of Employee Benefits
jj) Annexure VI – Restated Consolidated Statement of Dividend
kk) Annexure VII – Restated Consolidated Statement of Accounting Ratios

According to the information and explanations given to us and also as per the reliance placed on the Previous Statutory Auditor's reports, in our opinion, the Restated Consolidated Financial Information and the above restated consolidated financial information contained in Annexures I to VII respectively accompanying this report, read with the Summary of Significant Accounting Policies disclosed in Annexure IV are prepared after making adjustments and regroupings as considered appropriate as disclosed in Annexure V and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

12. This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us or by the Previous Statutory Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

14. Our report is intended solely for use of the company for inclusion in the RHP and the prospectus to be issued in connection with the proposed IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For B Y & Associates
Chartered Accountants
Firm Registration No. – 123423W

CA Bhavesh Vora
Partner
Membership No. 043908

Place: Mumbai
Date: May 18, 2018

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure A.I -Restated Consolidated Summary Statement of Assets & Liabilities

(Rs. in millions)

Particulars	Notes	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
ASSETS					
A) Non Current Assets					
Property, Plant and Equipment	Note 1	922.56	967.73	1,024.73	1,024.22
Capital work-in-progress	Note 2	67.39	27.97	56.50	81.12
Goodwill					
Intangible Assets	Note 3	2.10	2.10	1.32	-
Financial Assets					
- Investment	Note 4	105.70	110.69	52.65	-
- Loans	Note 5	-	-	-	-
- Trade Receivables					
- Other Financial Assets	Note 6	2.86	1.28	0.42	0.70
Deferred tax assets (Net)	Note 7	39.00	34.53	14.35	-
Other Non-current Assets	Note 8	634.70	492.05	531.56	527.41
Total Non Current Assets (A)		**1,774.32**	**1,636.37**	**1,681.53**	**1,633.45**
B) Current Assets					
Inventories	Note 9	866.01	919.83	760.23	644.36
Financial Assets					
- Investments					
- Trade Receivables	Note 10	1,172.09	1,114.00	867.85	862.70
- Cash and Cash Equivalents	Note 11	260.79	139.70	393.50	30.42
- Bank Balances	Note 12	1.85	39.46	28.28	3.26
- Loans	Note 13	7.30	7.35	7.61	5.70
- Other Financial Assets	Note 14	1.35	0.98	1.02	0.14
Current Tax Assets (Net)	Note 15	23.78	39.74	-	15.19
Other Current Assets	Note 16	630.72	559.18	416.00	520.87
Total Current Assets (B)		**2,963.89**	**2,820.24**	**2,474.48**	**2,082.64**
Total Assets (A + B)		**4,738.21**	**4,456.61**	**4,156.01**	**3,716.09**
EQUITY AND LIABILITIES					
A) Equity					
Equity Share Capital	Note 17	153.30	48.30	48.30	48.30
Equity Share Suspense account		-	2.80	2.80	-
Other Equity	Note 18	3,468.73	3,240.30	2,459.88	2,023.87
Total Equity (A)		**3,622.03**	**3,291.40**	**2,510.98**	**2,072.17**
Liabilities					
B) Non Current Liabilities					
Financial Liabilities					
- Borrowings	Note 19	-	-	212.68	290.55
- Trade Payables					
- Other Financial Liabilities					
Provisions					
Deferred tax liabilities (Net)	Note 7	-	-	-	3.44
Other non-current Liabilities		-	-	-	-
Total Non Current Liabilities (B)		**-**	**-**	**212.68**	**293.99**
C) Current Liabilities					
Financial Liabilities					
- Borrowings	Note 20	285.48	402.62	728.68	655.90
- Trade Payables	Note 21	771.02	643.24	533.39	532.55
- Other Financial Liabilities	Note 22	8.15	9.12	86.37	88.17
Other current liabilities	Note 23	51.52	110.24	75.73	71.65
Provisions	Note 24	-	-	3.26	1.66
Current tax liabilities (Net)	Note 25	-	-	4.93	-
Total Current Liabilities (C)		**1,116.18**	**1,165.21**	**1,432.35**	**1,349.94**
Total Equity and Liabilities (A + B + C)		**4,738.21**	**4,456.61**	**4,156.01**	**3,716.09**

Notes :-

The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

As per our report of even date
For B Y & Associates
Chartered Accountants
Firm Registration No.: 123423W

For and on behalf of Board of Directors of
Fine Organic Industries Limited
(formerly known as Fine Organic Industries Private Limited)

CA Bhavesh Vora
Partner
M. No. 043908

Mukesh Shah
Managing Director
DIN: 00106799

Jayen Shah
Whole Time Director and CEO
DIN: 00106919

Tushar Shah
Whole Time Director and CFO
DIN: 00107144

Pooja Gaonkar
Company Secretary

Place: Mumbai
Date: 18 May 2018

Place: Mumbai
Date: 18 May 2018

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure A.II - Restated Consolidated Summary Statement of Profit & Loss

(Rs. in millions)

Particulars	Notes	For the Nine months period ended 31 December 2017 (Ind AS)	For the year ended 31 March		
			2017 (Ind AS)	2016 (Proforma Ind AS)	2015 (Proforma Ind AS)
INCOME					
Revenue from Operations	Note 26	5,904.27	8,149.36	6,860.08	6,359.32
Other Income	Note 27	87.80	44.13	102.07	20.25
Total Income		**5,992.07**	**8,193.50**	**6,962.16**	**6,379.57**
EXPENSES					
Cost of Materials Consumed	Note 28	3,780.77	5,027.57	3,894.37	3,866.89
Purchase of Stock-in-trade		16.63	11.35	22.15	21.54
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	Note 29	46.52	(61.30)	(40.79)	(64.09)
Excise Duty / Goods and Service Tax Expenses		94.55	367.35	335.17	291.25
Employee Benefits Expense	Note 30	379.08	642.80	545.40	443.34
Finance Costs	Note 31	30.20	45.66	83.09	76.99
Depreciation / Impairment & Amortization Expenses	Note 32	146.25	237.13	295.64	225.77
Other Expenses	Note 33	544.09	707.22	651.27	691.11
Total Expenses		**5,038.10**	**6,977.78**	**5,786.29**	**5,552.79**
Profit / (Loss) before exceptional items and tax		**953.97**	**1,215.71**	**1,175.87**	**826.78**
Exceptional Item		-	-	-	-
Profit / (Loss) before tax		**953.97**	**1,215.71**	**1,175.87**	**826.78**
Tax Expenses					
Current Tax		349.00	450.00	427.84	300.00
Deferred Tax		(4.47)	(17.90)	(16.79)	(5.06)
Short / (Excess) Provision for earlier years		-	-	0.00	(0.01)
Total Tax Expense		**344.53**	**432.10**	**411.05**	**294.93**
Profit / (Loss) for the period from continuing operations		**609.44**	**783.62**	**764.81**	**531.85**
Profit / (Loss) for the period from discounted operations		-	-	-	-
Tax expense of discounted operations		-	-	-	-
Profit / (Loss) from discontinued operations (after tax)		-	-	-	-
PROFIT / (LOSS) FOR THE PERIOD/YEAR		**609.44**	**783.62**	**764.81**	**531.85**
OTHER COMPREHENSIVE INCOME					
(A) (i) Items that will not be reclassified to Profit or Loss		-	-	-	-
(a) Change in fair value of Equity instruments through OCI		-	0.01	0.48	-
(b) Remeasurements of Loss on employees defind benefit plan		-	(3.22)	3.37	0.15
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	1.11	(1.33)	(0.05)
(B) (i) Items that will be reclassified to Profit or Loss		-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-	-
Total Other Comprehensive Income		-	(2.10)	2.52	0.10
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR		**609.44**	**781.52**	**767.33**	**531.95**
Earnings Per Equity Share (for continuing operations)	Note 34				
Basic		26.38	25.56	24.95	18.35
Diluted		26.38	25.56	24.95	18.35
Earnings Per Equity Share (for discontinued operations)					
Basic		-	-		
Diluted		-	-		
Earnings Per Equity Share (for discontinued and continuing operations)					
Basic		26.38	25.56	24.95	18.35
Diluted		26.38	25.56	24.95	18.35

Notes :-

The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

As per our report of even date
For B Y & Associates
Chartered Accountants
Firm Registration No.: 123423W

CA Bhavesh Vora
Partner

M. No. 043908

Place: Mumbai
Date: 18 May 2018

For and on behalf of Board of Directors of
Fine Organic Industries Limited
(Formerly known as Fine Organic Industries Private Limited)

Mukesh Shah	Jayen Shah	Tushar Shah	Pooja Gaonkar
Managing Director	Whole Time Director and CEO	Whole Time Director and CFO	Company Secretary
DIN: 00106799	DIN: 00106919	DIN: 00107144	

Place: Mumbai
Date: 18 May 2018

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A.III - Restated Consolidated Summary Statement of Changes in Equity

A) Equity Share Capital

(Rs. in millions)

Particulars	No. of Shares	Amounts
Equity Shares Capital at the beginning of the year i.e. 01st April 2014	48,29,996	48.30
Add / (Less) : Changes in equity share capital during the year 2014-15	-	-
Equity Shares Capital at the end of the year i.e. 31st March 2015 (Proforma)	**48,29,996**	**48.30**
Equity Shares Capital at the beginning of the year i.e. 01st April 2015	48,29,996	48.30
Add / (Less) : Changes in equity share capital during the year 2015-16	-	-
Equity Shares Capital at the end of the year i.e. 31st March 2016 (Proforma)	**48,29,996**	**48.30**
Equity Shares Capital at the beginning of the year i.e. 01st April 2016	48,29,996	48.30
Add / (Less) : Changes in equity share capital during the year 2016-17	-	-
Equity Shares Capital at the end of the year i.e. 31st March 2017	**48,29,996**	**48.30**
Equity Shares Capital at the beginning of the year i.e. 01st April 2017	48,29,996	48.30
Add : Changes in equity share capital during the period 01 April 2017 to 31 Dec 2017 (Refer Note 17.2)	2,58,29,980	105.00
Equity Shares Capital at the end of the Period i.e. 31st December 2017	**3,06,59,976**	**153.30**

B) Other Equity

(Rs. in millions)

Particulars	Reserves and Surplus					Other items of Other Comprehensive Income	Total
	General Reserve	Amalgamation Reserve	Security Premium	Retained Earnings	Foreign Currency Translation Reserve		
Balance at 1 April, 2014	47.39	-	0.00	1,497.44	-	-	1,544.83
Add: Profit for the year	-	-	-	531.85	-	-	531.85
Add: Other Comprehensive Income (net of tax)	-	-	-	-	-	0.10	0.10
Additions during the year	-	-	-	-	(0.58)	-	(0.58)
Total Comprehensive Income for the year	**47.39**	**-**	**0.00**	**2,029.29**	**(0.58)**	**0.10**	**2,076.19**
Less: Fixed assets Adjustments	-	-	-	52.32	-	-	52.32
Balance as at 31 March, 2015 (Proforma)	**47.39**	**-**	**0.00**	**1,976.97**	**(0.58)**	**0.10**	**2,023.87**
Balance at 1 April, 2015	47.39	-	0.00	1,976.97	(0.58)	0.10	2,023.87
Add: Profit for the year	-	-	-	764.81	-	-	764.81
Add: Amalgamation reserve on account of amalgamation	-	115.52	-	-	-	-	115.52
Add: Other Comprehensive Income (net of tax)	-	-	-	-	-	2.52	2.52
Additions during the year	-	-	-	-	(3.63)	-	(3.63)
Total Comprehensive Income for the year	**47.39**	**115.52**	**0.00**	**2,741.78**	**(4.21)**	**2.62**	**2,903.10**
Less: Proposed Dividend on Equity shares	-	-	-	144.90	-	-	144.90
Less: Income Tax on Proposed Dividend	-	-	-	29.50	-	-	29.50
Less: Interim Dividend on Equity shares	-	-	-	223.35	-	-	223.35
Less: Income Tax on Interim Dividend	-	-	-	45.47	-	-	45.47
Balance as at 31 March, 2016 (Proforma)	**47.39**	**115.52**	**0.00**	**2,298.56**	**(4.21)**	**2.62**	**2,459.88**
Balance at 1 April, 2016	47.39	115.52	0.00	2,298.56	(4.21)	2.62	2,459.88
Add: Profit for the year	-	-	-	783.62	-	-	783.62
Add : Deferred Tax income of F Y 15-16 on actuarial gain / loss	-	-	-	1.17	-	-	1.17
Add: Other Comprehensive Income (net of tax)	-	-	-	-	-	(2.10)	(2.10)
Additions during the year	-	-	-	-	(2.27)	-	(2.27)
Total Comprehensive Income for the year	**47.39**	**115.52**	**0.00**	**3,083.35**	**(6.48)**	**0.52**	**3,240.30**
Balance as at 31 March, 2017	**47.39**	**115.52**	**0.00**	**3,083.35**	**(6.48)**	**0.52**	**3,240.30**
Balance at 1 April, 2017	47.39	115.52	0.00	3,083.35	(6.48)	0.52	3,240.30
Add: Profit for the year	-	-	-	609.44	-	-	609.44
Additions during the year	-	-	-	-	(2.05)	-	(2.05)
Total Comprehensive Income for the year	**47.39**	**115.52**	**0.00**	**3,692.79**	**(8.52)**	**0.52**	**3,847.69**
Less: Utilised for Bonus Issue of Equity shares	47.39	-	0.00	54.81	-	-	102.20
Less: Dividend paid on Equity shares	-	-	-	229.95	-	-	229.95
Less: Dividend Distribution Tax Paid	-	-	-	46.81	-	-	46.81
Balance as at 31 December, 2017	**-**	**115.52**	**-**	**3,361.21**	**(8.52)**	**0.52**	**3,468.73**

Notes :-

The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

As per our report of even date
For B Y & Associates
Chartered Accountants
Firm Registration No.: 123423W

For and on behalf of Board of Directors of
Fine Organic Industries Limited
(formerly known as Fine Organic Industries Private Limited)

CA Bhavesh Vora
Partner
M. No. 043908

Mukesh Shah
Managing Director
DIN: 00106799

Jayen Shah
Whole Time Director and CEO
DIN: 00106919

Tushar Shah
Whole Time Director and CFO
DIN: 00107144

Pooja Gaonkar
Company Secretary

Place: Mumbai
Date: 18 May 2018

Place: Mumbai
Date: 18 May 2018

Fine Organic Industries Limited (formerly Known as Fine Organics Industries Private Limited)

Annexure A.IV - Restated Consolidated Summary Statement of Cash Flows

(Rs. in millions)

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the Year ended 31 March 2017 (Ind AS)	For the Year ended 31 March 2016 (Proforma Ind AS)	For the Year ended 31 March 2015 (Proforma Ind AS)
A.Cash flows from operating activities				
Restated Profit before tax	953.97	1,215.71	1,175.87	826.78
Adjustments for:				
Depreciation and amortisation	145.95	236.30	295.64	225.77
Ammortization of Intangible Assets	0.30	0.83	-	-
Lease Rent of Leasehold Properties	1.88	2.51	2.51	0.76
(Profit)/ loss on sale of Property Plant & Equipment	(0.36)	(0.23)	(0.74)	(0.37)
Exchange Gain/Loss on Foreign Currency Rollover & EEFC	(67.95)	(25.47)	(57.74)	(8.04)
Reversal of Debtors Provision	-	-	(10.97)	-
Interest income	(3.32)	(10.25)	(11.99)	(2.23)
Share of loss from Joint venture	4.99	1.96	0.70	-
Notional Interest recorded on Advance to subsidiaries	-	-	-	-
Interest expense and other finance costs	16.33	38.20	66.45	76.66
Dividend Income	-	-	(0.00)	-
Allowance for / Reversal of Expected Credit Losses	(7.41)	(4.13)	-	29.49
Movement in Forex Currency Translation reserve	(2.05)	(2.27)	(3.63)	(0.58)
Actuarial Gain on Defined Employees benefit in OCI	-	-	-	-
Operating profit before working capital changes	**1,042.35**	**1,453.17**	**1,456.10**	**1,148.22**
Changes in working capital				
(Increase)/decrease in inventories	53.82	(159.61)	(115.86)	(101.25)
(Increase)/decrease in trade receivables	(58.09)	(246.15)	(5.15)	(97.62)
(Increase)/decrease in loans and advances and other current assets	-	-	(1.91)	(0.45)
(Increase)/decrease in bank balances	37.61	(11.18)	(25.02)	(3.26)
(Increase)/Decrease in Other Current Financial Assets	(0.13)	0.04	(0.88)	-
(Increase)/Decrease in Other Current Assets	(71.54)	(143.18)	104.87	5.30
Increase/(Decrease) in Current Financial Assets - Loan	0.05	0.26	72.78	-
Increase/(Decrease) in trade Payables	127.78	109.85	0.83	(51.62)
Increase/(Decrease) in Current Financial liabilities - Others	(0.96)	(77.26)	(1.80)	(91.37)
Increase/(Decrease) in Other Financial Liabilities	-	-	-	31.33
Increase/(Decrease) in Other Current Liabilities	(58.71)	34.51	4.08	7.00
Increase/(Decrease) in Current Provisions	-	(3.26)	1.60	1.66
Cash flows generated from /(used in) operating activities	**1,072.19**	**957.19**	**1,489.64**	**847.94**
Direct taxes paid	(328.57)	(494.67)	(398.19)	(350.26)
Net cash flows generated from /(used in) operating activities (A)	**743.62**	**462.53**	**1,091.46**	**497.69**
B. Cash flows from investing activities				
Purchase of Property, Plant & Equipment including intangible assets, capital work in progress and capital advances	(141.20)	(152.60)	(243.35)	(461.11)
Proceeds from sale of property, plant and equipment	1.06	0.44	1.10	0.80
Interest received	3.32	10.25	11.99	2.23
Dividend received	-	-	0.00	-
Investment in Subsidiaries	-	-	-	-
Investment in Joint Ventures	-	(60.00)	(52.84)	-
Capital Advances Paid (Net)	(147.82)	38.61	(0.51)	226.83
Security deposits Received Back (Net)	-	-	3.32	-
Income tax Receivables	-	-	1.77	-
Additional Investment in Fixed Deposits	(0.23)	(0.87)	-	(0.28)
Prepaid Leasehold Land Rentals	-	-	-	(193.69)
Net cash flows generated from /(used in) investing activities (B)	**(284.88)**	**(164.16)**	**(278.53)**	**(425.21)**
C. Cash flows from financing activities				
Repayment of long-term borrowings	-	(212.68)	(77.87)	(33.75)
Repayment of Current Financial Liabilities-Borrowings	(117.14)	(326.06)	-	-
Loss on account of Foreign Exchange Conversion	-	25.47	(16.00)	(0.33)
Advances to Subsidiaries	-	-	-	-
Security Deposits Received/given back to Trade Creditors	(0.97)	(1.61)	-	(1.92)
Security Deposits Paid for Factory Premises	(1.80)	-	-	-
Repayment of Long Term Loans & Advances	-	-	-	-
Proceeds Realised from Fixed Deposits	-	-	0.28	-
Gain/Loss on account of Foreign Exchange Conversion	67.95	-	73.74	8.37
Finance costs / Interest paid	(16.33)	(38.20)	(66.45)	(76.66)
Interim/Final Dividend Paid	(229.95)	-	(368.25)	-
Interim/Final Dividend Distribution tax Paid	(46.81)	-	(74.97)	-
Net cash flows generated from/ (used in) financing activities (C)	**(345.05)**	**(553.08)**	**(529.52)**	**(104.28)**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	**113.69**	**(254.71)**	**283.41**	**(31.81)**

Fine Organic Industries Limited (formerly Known as Fine Organics Industries Private Limited)

Annexure A.IV - Restated Consolidated Summary Statement of Cash Flows

(Rs. in millions)

Particulars	For the Nine months period ended 31 December 2017 (Ind AS)	For the Year ended 31 March 2017 (Ind AS)	For the Year ended 31 March 2016 (Proforma Ind AS)	For the Year ended 31 March 2015 (Proforma Ind AS)
Ind AS Adjustments	7.41	0.91	7.61	(29.34)
Assets transferred from Amalgamating Companies	-	-	72.07	-
Cash and cash equivalents at the beginning of the period/ year	139.70	393.50	30.42	91.57
Cash and cash equivalents at the end of the period/year	**260.79**	**139.70**	**393.50**	**30.42**
Cash and cash equivalents at the end of the year comprises:				
(a) cash on hand	1.96	1.04	2.59	1.23
(b) Cheque on Hand	-	-	-	0.71
(c) balances with banks				
(i) in current accounts	226.79	85.73	322.99	22.70
(ii) in EEFC accounts	29.96	31.38	34.04	5.78
(iii) in deposit accounts	2.09	21.56	33.89	-
(iv) in term loan accounts	-	-	-	-
(v) in Margin Account	-	-	-	-
Total of Balances with banks	258.83	138.66	390.92	28.48
Total Cash and cash equivalents at the end of the period/year	**260.79**	**139.70**	**393.50**	**30.42**

Notes :-

The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A. V & A.VI & A.VII respectively.

As per our report of even date
For B Y & Associates
Chartered Accountants
Firm Registration No.: 123423W

For and on behalf of Board of Directors of
Fine Organic Industries Limited
(Formerly known as Fine Organic Industries Private Limited)

CA Bhavesh Vora
Partner
M. No. 043908

Mukesh Shah
Managing Director
DIN: 00106799

Jayen Shah
Whole Time Director and CEO
DIN: 00106919

Tushar Shah
Whole Time Director and CFO
DIN: 00107144

Pooja Gaonkar
Company Secretary

Place: Mumbai
Date: 18 May 2018

Place: Mumbai
Date: 18 May 2018

1. Corporate Information:

Fine Organic Industries Limited ("the Company") (formerly known as Fine Organic Industries Private Limited) is a limited Company incorporated under the provisions of the Companies Act, 1956. The Company was converted into public company with effect from 02 November 2017 and consequently the name of the Company has changed from Fine Organics Industries Private Limited to Fine Organic Industries Limited. The registered office of the Company is situated in the state of Maharashtra. The Company carries on business, in India and abroad, as manufacturers, processors, suppliers, distributors, dealers, importers, exporters of flavours, perfumes and flavouring chemicals, oil and colours, surface active agents, emulsifiers, preservatives, clouding agents, textile auxiliaries, lubricants, oleo chemicals and their derivatives, fatty acids and their derivatives, salt and esters. It also develops, processes, manufactures, deals in and carries on business in India and abroad in fine and heavy chemicals, oils, fats, dyes, dyestuffs, dye retardants, dye assistants, organic and inorganic chemicals.

2. Basis of Preparation of Financial Statements:

2.1 Basis of consolidation

Following subsidiary companies and a Joint Venture have been considered in the preparation of Restated Consolidated Financial Statements:

Sr. No.	Name of Entity	Country of incorporation	% of Ownership held as at					
			31 December 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
1	Fine Organics (USA), Inc	USA	100%	100%	100%	100%	100%	N.A.
2	*Fine Organics Europe BVBA	Belgium	99.46%	100%	100%	N.A.	N.A	N.A.

*Tushar Shah, an executive Director of the Company, is the holder of record of one share in Fine Organics Europe BVBA, the Company's Belgium subsidiary. The Company is the holder of record of the other 185 issued shares in Fine Organics Europe BVBA. For the purposes of the Company's audited financial statements as at and for the years ended 31 March 2016 and 31 March 2017, the one share held by Tushar Shah was deemed to be held by him as nominee of the Company and the Company's ownership interest in Fine Organics Europe BVBA was considered to be 100%.

However, it has since been clarified that Tushar Shah is the beneficial owner of this one share and does not hold it as the nominee of the Company. Accordingly, the Company's ownership interest in Fine Organics Europe BVBA as at and for the nine months ended December 31, 2017 was 99.46%.

The Company is having interest in the following joint venture:

Sr. No.	Name of Entity	Country of incorporation	% of Ownership held as at					
			31 December 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
1	Fine Zeelandia Private Limited	India	50%	50%	50%	50%	N.A	N.A.

Accounting Basis:

Significant Accounting policies and Notes to these Restated Consolidated Financial Statements are intended to serve as a means of informative disclosures and a guide to better understanding of the consolidated position of the Companies. Recognizing this purpose, the Company has disclosed only such Policies and Notes from the individual financial statements, which fairly present the needed disclosures.

The Restated Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and amended by the Companies (Indian Accounting Standards) {Amendment} Rules, 2016.

These Restated consolidated financial statements are the Group`s first Ind AS Restated consolidated financial statements. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

2.2 Principles of Consolidation :

i. The Restated Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard 110 -Consolidated Financial Statements & Indian Accounting Standard 28 -Accounting for Investments in Associates in Consolidated Financial Statements.

ii. The Consolidated Financial Statements are prepared using the Financial Statements of the Parent Company and Subsidiary Companies drawn up to the same reporting date i.e. 31st December, 2017.

iii. In case of Foreign Subsidiary, revenue items are consolidated at the average rate prevailing during the period. All Assets (except Fixed Assets) and liabilities are converted at the rates, prevailing at the end of the year. In case of Fixed Assets, the same is consolidated at the rate applicable in the year of acquisition of the said assets. Any exchange difference arising on consolidation is recognized as Translation difference in Reserves & Surplus.

iv. The consolidation of financial statements of the Parent Company and its Subsidiaries is done on line by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances, intra-group transactions and unrealized profit or loss, except where cost cannot be recovered. The results of operations of a subsidiary are included in the consolidated financial statements from the date on which the parent subsidiary relationship came into existence.

v. Non-Controlling interest in net profits of consolidated subsidiaries for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets is identified and presented in the Consolidated Balance sheet separately.

vi. As far as possible, the Restated Consolidated Financial Statements have been prepared using uniform Accounting Policies for like transactions and other events in similar circumstances. Differences in Accounting Policies if any will be disclosed separately.

vii. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Interests in joint venture are accounted for using the equity method of accounting. The Restated Consolidated Financial Statements include the share of profit / loss of the joint ventures after eliminating unrealized profit or loss on inventories at the end of reporting period sold by the parent, if any, which are accounted as per the ‘equity method’.

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group’s share of the post-acquisition profits or losses of the investee in profit or loss, and the Group’s share of movements in Other Comprehensive Income (OCI) of the investee in OCI. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group’s share of losses in an equity accounted investment equals or exceeds its interest in the entity, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

2.3 The Restated Consolidated Statement of Assets and Liabilities of the Company as at 31 December 2017, 31 March 2017, 31 March 2016, 31 March 2015 and the Restated Consolidated Statement of Profit and Loss, the Restated Consolidated Statement of Cash flows and statement of changes in equity for the nine months period ended 31 December 2017 and the years ended 31 March 2017, 31 March 2016, 31 March 2015 and notes annexed thereto (collectively the "Restated Consolidated Financial Information") had been prepared in accordance with recognition and measurement principles of Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

The Restated Consolidated financial information for the years ended March 31, 2016 and 2015 has been prepared on Proforma basis (i.e. “ Proforma Consolidated Ind AS financial information”) in accordance with requirements of SEBI Circular SEBI/HO/CF D/DIL/CIR/P/2016/47 dated March 31, 2016 ("SEBI Circular") and Guidance Note on Reports in Company Prospectuses issued by Institute of Chartered Accountants of India. For the purpose of Proforma Ind AS Consolidated financial information for the year ended March 31, 2016 and 2015, the Company has followed the same accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2016 for the purpose of Restatement of Consolidated Financial Information. Accordingly, suitable restatement adjustments (both remeasurements and reclassifications) in the accounting heads are made to the Proforma Ind AS Consolidated financial information as of and for the years ended March 31, 2016 and 2015.

The Restated Consolidated Financial Information has been prepared as defined above and in accordance with the requirements of:

(a) Section 26 of Part I of Chapter III of the Companies Act 2013 read with Rule 4 to Rule 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014,

(b) item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date in pursuance of provisions of Securities and Exchange Board of India Act,1992 read along with the SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated 31 March 2016 on Clarification regarding disclosures in Offer Documents under the SEBI Regulations issued by the Securities and Exchange Board of India in connection with the proposed Initial Public Offering of Equity Shares of the Company.

2.4 Statement of compliance

For all periods up to and including nine months period ended December 31, 2017, the Company prepared its audited Consolidated financial information in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The date of transition to Ind-AS is April 1, 2016. Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods.

As these Consolidated financial statements are prepared for the purpose of Restatement of Consolidated Financial Information prepared in accordance with Ind AS, Ind AS 101, "First-time adoption of Indian Accounting Standards" has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is set out as below:

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions in the transition from previous GAAP to Ind AS.

Ind AS optional exemptions

a) **Deemed Cost**

Ind AS 101 permits a first time adopter to elect to measure an item of property, plant and equipment at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date. The exemption can also be used for intangible assets covered by Ind AS 38 'Intangible Assets'.

b) **Designation of previously recognised equity instruments**

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The Company has elected to apply this exemption for its investment in certain equity instruments (other than its subsidiaries).

c) **Investments in subsidiaries**

Ind AS 101 permits a first time adopter to elect to measure its investment in subsidiaries at fair value of such investments at the Company's date of transition to Ind AS or previous GAAP carrying amount at that date and use that as its deemed cost as on the date of transition.

The Company has decided not to measure its investment in subsidiaries at fair value and accordingly investment in Fine Organics (USA) Inc. & Fine Organics Europe BVBA are valued at cost as at 01st April, 2016.

d) **Exchange differences on long-term foreign currency monetary items**

Under previous GAAP, exchange differences arising on reporting of long–term foreign currency monetary items (i) relating to acquisition of depreciable capital assets were allowed to be adjusted to the carrying amount of such assets (to be adjusted over the balance life of the related asset) and (ii) in other cases were allowed to be accumulated in a 'Foreign Currency Monetary item Translation Difference Account' (to be adjusted over the balance period of the related long term monetary asset/ liability).

Ind AS 101 includes an optional exemption that allows a first time adopter to continue with the above accounting policy in respect of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of first Ind AS financial reporting period i.e. 1st April, 2017 or to discontinue with such policy.

Ind AS mandatory exceptions

a) **Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 01st April, 2016 are consistent with the estimates as at the same date made inconformity with previous GAAP.

The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

• Investments in equity instruments carried at FVPL and OCI

• Impairment of financial assets based on expected credit loss model

b) **De-recognition of financial assets and liabilities**

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of company's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the derecognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

c) **Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has assessed the same accordingly

2.5 Basis of measurement

The Consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- net defined benefit (assets)/ liabilities that are measured at fair value of plan assets less present value of defined benefit obligations

2.6 Use of estimates and judgements

The preparation of the Consolidated financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions, which affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized prospectively.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the nine months ended 31 December 2017 are as follows:

a) Property, plant and equipment

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act, which in the opinion of the management represent the useful lives as they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support

b) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

c) Recognition of deferred tax assets

Deferred tax assets are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

d) Contingent Liabilities and Litigations

Contingent liabilities

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

Litigation

From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

2.7 Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level-1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level-2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level-3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.8 Operating cycle

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2.9 Current / non-current classification

An entity shall classify an asset as current when:

a) It expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
b) It holds the asset primarily for the purpose of trading;
c) It expects to realise the asset within twelve months after the reporting period; or
d) the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

An entity shall classify all other assets as non-current.

An entity shall classify a liability as current when-

a) It expects to settle the liability in its normal operating cycle;
b) It holds the liability primarily for the purpose of trading;
c) The liability is due to be settled within twelve months after the reporting period; or
d) It does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

An entity shall classify all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.10 Significant accounting policies

a. Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises:

a) Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
b) Any directly attributable cost of bringing the asset to its location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation is calculated on pro-rata basis using the diminishing balance method on cost of items of property, plant and equipment less their estimated residual values over the estimated useful lives prescribed under Schedule II of the Companies Act, 2013

The estimated useful lives of items of property, plant and equipment are as follows:

Tangible Assets	Useful life as per Schedule II
Buildings	30 Years
Computers	3 Years
Office Equipments	5 Years
Plant & Machinery	15 Years
Furniture and Fixtures	10 Years
Electrical Installation	10 Years
Motor Cars & Vehicles	8 Years
Office Equipments	5 Years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Transition to Ind AS

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

b. 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. Subsequent expenditure is capitalised 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 the cost of the item can be measured reliably.

Investment properties are being depreciated using the diminishing value method over their estimated useful lives as per schedule II of the Companies Act, 2013.

c. Intangible Assets

Recognition and measurement

Intangible assets such as computer software and patents, which are acquired by the company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the diminishing value method over their estimated useful lives, and is included in depreciation and amortisation in the statement of profit and loss.

Intangible assets are amortised over the estimated useful lives as given below:

Intangible Assets	Useful life as per Schedule II
Computer Software	3 Years
Patents	10 Years

Transition to Ind AS

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

d. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale.

Other borrowing costs are recognised as an expense in the period in which they are incurred

e. Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets.

f. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates enacted or substantively enacted by the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and current tax liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction
- temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:
- the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable Company

g. Inventories

Inventories which comprise raw materials, packing materials, work-in-progress and finished goods are carried at the lower of cost and net realisable value.

The cost of inventories is based on weighted average formula and includes expenditure incurred in acquiring the inventories, costs of production or conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of finished goods and work in progress, cost includes an appropriate share of fixed production overheads based normal operating capacity of production facilities.

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

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

h. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management

i. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost using the effective interest rate method, if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Investment in subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost less provision for diminution other than temporary.

Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

a) Derivative financial instruments and Hedge Accounting

The Company uses various derivative financial instruments such as forwards & options to mitigate the risk of changes in exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

Cash flow hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

Fair Value Hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

b) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

j. Revenue Recognition

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customers, the type of transaction and the specifics of each arrangement.

Sale of Products

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods and acceptance by the buyer. Any additional amount based on the terms of the agreement entered into with customers, is recognized in the period when the collectability of the profit share becomes probable and a reliable measure of the profit share is available. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

As per Ind AS 18, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, sales tax/ value added tax (VAT) / Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Other Operating Revenues

Other Operating revenue consist of Sale of Scrap item arose from the production of finished goods and Research and development income from various activities.

Interest Income

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

Interest income is included in finance income in the statement of profit and loss

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend

Insurance Claims
Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Foreign Currencies

The financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

k. Employee benefits

Short term employee benefits

Liabilities for short term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits payable in the balance sheet.

Post-employment benefits

a) Defined benefit plans

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefits obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the Projected Unit Credit Method at the year end.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in Employee Benefit Expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the profit or loss as past service cost.

b) Defined contribution plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

l. Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

m. Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

n. Earnings per share (EPS)

Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the equity
- By the weighted average number of equity shares outstanding during the financial year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Annexure A. VI : Statement of Material Adjustments to prepare Restated Consolidated Financial Information

I. Below mentioned is the summary of results of adjustments made in the Audited Financial Statements of the respective years and its impact on the restated consolidated summary statement of profit and loss and restated consolidated summary statement of assets and liabilities:

(Rs. in millions)

Sr No.	Particulars	Note	For the Nine months Period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
A	Net profit after Tax as per audited financial statements as per IND AS (Including Other Comprehensive Income) / IGAAP		609.48	781.70	764.08	568.32
B	Material Adjustments on account of :					
i	**Proforma Ind AS adjustments**					
	Acturial gain for Defined Employees Benefits shifted to OCI		-	-	(3.37)	(0.15)
	Deferred tax as per IGAAP		-	-	(21.32)	(15.77)
	Deferred tax as per IndAS		-	-	16.83	6.29
	Provision for ECL		-	-	-	(29.49)
	Provision for ECL (reversal)		-	-	10.97	-
	FZPL Share of loss Not recorded due to no invenstment		-	-	-	0.20
	FZPL Share of Recorded for FY 2014-15		-	-	(0.20)	-
	Acturial gain for Defined Employees Benefits shifted to OCI and Deferred tax there on		-	-	2.03	0.10
	Fair Value of Equity Instruments through OCI		-	-	0.48	-
	Total (i)		**-**	**-**	**5.43**	**(38.81)**
ii	**Restatement Adjustments**					
	Prior Period Adjustment	1(a)	-	-	(0.15)	0.15
	Prior Period Adjustment	1(b)	-	(0.26)	0.26	-
	Reversal of Provision on Gratuity	2	-	-	(0.00)	0.00
	Rates & Taxes Adjustment	3(a)	-	-	5.57	(0.23)
	Rates & Taxes Adjustment	3(b)	-	0.14	-	-
	Rates & Taxes Adjustment	3(c)	-	-	(5.56)	3.71
	Provision for doubtful debts/Bad debts	4	-	2.03	-	-
	Total (ii)		**-**	**1.91**	**0.12**	**3.62**
C	**Total (i+ii)**			**1.91**	**5.55**	**(35.19)**
D	**Tax Adjustments**	5	(0.04)	(2.10)	(2.30)	(1.18)
	Tax effect given effect above	5	-	0.66	1.92	1.23
E	**Total Adjustment (C+D)**		**(0.04)**	**(0.19)**	**3.25**	**(36.38)**
F	**Restated total comprehensive income attributable to owners of equity (A + E)**		**609.44**	**781.52**	**767.33**	**531.95**

II. **Notes**

1 **Prior Period Adjustment**

a This represents excess provision of seminar expenses carried out in FY 2014-15 aggregating to Rs. 0.15 million reversed in FY 2015-16.

b This represents excess provision for exhibition expenses carried out in FY 2015-16 aggregating to Rs. 0.26 million reversed in FY 2016-17.

2 **Employee Benefits**

This represents excess provision for gratuity recorded in FY 2014-15 reversed in FY 2015-16 aggregating to Rs. 2291.

3 **Rates & Tax Adjustments**

This Represents Adjustments of Service Tax, Customs & Vat detailed as below recorded in FY 2015-16 pertaining to earlier years.

		(Rs. in millions)
a	**Service Tax**	
i	Expense pertaining to FY 2014-15	0.23
	Adjustment to Rates & Taxes of FY 2015-16	**5.57**

b **Customs Duty**

This represents Customs Duty aggregating to Rs. 0.14 million written off pertaining to FY 2012-13

		(Rs. in millions)
c	**Interest On Vat Refund**	
i	Interest Pertaining to FY 2014-15	3.71
	Adjustment to Rates & Taxes of FY 2015-16	**5.56**

4 **Provision for Doubtful Debts**

This represents Provision for Doubtful Debts for the FY 2011-12 aggregating to Rs. 2.03 million.

5 **Tax Adjustments**

This represents income tax (current tax +deferred tax) adjustment on account of excess/short provision pertaining to earlier years which has been adjusted in respective years along with tax adjustment on account of restatement of Consolidated financial information.

Annexure A.VI- Statement on Material Adjustments to prepare Restated Consolidated Financial Information

III Matters not requiring Adjustment in Restated Consolidated Financial Information:

The Statutory Auditors have made the following observations as per Audited Financial Statement for the nine months period ended 31 December 2017 and for the financial years 2016-17, 2015-16 and 2014-15, in terms with the requirements of the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Companies Act, 2013.

For the nine months period ended 31 December 2017

According to the records of the Company and information and explanations given to us, in respect of statutory dues including Provident Fund, Employees State Insurance Scheme, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and cess have generally been deposited regularly with the appropriate authorities, as appearing in the books of accounts, except for small a delay in payment in some cases. According to the information and explanations given to us, there are no dues undisputed in respect of Income-tax, sales-tax, custom duty, service tax, excise duty, wealth tax and cess outstanding as on 31 December 2017 for a period of more than 6 months from the date they became payable.

According to the records of the Company and information and explanations given to us, there are statutory dues which have not been deposited on account of dispute. The details are as follows:

Sr. No.	Financial Year / Period	Nature of Demand	Appellate Authority where dispute is pending	Amount Involved (Rs. In millions)	Remarks
1	2005-06	Income Tax	Hon’ble High Court, Mumbai	7.49	Hearing yet to be done.
2	2008-09	Income Tax	Hon’ble High Court, Mumbai	12.60	Hearing yet to be done.
3	2009-10	Income Tax	Hon’ble High Court, Mumbai	14.06	Hearing yet to be done

Auditor's comments in Company Auditor's Report Order - FY 2016-17

Clause vii (a)

According to the records of the Company and information and explanations given to us, in respect of statutory dues including Provident Fund, Employees State Insurance Scheme, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess have generally been deposited regularly with the appropriate authorities, as appearing in the books of accounts, except for small delay in payment in some cases. According to the information and explanations given to us, there are no dues undisputed in respect of Income-tax, sales-tax, custom duty, service tax, excise duty, wealth tax and cess outstanding as on March 31, 2017 for a period of more than 6 months from the date they became payable.

Annexure A.VI- Statement on Material Adjustments to prepare Restated Consolidated Financial Information

Clause vii (b)

According to the records of the company and information & explanations given to us, there are Statutory dues which have not been deposited on account of dispute. The details are as follows:

Sr. No.	Financial Year / Period	Nature of Demand	Appellate Authority where dispute is pending	Amount Involved (Rs. In millions)	Remarks
1	2005-06	Income Tax	Hon'ble High Court, Mumbai	7.49	Hearing yet to be done.
2	2009-10	Income Tax	Hon'ble High Court, Mumbai	14.06	Hearing yet to be done
3	01 April 2010 to 31 March 2012	Service Tax	Commissioner of Central Excise (Appeal), Thane	4.94	Hearing done and order awaited
4	FY2007-08 to 2011-12	Excise Duty	Commissioner of Central Excise (Appeals)	0.5	

Auditor's comments in Company Auditor's Report Order - FY 2015-16

Clause vii (a)

According to the records of the Company and information and explanations given to us, in respect of statutory dues including Provident Fund, Employees State Insurance Scheme, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess have generally been deposited regularly with the appropriate authorities, as appearing in the books of accounts, except for small delay in payment in some cases. According to the information and explanations given to us, there are no dues undisputed in respect of Income-tax, sales-tax, custom duty, service tax, excise duty, wealth tax and cess outstanding as on 31 March 2016 for a period of more than 6 months from the date they became payable.

Clause vii (b)

According to the information and explanations given to us, the following disputed statutory dues have not been deposited as on 31 March 2016:

Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs In millions)
Income Tax Act,1961	Income Tax	High Court, Mumbai	AY 2006-07	7.49
Income Tax Act,1961	Income Tax	High Court, Mumbai	AY 2010-11	14.06
Service Tax	Service Tax	Commissioner of Central Excise (Appeals)	December 2010 to January 2012	1.82
Central Excise Act,1944	Excise Duty	Commissioner of Central Excise (Appeals)	FY 2007-08 to 2011-12	0.50

Auditor's comments in Company Auditor's Report Order - FY 2014-15

Clause vii (a)

According to the records of the Company and information and explanations given to us, in respect of statutory dues including Provident Fund, Employees State Insurance Scheme, Income tax, Sales tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess have generally been deposited regularly with the appropriate authorities, as appearing in the books of accounts, except for small delay in payment in some cases. According to the information and explanations given to us, there are no dues undisputed in respect of Income-tax, sales-tax, custom duty, service tax, excise duty, wealth tax and cess outstanding as on 31 March 2015 for a period of more than 6 months from the date they became payable.

Annexure A.VI- Statement on Material Adjustments to prepare Restated Consolidated Financial Information

<u>Clause vii (b)</u>

According to the information and explanations given to us, the following disputed statutory dues have not been deposited as on 31 March 2015:

Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs In millions)
Income Tax Act,1961	Income Tax	CIT(Appeals), Mumbai	AY 2009-10	17.39
Service Tax	Service Tax	Additional Commissioner, Thane	December 2010 to January 2012	1.82
Central Excise Act,1944	Excise Duty	Deputy Commissioner, Kalyan	FY 2007-08 to 2011-12	0.50

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure A. VII - Notes forming part of Restated Consolidated Financial Information

Note 1 - Restated Consolidated Statement of Property Plant and Equipment (PPE)

(Rs. in millions)

Particulars	Buildings	Factory Flat	Plant and Equipments	Electrical Equipments	Laboratory Equipments	Office Equipments	Furniture & Fixtures	Computer	Vehicles	Total Property Plant and Equipment
For the year ended 31 March 2015 (Proforma)										
Gross carrying value										
Balance at 1 April 2014	422.55	0.28	827.85	48.24	13.67	21.94	37.59	24.52	47.29	1,443.92
Add: Additions during the year	235.06	-	329.76	23.61	-	1.44	0.46	9.81	21.30	621.44
Less: Adjustment	-	-	266.64	2.24	0.75	10.90	6.44	17.86	8.19	313.03
Less: Disposals/ Adjustments	-	-	0.36	-	-	-	-	-	2.92	3.28
Balance at 31 March 2015 (Proforma)	657.61	0.28	890.61	69.62	12.91	12.47	31.61	16.47	57.48	1,749.06
Accumulated depreciation										
Balance at 1 April 2014	185.60	0.08	458.34	25.79	7.72	9.62	24.75	19.03	31.69	762.62
Depreciation for the year	27.01	0.01	161.58	10.17	2.68	5.48	4.67	6.84	7.34	225.77
Less: Adjustment	-	-	219.20	2.02	0.66	7.49	6.20	17.07	8.08	260.71
Less: Disposals/ Adjustments	-	-	0.26	-	-	-	-	-	2.59	2.84
Balance at 31 March 2015 (Proforma)	212.61	0.09	400.47	33.94	9.74	7.61	23.22	8.79	28.37	724.84
Carrying amounts (net) as at 31 March 2015 (Proforma)	**445.00**	**0.18**	**490.14**	**35.68**	**3.17**	**4.87**	**8.39**	**7.67**	**29.11**	**1,024.22**
For the year ended 31 March 2016										
Gross carrying value										
Balance at 1 April 2015	657.61	0.28	890.61	69.62	12.91	12.47	31.61	16.47	57.48	1,749.06
Add: Assets Transferred from Amalgamating Companies	45.99	-	2.09	0.51	37.15	7.04	7.82	0.86	1.45	102.90
Add: Additions during the year	85.97	-	96.06	20.53	9.25	11.26	21.06	16.13	6.85	267.11
Disposals	-	-	0.04	-	-	-	-	0.07	5.24	5.34
Balance at 31 March 2016 (Proforma)	789.57	0.28	988.72	90.65	59.31	30.77	60.49	33.39	60.55	2,113.73
Accumulated depreciation										
Balance at 1 April 2015	212.61	0.09	400.47	33.94	9.74	7.61	23.22	8.79	28.37	724.84
Add: Depreciation on Assets Transferred from Amalgamating Company	27.56	-	1.77	0.46	29.42	5.92	7.21	0.40	0.99	73.74
Depreciation for the year	47.82	0.01	193.86	15.07	5.06	5.73	6.26	11.45	10.14	295.39
Disposals	-	-	0.02	-	-	-	-	0.04	4.93	4.98
Balance at 31 March 2016 (Proforma)	287.99	0.10	596.09	49.47	44.23	19.26	36.69	20.61	34.56	1,089.00
Carrying amounts (net) as at 31 March 2016 Proforma	**501.58**	**0.18**	**392.63**	**41.19**	**15.08**	**11.51**	**23.79**	**12.78**	**25.99**	**1,024.73**
For the year ended 31 March 2017										
Gross carrying value										
Balance at 1 April 2016	789.57	0.28	988.72	90.65	59.31	30.77	60.49	33.39	60.55	2,113.73
Add: Additions during the year	68.56	-	65.84	4.40	4.35	12.90	4.30	10.94	8.23	179.52
Less: Disposals/ Adjustments	1.62	-	-	-	-	0.01	0.20	0.14	0.97	2.94
Balance as at 31 March 2017	**856.51**	**0.28**	**1,054.55**	**95.05**	**63.67**	**43.66**	**64.59**	**44.19**	**67.81**	**2,290.30**
Accumulated Depreciation										-
Balance as at 1 April 2016	287.99	0.10	596.09	49.47	44.23	19.26	36.69	20.61	34.56	1,089.00
Add: Depreciation for the Year	50.14	0.01	135.56	11.86	4.79	7.90	6.77	10.33	8.94	236.30
Less: Disposals/ Adjustments	1.50	-	-	-	-	0.00	0.18	0.11	0.92	2.73
Balance as at 31 March 2017	**336.63**	**0.11**	**731.65**	**61.32**	**49.02**	**27.15**	**43.28**	**30.83**	**42.58**	**1,322.57**
Carrying amounts (net) as at 31 March 2017	**519.87**	**0.17**	**322.91**	**33.73**	**14.65**	**16.51**	**21.31**	**13.36**	**25.23**	**967.73**
For the Nine months period ended 31 December 2017										
Gross carrying value										
Balance at 1 April 2017	856.51	0.28	1,054.55	95.05	63.67	43.66	64.59	44.19	67.81	2,290.30
Additions/(transfers)	20.34	-	57.32	2.28	0.43	4.65	0.67	3.89	11.92	101.49
Disposals	-	-	-	-	-	-	-	-	7.99	7.99
Balance at 31 December 2017	**876.85**	**0.28**	**1,111.87**	**97.33**	**64.09**	**48.32**	**65.25**	**48.07**	**71.74**	**2,383.81**
Accumulated depreciation										
Balance at 1 April 2017	336.63	0.11	731.65	61.32	49.02	27.15	43.28	30.83	42.58	1,322.57
Depreciation for the period	37.36	0.01	75.59	6.98	2.82	5.77	4.06	6.80	6.58	145.95
Disposals	-	-	-	-	-	-	-	-	7.29	7.29
Balance at 31 December 2017	**373.99**	**0.11**	**807.24**	**68.30**	**51.84**	**32.92**	**47.34**	**37.62**	**41.87**	**1,461.24**
Carrying amounts (net) as at 31 December 2017	**502.86**	**0.16**	**304.63**	**29.03**	**12.25**	**15.40**	**17.91**	**10.45**	**29.87**	**922.56**

Note 1.1

1.Additions and deletions for the year ended 31 March 2016 includes assets transferred on account of amalgamation [Refer Note 36(a)]

2. Out of the total deletion for the year ended 31 March,2017, cost of Rs 1.97 million is due to fire at Dombivli Plant of amalgamating Company FSSPL

Note 1.2

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 2 - Restated Consolidated Statement of Capital Work in Progress

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	2016 (Proforma Ind AS)	2015 (Proforma Ind AS)
Gross Carrying Amount				
Balance as at the beginning of the year	27.97	56.50	81.50	241.48
Add: Opening Balance of FSSPL	-	-	-	-
Additions during the year	114.91	149.00	220.31	412.56
Written off during the year	-	-	-	-
Capitalization during the year	75.50	177.52	245.31	572.92
Balance as at the end of the year	**67.39**	**27.97**	**56.50**	**81.12**

Note 3 - Restated Consolidated Statement of Intangible Assets

(Rs. in millions)

Particulars	Software	Patents	Total Intangible Assets
For the year ended 31 March 2015 (Proforma)			
Gross carrying value			
Balance at 1 April 2014	-	-	-
Additions/transfers	-	-	-
Disposals	-	-	-
Balance at 31 March 2015 (Proforma)	**-**	**-**	**-**
Accumulated amortisation			
Balance at 1 April 2014	-	-	-
Add: Amortisation for the Period	-	-	-
Less: Disposals/ Adjustments	-	-	-
Balance at 31 March 2015 (Proforma)	**-**	**-**	**-**
Carrying amounts (net) as at 31 March 2015 (Proforma)	**-**	**-**	**-**
For the year ended 31 March 2016			
Gross carrying value			
Balance at 1 April 2015	-	-	-
Add: Assets Transferred from Amalgamating Companies	-	0.35	0.35
Add: Additions during the year	0.94	0.31	1.24
Disposals	-	-	-
Balance at 31 March 2016 (Proforma)	**0.94**	**0.66**	**1.60**
Accumulated amortisation			
Balance at 1 April 2015	-	-	-
Add: Depreciation on Assets Transferred from Amalgamating Company	-	0.03	0.03
Add: Amortisation for the Period	0.20	0.04	0.25
Less: Disposals/ Adjustments	-	-	-
Balance at 31 March 2016 (Proforma)	**0.20**	**0.07**	**0.28**
Carrying amounts (net) as at 31 March 2016 (Proforma)	**0.74**	**0.59**	**1.32**
For the year ended 31 March 2017			
Gross Carrying Amount			
Balance as at April 1, 2016	0.94	0.66	1.60
Add: Additions during the year	0.42	1.19	1.61
Less: Disposals/ Adjustments	-	-	-
Balance as at March 31, 2017	**1.36**	**1.84**	**3.20**
Accumulated Depreciation			
Balance as at April 1, 2016	0.20	0.07	0.28
Add: Amortisation for the Period	0.69	0.14	0.83
Less: Disposals/ Adjustments	-	-	-
Balance as at March 31, 2017	**0.89**	**0.21**	**1.10**
Carrying amounts (net) as at 31 March 2017	**0.47**	**1.63**	**2.10**
For the Nine months period ended 31 December 2017			
Gross carrying value			
Balance at 1 April 2017	1.36	1.84	3.20
Additions/transfers	0.04	0.25	0.30
Disposals	-	-	-
Balance at 31 December 2017	**1.40**	**2.10**	**3.50**
Accumulated amortisation			
Balance at 1 April 2017	0.89	0.21	1.10
Add: Amortisation for the Period	0.15	0.15	0.30
Less: Disposals/ Adjustments	-	-	-
Balance at 31 December 2017	**1.03**	**0.37**	**1.40**
Carrying amounts (net) as at 31 December 2017	**0.37**	**1.73**	**2.10**

Note 3.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 4 - Restated Consolidated Statement of Non Current Financial Assets : Investments

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Unquoted Investment in Equity Instruments of Jointly Controlled Entity				
Fine Zeelandia Private Limited	105.19	110.18	52.14	-
(11,284,250 shares purchased of Rs. 10/- each fully paid up)				
Unquoted Investment in Equity Instruments at FVTOCI				
Saraswat Co-op. Bank	0.52	0.52	0.51	-
(2,500 shares purchased of Rs 10/- each fully paid up)				
Total	**105.70**	**110.69**	**52.65**	**-**

Note 4.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 5 - Restated Consolidated Statement of Non Current Financial Assets : Loans

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Unsecured, considered good	-	-	-	-
Total	**-**	**-**	**-**	**-**

Note 5.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 6 - Restated Consolidated Statement of Non Current Financial Assets : Others

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Security Deposits (Amortised Cost)	1.76	0.42	0.42	0.42
Fixed Deposits with Bank	1.10	0.87	-	0.28
(Original Maturity More than 12 months)				
Total	**2.86**	**1.28**	**0.42**	**0.70**

Note 6.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A. VII - Notes forming part of Restated Consolidated Financial Information

Note 7 - Restated Consolidated Statement of Deferred Tax Assets/(Liabilities) (Net)

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Opening Balance	34.53	14.35	(3.44)	-
Add : Addition recognised in Profit / Loss during the year / Period	4.47	17.90	16.79	-
Add : Addition recognised in OCI during the Year / Period	-	1.11	(1.33)	-
Add : Addition on account of Amalgamation	-	-	2.34	-
Add : Deferred Tax Liabilities on Actuarial Gain Loss on employee benefits of FY 2015-16	-	1.17	-	-
Closing Balance *	39.00	34.53	14.35	(3.44)
Total	**39.00**	**34.53**	**14.35**	**(3.44)**

* This includes deferred tax on account of restatement adjustments and IND AS Adjustment

Note 7.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V,

Note 8 - Restated Consolidated Statement of Other Non Current Assets

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Capital Advances	393.59	245.76	284.38	283.87
(Unsecured, Considered good)	-	-	-	-
Security Deposits	17.29	16.32	14.71	13.16
Income Tax Refund Receivable	6.93	11.40	11.40	18.02
Prepaid Rent on Leasehold Land	216.69	218.57	221.08	212.36
Prepaid Rent on Factory Premises	0.20	-	-	-
Total	**634.70**	**492.05**	**531.56**	**527.41**

Note 8.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V,

Note 9 - Restated Consolidated Statement of Inventories

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Raw Materials and Packing Materials	410.41	420.00	344.52	275.18
Semi-Finished Goods	27.38	6.77	8.99	21.08
Trading Goods	43.07	35.28	24.52	31.34
Finished goods	301.05	375.96	324.51	268.44
Consumables	3.48	2.59	2.65	4.27
Stores & Spares	80.63	79.23	55.03	51.12
Less: Unrealised Profit	-	-	-	(7.06)
Total	**866.01**	**919.83**	**760.23**	**644.36**

Note 9.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 10 - Restated Consolidated Statement of Current Financial Assets : Trade Receivables

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Unsecured				
Considered good	1,179.07	1,128.39	888.39	894.22
Considered Doubtful	-	-	-	-
Less: Provision for doubtful Debts /expected credit loss	6.98	14.39	20.55	31.52
Total	**1,172.09**	**1,114.00**	**867.85**	**862.70**

Note 10.1 - Movement of Expected Credit Loss

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Opening Balance	14.39	20.55	31.52	-
Add: Addition during the year /period	-	-	-	31.52
less: Reversal during the year /period	7.41	6.16	10.97	-
Closing Balance	**6.98**	**14.39**	**20.55**	**31.52**

Note 10.2

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 11 - Restated Consolidated Statement of Current Financial Assets : Cash and cash equivalents

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Balances with Banks				
In Current Account	226.79	85.73	322.99	22.70
In Exchange Earning Foreign Currency Account	29.96	31.38	34.04	5.78
In Fixed Deposit Account	2.09	21.56	33.89	-
(with original maturity of less than 3 months)				
Cash on hand	1.96	1.04	2.59	1.23
Cheques on Hand	-	-	-	0.71
Cash and cash equivalents in the statement of cash flows	**260.79**	**139.70**	**393.50**	**30.42**

Note 11.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 12 - Restated Consolidated Statement of Current Financial Assets : Bank Balances

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Balances with Banks				
In Fixed Deposits	1.85	39.46	28.28	3.26
(with original maturity of 12 months or less)				
Total	**1.85**	**39.46**	**28.28**	**3.26**

Note 12.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 13 - Restated Consolidated Statement of Current Financial Assets : Loans

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Unsecured, Considered Good				
Loans to employees	7.30	7.35	7.61	5.70
Total	**7.30**	**7.35**	**7.61**	**5.70**

Note 13.1
a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.
b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 14 - Restated Consolidated Statement of Current Financial Assets : Others

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Unsecured, Considered Good				
Security Deposit to Trade Creditors	1.10	0.98	1.02	0.14
Prepaid Rent on Factory Premises	0.25	-	-	-
- Others (to be specified)	-	-	-	-
Total	**1.35**	**0.98**	**1.02**	**0.14**

Note 14.1
a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.
b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 15 - Restated Consolidated Statement of Current Tax Assets (Net)

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Advance Income tax (Net of Provision for Taxation)	23.78	39.74	-	15.19
Total	**23.78**	**39.74**	**-**	**15.19**

Note 15.1
a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.
b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 16 - Restated Consolidated Statement of Other Current Assets

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Prepaid expenses	14.07	20.07	14.23	11.99
Balance with Statutory / Government Authorities *	288.97	125.82	66.44	115.13
Gratuity Fund Balance with LIC of India	5.92	5.92	7.21	3.98
Other Advances (including advance to suppliers)				
Unsecured, Considered good	321.77	407.38	328.13	389.77
Total	**630.72**	**559.18**	**416.00**	**520.87**

Note 16.1
a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.
b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

* Balances with Government Authorities primarily include amounts realisable from the excise, service tax, value added tax and customs authorities of India, the unutilised excise input credits on purchases and amounts paid under protest relating to indirect tax matters. These are generally realised within one year or regularly utilised to offset the excise duty liability on goods manufactured by the Company. Accordingly, these balances have been classified as "Other Current Assets".

Note 17 - Restated Consolidated Statement of Equity Share Capital

(Rs. in millions)

Sr. No.	Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
1	**AUTHORISED**				
	40,000,000 Equity Shares of Re. 5/- each	200.00	52.00	52.00	51.00
	(For the year ended 31st March 2015 - 5,100,000 Equity Shares & for the year ended 31st March 2016 and 2017 respectively 5,200,000 Equity Shares of Re. 10/- each)	-	-	-	-
	[Refer Note 36(a)]	-	-	-	-
	Total	**200.00**	**52.00**	**52.00**	**51.00**
2	**ISSUED, SUBSCRIBED AND PAID-UP**				
	3,06,59,976 Equity Shares of Rs. 5/- each	153.30	48.30	48.30	48.30
	(Previous Years: 4,829,996 Equity Shares of Re. 10/- each)	-	-	-	-
		-	-	-	-
	Total	**153.30**	**48.30**	**48.30**	**48.30**
3	**EQUITY SHARE SUSPENSE ACCOUNT**				
	[280,000 ordinary equity shares of Rs. 10/- each issued as fully paid up to the shareholders of Fine Research & Development Centre Private Limited ("FRDCPL") & Fine Speciality Surfactants Private Limited ("FSSPL") as per the scheme of amalgamation] [Refer Note 36(a)]	-	2.80	2.80	0.00
	Total	**0.00**	**2.80**	**2.80**	**0.00**

Note 17.1- Details of Shareholders holding more than 5 % shares of the Company

Sr. No.	Name of share holders	As at 31 December 2017 (Ind AS)		As at 31 March 2017 (Ind AS)		As at 31 March 2016 (Proforma Ind AS)		As at 31 March 2015 (Proforma Ind AS)	
		Numbers of Share	% in Share Capital	Numbers of Share	% in Share Capital	Numbers of Share	% in Share Capital	Numbers of Share	% in Share Capital
1	Mukesh Maganlal Shah	2,588,442	8.44	403,945	8.36	403,945	8.36	807,884	16.73
2	Prakash Damodar Kamat	5,982,840	19.51	941,355	19.49	941,355	19.49	941,350	19.49
3	Jayen Ramesh Shah	4,953,630	16.16	808,455	16.74	808,455	16.74	807,308	16.71
4	Jyotsna Ramesh Shah	5,870,862	19.15	922,489	19.10	922,489	19.10	922,479	19.10
5	Bimal Mukesh Shah	2,822,436	9.21	456,244	9.45	456,244	9.45	-	0.00
6	Tushar Ramesh Shah	5,229,186	17.06	860,715	17.82	860,715	17.82	859,572	17.80

Note 17.2 - Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Sr. No.	Particulars	As at 31 December 2017 (Ind AS)		As at 31 March 2017 (Ind AS)		As at 31 March 2016 (Proforma Ind AS)		As at 31 March 2015 (Proforma Ind AS)	
		No. of Shares	% held	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
1	Number of shares at the beginning of the year	4,829,996	15.75	4,829,996	100.00	4,829,996	100.00	4,829,996	100.00
2	Issued during the year/period *	25,829,980	84.25	-	-	-	-	-	-
3	**Number of shares at the end of the year**	**30,659,976**	**100.00**	**4,829,996**	**100.00**	**4,829,996**	**100.00**	**4,829,996**	**100.00**

*Shares issued to amalgamating companies, i.e., 'FRDCPL' & 'FSSPL' as appearing in Share Capital Suspense Account are not included in above table as at 31 March 2016 and 2017 respectively [Refer note no. 36(a)]
These shares have been issued to the shareholders of the amalgamating companies and allotted during the nine months period ended 31 December 2017. Subsequent to allotment of shares to the amalgamating companies, the Company has issued bonus shares in the ratio of 2 shares for every 1 share, on 16 October 2017 thereby making the total number of shares 15,329,988. Further, there was subdivision of equity shares of face value of Rs. 10 each into equity shares of face value of Rs. 5 each on 06 November 2017, thereby making the total number of shares 30,659,976.

Note 17.3 : Rights, Preferences & Restrictions of each class of shares

The Company has issued one class of shares, i.e. equity shares, which enjoys the same rights in respect of voting, payment of dividend and repayment of capital. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Note 17.4 : Particulars of shares reserved for options and contracts / commitments for sale of shares / disinvestment

The Company has not reserved any shares for issue of options and contracts / commitments for sale of shares / disinvestment.

Note 17.5 : Particulars of shares issued / allotted as fully paid up by way of consideration other than cash

Subsequently the Company has issued 280,000 Equity Shares of Rs. 10 each on 05 July 2017 for consideration other than cash to the shareholders of FRDCPL and FSSPL on account of amalgamation.

The Company has issued bonus shares to all the shareholders in the ratio of 2 shares for every 1 share on 16 October 2017, thereby making the total number of shares to 15,329,988. Further, there was a subdivision of equity shares of face value of Rs. 10 each into equity shares of face value of Rs. 5 each on 06 November 2017, thereby making total number of shares 30,659,976.

Note 17.6 : Particulars of calls unpaid

There is no calls unpaid, thus such disclosure is not applicable.

Note 17.7 : Subdivision of Shares

The Shareholders vide a special resolution has approved sub division of shares of the Company in the ratio of 2 shares of face value of Rs. 5 each for every existing 1 share of the face value of Rs. 10 each.
The requisite approvals for modification of the Memorandum and Articles of Association of the Company had been accorded by the shareholders on 06 November 2017.

Note 17.8

a The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A. VII - Notes forming part of Restated Consolidated Financial Information

Note 18 - Restated Consolidated Statement of Other Equity

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
(a) General Reserve				
Balance as at the beginning of year	47.39	47.39	47.39	47.39
Less:Utilized for the purpose of Bonus Issue	47.39	-	-	-
Balance as at the end of the year	**-**	**47.39**	**47.39**	**47.39**
(b) Amalgamation Reserve	**115.52**	**115.52**	**115.52**	**-**
(Includes Rs.4,23,400 On Account of Amalgamation of FSSPL)				
(c) Securities Premium Account				
Balance as at the beginning of year	0.00	0.00	0.00	0.00
Less: Utilized for the purpose of Bonus Issue	0.00	-	-	-
Balance as at the end of the year	**-**	**0.00**	**0.00**	**0.00**
(d) Foreign Currency Translation Reserve				
Balance as at the beginning of year	(6.48)	(4.21)	(0.58)	-
Add: Additions during the year	(2.05)	(2.27)	(3.63)	(0.58)
Balance as at the end of the year	**(8.52)**	**(6.48)**	**(4.21)**	**(0.58)**
(e) Retained Earnings				
Balance as at the beginning of year	3,083.35	2,298.56	1,976.97	1,497.44
Add:				
Profit for the year	609.44	783.62	764.81	531.85
Deferred Tax income of F Y 15-16 on actuarial gain / loss	-	1.17	-	-
Less:				
Utilized for the purpose of Bonus Issue	54.81	-	-	-
Dividend paid on Equity shares	229.95	-	-	-
Dividend Distribution Tax Paid	46.81	-	-	-
Proposed Dividend of FY 2014-15	-	-	144.90	-
Adjustment relating to Fixed Assets	-	-	-	52.32
Income Tax on Proposed Dividend of FY 2014-15	-	-	29.50	-
Interim Dividend on Equity shares	-	-	223.35	-
Income Tax on Interim Dividend	-	-	45.47	-
Balance as at the end of the year	**3,361.21**	**3,083.35**	**2,298.56**	**1,976.97**
(e) Other Comprehensive Income				
Balance as at the beginning of year	0.52	2.62	0.10	-
Add: Other Comprehensive Income for the Year	-	(2.10)	2.52	0.10
Balance as at the end of the year	0.52	0.52	2.62	0.10
Total (a + b + c + d + e)	**3,468.73**	**3,240.30**	**2,459.88**	**2,023.87**

Note 18.1

a) The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 19 - Restated Consolidated Statement of Non Current Financial Liabilities : Borrowings

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Secured Loans				
Foreign Currency Term Loan*				
From Financial Institution	-	-	212.68	290.55
Total	-	-	212.68	290.55

***Note 19.1**

Nature of Loan	Lender	As at 31 March 2015 (Rs. In Million)		Nature of Securities	Interest Rate	Tenure of Repayment
		Non-Current	Current			
Foreign Currency Term Loan	UBI	290.55	80.04	EM on Land & Building, Hyp of Plant & Machinery	BR + 4% (BR = 10.25%)	5 Years

Nature of Loan	Lender	As at 31 March 2016 (Rs. In Million)		Nature of Securities	Interest Rate	Tenure of Repayment
		Non-Current	Current			
Foreign Currency Term Loan	UBI	212.68	80.04	First Pari Passu Charge on Current Asset with Citi Bank NA, Hyp of Stock & Debtors	BR + 2% (BR = 10.25%)	5 Years

Note 19.2

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 20 - Restated Consolidated Statement of Current Financial Liabilities : Borrowings

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Secured Loans				
From a Scheduled Bank Repayable on demand*				
Cash Credit Facility	285.48	99.88	193.34	141.91
Packing Credit	-	-	231.74	251.40
Term Loan	-	-	0.00	0.00
Unsecured Loans				
Loans from Directors	-	302.75	303.61	262.59
Total	**285.48**	**402.62**	**728.68**	**655.90**

***Note : 20.1**

Nature of Loan	Lender	As at 31 March 2015 (Rs. In Million) Current	Nature of Securities	Interest Rate	Tenure of Repayment
Cash Credit	UBI	100.41	First Pari Passu Charge on Current Asset with Citi Bank NA, Hyp of Stock & Debtors	BR + 3.75% (BR = 10.25%)	On demand
Cash Credit	CITI Bank	41.50	First Pari Passu Charge on Present and Future Stocks and books debts of the borrower, Personal Guarantee of Mr. Bimal Shah and Mr. Tushar Shah, Security to be in line with existing working capital bankers	0.14	On demand
Packing Credit	CITI Bank	251.40	First Pari Passu Charge on Present and Future Stocks and books debts of the borrower, Personal Guarantee of Mr. Bimal Shah and Mr. Tushar Shah, Security to be in line with existing working capital bankers	0.02	On demand
Term Loan	UBI	0.00	EM on Land & Building, Hyp of Plant & Machinery	BR + 4% (BR = 10.25%)	On demand

Nature of Loan	Lender	As at 31 March 2016 (Rs. In Million) Current	Nature of Securities	Interest Rate	Tenure of Repayment
Cash Credit	UBI	193.34	First Pari Passu Charge on Current Asset with Citi Bank NA, Hyp of Stock & Debtors	BR + 2% (BR = 10.25%)	On demand
Packing Credit	CITI Bank	231.74	First Pari Passu Charge on Present and Future Stocks and books debts of the borrower, Security to be in line with existing working capital bankers	1 month libor + 1.5% (1 months libor - 0.43)	On demand
Term Loan	UBI	0.00	EM on Land & Building, Hyp of Plant & Machinery	BR + 4% (BR = 10.25%)	On demand

Nature of Loan	Lender	As at 31 March 2017 (Rs. in million) Current	Nature of Securities	Interest Rate	Tenure of Repayment
Cash Credit	UBI	25.10	First Pari Passu Charge on Current Asset with Citi Bank NA, Hyp of Stock & Debtors	MCLR + 1.4% (MCLR = 9.5%)	On demand
Cash Credit	CITI Bank	74.77	First Pari Passu Charge on Present and Future Stocks and books debts of the borrower, Security to be in line with existing working capital bankers	12.50% till 23rd Aug 16, then 11% from till 21 March 2017 and thereafter 9.5%	On demand

Nature of Loan	Lender	As at 31 December 2017 (Rs. in million) Current	Nature of Securities	Interest Rate	Tenure of Repayment
Cash Credit	CITI Bank	285.48	First Pari Passu Charge on Present and Future Stocks and books debts of the borrower, Security to be in line with existing working capital bankers	0.10	On demand

Note 20.2

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 21 - Restated Consolidated Statement of Current Financial Liabilities : Trade Payables

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Micro, Small and Medium Enterprises*	44.24	38.35	35.16	25.12
Others	726.78	604.89	498.23	507.44
Total	**771.02**	**643.24**	**533.39**	**532.55**

* Due to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

Note 21.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 22 - Restated Consolidated Statement of Current Financial Liabilities : Others

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Current maturities of long-term debt (Refer Note 19.1)	-	-	80.04	80.04
Security Deposits	8.15	9.12	6.33	8.13
Total	**8.15**	**9.12**	**86.37**	**88.17**

Note 22.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 23 - Restated Consolidated Statement of Other Current Liabilities

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Statutory dues payable	14.53	66.92	52.12	43.25
Advances from customers	16.86	25.33	11.72	18.79
Other Liabilities	17.15	15.00	11.89	9.62
Insurance Claim Received Pending Settlement / Allocation (Refer Note 36(b))	2.99	2.99	-	-
Total	**51.52**	**110.24**	**75.73**	**71.65**

Note 23.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 24 - Restated Consolidated Statement of Current Liabilities: Provisions

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Proposed Dividend	-	-	-	-
Dividend Distribution tax	-	-	-	-
Provision for employee benefits expenses	-	-	3.26	1.66
Total	**-**	**-**	**3.26**	**1.66**

Note 24.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 25 - Restated Consolidated Statement of Current Tax Liabilities (Net)

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Provision for Income Tax (Net of Taxes Paid)	-	-	4.93	-
Total	**-**	**-**	**4.93**	**-**

Note 25.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 26 - Restated Consolidated Statement of Revenue from Operations

(Rs. in millions)

Particulars	For the Nine month period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Sale of Products				
Speciality Chemicals	5,802.67	8,029.50	6,648.33	6,133.10
Others	101.43	118.45	210.04	225.39
Total [A]	**5,904.10**	**8,147.95**	**6,858.37**	**6,358.49**
Other Operating Revenue				
Income from sale of Scrap	0.17	1.06	1.13	0.83
Research and Development Receipts	-	0.36	0.58	-
Total [B]	**0.17**	**1.42**	**1.71**	**0.83**
Total [A] + [B]	**5,904.27**	**8,149.36**	**6,860.08**	**6,359.32**

Note 26.1
a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.
b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 27 - Restated Consolidated Statement of Other Income

(Rs. in millions)

Particulars	For the Nine month period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Interest Income	3.32	10.25	11.99	2.23
Dividend Income	0.01	0.00	-	-
Net gain on foreign exchange fluctuations	-	25.24	73.74	-
Net gain on foreign Currency Transaction & Translation	-	-	-	8.37
Custom Duty Refund	-	0.19	2.83	-
Other Non Operating Income				
Profit on Sale of PPE (net of Loss on sale/discard of PPE)	0.36	0.23	0.74	0.37
Insurance claim received	-	0.08	0.00	0.07
Status Holder Incentive Scrip License	-	-	0.61	5.26
Other Income	-	-	0.38	0.23
FPS Duty Benefit	-	1.05	-	-
Service Tax Refund (Customs)	-	2.51	-	-
Miscellaneous Income	0.07	0.02	-	-
Processing Charges Received	-	0.19	0.77	-
Dividend Income	-	-	0.00	-
Reversal of Gratuity	-	-	(0.00)	0.00
Other Income	0.60	-	0.03	3.71
Exchange Gain on Foreign Currency Term Loan & EEFC	69.04	0.24	-	-
Compensation received (Refer Note 36(g))	7.00	-	-	-
Reversal for allowance of expected Credit loss on Trade receivables	7.41	4.13	10.97	-
Total	**87.80**	**44.13**	**102.07**	**20.25**

Note 27.1
a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.
b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 28 - Restated Consolidated Statement of Cost of Material Consumed

(Rs. in millions)

Particulars	For the Nine month period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Raw Materials and packing Materials Consumed				
Opening Stock at the beginning of the year	420.00	344.52	275.18	250.78
Add : Stock Transferred from Amalgamating Companies	-	-	10.94	-
Add : Purchases and incidental expenses	3,771.18	5,109.83	3,952.78	3,891.28
	4,191.18	5,454.35	4,238.89	4,142.06
Less : Loss of Stock due to Fire	-	6.78	-	-
Less : Closing stock at the end of the year	410.41	420.00	344.52	275.18
Total	**3,780.77**	**5,027.57**	**3,894.37**	**3,866.89**

Note 28.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 29 - Restated Consolidated Statement of Changes In Finished Goods, Work in Progress and Trading Goods

(Rs. in millions)

Particulars	For the Nine month period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
A] Opening stock of inventories				
Finished Goods	375.96	324.51	268.44	225.68
Semi-Finished Goods	6.77	8.99	21.08	19.29
Trading Goods	35.28	24.52	24.27	4.73
Add: Opening stock transferred from Amalgamating Companies	-	-	-	-
Finished Goods	-	-	1.06	-
Semi-Finished Goods	-	-	2.38	-
Adjustment of Foreign Currency Translation Reserve		-1.32		
Total [A]	**418.01**	**356.71**	**317.24**	**249.70**
B] Closing Stock of inventories				
Finished Goods	301.05	375.96	324.51	268.44
Semi-Finished Goods	27.38	6.77	8.99	21.08
Trading Goods	43.07	35.28	24.52	24.27
Total [B]	**371.49**	**418.01**	**358.03**	**313.79**
Net Total [A] - [B]	**46.52**	**(61.30)**	**(40.79)**	**(64.09)**

Note 29.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 30 - Restated Consolidated Statement of Employee Benefit Expenses

(Rs. in millions)

Particulars	For the Nine month period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Salaries and other benefits to Directors	105.10	338.21	273.58	238.42
Salaries, wages & other benefits to others	250.51	275.04	251.39	188.16
Contribution to Provident Fund and other Funds	19.69	10.39	6.90	4.50
Employee Welfare and other amenities	3.79	19.15	13.53	12.26
Total	**379.08**	**642.80**	**545.40**	**443.34**

As per Indian Accounting Standard 19 “Employee Benefits” the disclosures as defined are given below:

A] <u>Defined Contribution Plans</u>

The company makes contributions towards provident fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefit.

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

(Rs. in millions)

Particulars	For the Nine month period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Employer’s Contribution to Provident fund	1.61	1.91	1.65	1.04
Employer’s Contribution to Pension Scheme	3.62	4.10	3.62	2.32
Total	**5.23**	**6.01**	**5.27**	**3.36**

Note 30 - Restated Consolidated Statement of Employee Benefit Expenses

B] Defined Benefits Plans

(i) Reconciliation of opening and closing balances of the present value of the defined benefit obligation

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Defined Benefit Obligation at beginning of the Year	-	29.63	29.84	21.93
Add: Current Service Cost	-	1.99	2.05	1.65
Add: Current Interest Cost	-	2.38	2.39	1.75
Add: Actuarial (Gain) / Loss	-	3.22	(3.37)	(0.15)
Add: Benefits paid / (Received)	-	(0.50)	(1.28)	(0.15)
Defined Benefit Obligation at the end of the Year	**-**	**36.71**	**29.63**	**25.04**

(ii) Reconciliation of opening & closing balances of fair value of plan assets

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Fair Value of Plan Asset at beginning of the Year	-	36.84	34.53	25.17
Add: Interest Income	-	-	-	-
Add: Expected Return on Plan Assets	-	3.04	2.81	2.26
Add: Contributions Paid	-	3.25	0.77	1.74
Add: Fund Transferred In	-	-	-	-
Less: Fund Transferred out	-	-	-	-
Add: Benefits Paid / (Received)	-	(0.50)	(1.28)	(0.15)
Fair Value of Plan Asset at the end of the Year	**-**	**42.63**	**36.84**	**29.03**

(iii) Net Liability/(Assets) recognised in the Balance Sheet

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Present Value of Defined Benefit Obligation at end of the Year	-	36.71	29.63	25.04
Less: Fair Value of Plan Asset at the end of the Year	-	42.63	36.84	29.03
Liability/ (Asset) recognised in the Balance Sheet	**-**	**(5.92)**	**(7.21)**	**(3.98)**

Note 30 - Restated Consolidated Statement of Employee Benefit Expenses

B] Defined Benefits Plans

(iv) Expenses Recognised During the year

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
In Income Statement				
(a) Current Service Cost	-	1.99	2.05	1.65
(b) Net Interest Cost	-	2.38	2.39	1.75
Expected Return on plan Assets	-	(3.04)	(2.81)	(2.26)
Net Cost [(a) - (b)]	-	(3.43)	(3.15)	(2.37)
In Other Comprehensive Income (OCI)				
(a) Actuarial (Gain)/ Loss	-	3.22	(3.37)	(0.15)
(b) Return on plan assets	-	-	-	-
Net (Income)/Expenses for the period recognised in OCI [(a) - (b)]	-	3.22	(3.37)	(0.15)

(v) Assumptions used to determine the defined benefit obligation

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Valuation Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method
Mortality Table Rate	LIC (1994 - 96) Ultimate	LIC (1994 - 96) Ultimate	LIC (1994 - 96) Ultimate	LIC (1994 - 96) Ultimate
Discount Rate(p.a.)	-	8.00 % P.A.	8.00 % P.A.	8.00 % P.A.
Estimated rate of return on Plan Assets(p.a.)	-			
Expected rate of increase in salary(p.a.)	-	5.00 % P.A.	5.00 % P.A.	7.00 % P.A.

Provision for Gratuity has been made for the nine months period ended 31 December 2017 on proportionate estimated basis in absence of actuarial valuation.For the year ended 31 March,2015, 31 March,2016 & 31 March,2017, the actuarial valuation for this purpose were available as per previous GAAP and adjustment to fair value has been done for these periods. Management estimates that the provisions are adequate in this regard.

Note 30.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 31 - Restated Consolidated Statement of Finance Costs

(Rs. in millions)

Particulars	For the Nine month period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Interest Expenses	16.33	38.20	60.96	70.84
Exchange Loss on Foreign Currency Term Loan & EEFC	1.09	-	16.00	0.33
Bank Charges and Commission	5.65	5.55	5.50	5.36
Franking Charges	-	0.09	0.60	0.45
Registration Charges	-	-	0.03	-
Stamp Duty	1.56	0.04	-	-
Premium / Discount on Forward Contract	5.56	1.78	-	-
Total	**30.20**	**45.66**	**83.09**	**76.99**

Note 31.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 32 - Restated Consolidated Statement of Depreciation / Impairment & Amortization Expenses

(Rs. in millions)

Particulars	For the Nine month period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Depreciation / Amortisation on Property, Plant and Equipment	145.95	236.30	295.39	225.77
Depreciation / Amortisation on Investment Property	-	-	-	-
Depreciation / Amortisation on Intangible Assets	0.30	0.83	0.25	-
Total	**146.25**	**237.13**	**295.64**	**225.77**

Note 32.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 33 - Restated Consolidated Statement of Other Expenses

(Rs. in millions)

Particulars	For the Nine month period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Advertisement & Publicity Expenses	0.38	0.85	0.92	1.27
Allowance for expected Credit loss on Trade Receivables	-	-	-	29.49
Auditors Remuneration:				
(i) Statutory Audit Fees	1.80	2.40	2.21	1.60
(ii) Tax Audit Fees	-	-	0.60	0.40
(iii) Income Tax Matters	-	-	0.81	-
(iv) Others Matters	-	-	-	-
Consumption of stores and spares	0.83	1.22	2.11	1.82
Corporate Social Responsibility Expenses (refer to no. 36.1)	0.00	13.12	9.50	6.50
Dues & Subscription	-	-	0.01	0.09
Electricity Charges	4.11	5.15	5.00	1.75
Excise Duty Expenses	-	8.23	(0.25)	4.92
Freight and forwarding charges	115.49	145.03	133.35	131.55
Goods Lost in Transit	-	-	0.92	-
Insurance Charges	5.92	12.34	10.40	9.10
Laboratory Expenses	6.93	10.76	12.47	6.47
Lease Rent on Leasehold Land	1.88	2.51	2.51	0.76
Legal and Professional fees	42.60	27.87	42.59	18.46
Loss share from JV	4.99	1.96	0.70	-
Other Administrative Expenses	5.86	11.30	9.53	7.30
Postage, Telephone and Telegram	6.23	8.16	6.59	4.12
Power, Fuel and Water Charges	218.60	280.40	266.33	269.14
Printing and Stationery Expenses	2.25	2.41	3.16	1.98
Product Registration Fees	0.25	2.89	7.62	12.43
Provision For Doubtful Debts	-	-	-	-
Research & development expenses	-	-	-	44.76
Rates and Taxes	9.53	15.34	11.69	7.86
Repairs and Maintenance to:			-	
(i) Factory Building	4.20	6.15	2.50	3.50
(ii) Machinery	52.10	51.14	46.04	54.54
(iii) Others	11.59	18.45	16.50	16.31
Sales Promotion Expenses	-	-	-	6.05
Security Charges	7.29	8.76	7.64	4.92
Seminar & Trade Fair Expenses	15.84	30.09	15.12	15.90
Subscription, Membership, Books & Periodicals	2.40	7.91	2.60	1.82
Travelling and Conveyance Expenses	14.57	20.83	23.56	19.11
VAT Audit Fees	0.08	0.62	0.32	0.22
Vehicle Expenses	5.28	6.49	5.13	5.38
Warehousing & Storage	3.09	4.82	3.09	1.59
Total	**544.09**	**707.22**	**651.27**	**691.11**

Note 33.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 34 - Restated Consolidated Statement of Earnings Per Equity Share

(Rs. in millions)

Particulars	For the Nine month period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Net Profit for EPS (A)	609.44	783.62	764.81	531.85
Weighted Average Number of Equity Shares for calculation of Basic EPS (B)	2,30,99,982	3,06,59,976	3,06,59,976	2,89,79,976
Basic EPS (A/B)	26.38	25.56	24.95	18.35
Weighted Average Number of Equity Shares for calculation of Diluted EPS (C)	2,30,99,982	3,06,59,976	3,06,59,976	2,89,79,976
Diluted EPS (A/C)	26.38	25.56	24.95	18.35

The Board of Directors of the Company in their meeting held on 05 July 2017 have allotted 280,000 equity shares of Rs. 10 each to the shareholders of the Amalgamating Companies FRDCPL and FSSPL pending allotment as at 31 March 2016 and 31 March 2017 respectively. Equity shares allotted as part of the consideration being an amalgamation in the nature of merger are included in the calculation of the weighted average number of outstanding equity shares of respective years.
Subsequent to allotment of shares to the Amalgamating Companies, the Company has issued bonus shares in the ratio of 2 shares for every one 1 share, on 16 October 2017 thereby making total number of shares to 15,329,988. Further, there was subdivision of equity shares of face value of Rs. 10 each into equity shares of face value of Rs. 5 each on 06 November 2017 thereby making total number of shares to 30,659,976 and the same has been considered for the calculation of Basic and Diluted E.P.S. for the period upto 31 March 2017.

Note 34.1
a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.
b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 35 - Restated Consolidated Statement of Contingent Liabilities and Commitments

(Rs. in millions)

Particulars	For the Nine month period ended 31 December 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Proforma Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Contingent Liabilities				
Income tax liability that may arise in respect of matters in appeal	**34.15**	**21.55**	**21.55**	**17.39**
Excise Duty / Custom Duty / Service Tax liability may arise in respect of matters in appeal (#)	**-**	**4.94**	**7.26**	**2.32**
Commitments				
Estimated contracts remaining to be executed on capital account not provided for Plant & Machinery	**279.47**	**8.91**	**-**	**20.98**
Bank Guarantee	**33.32**	**19.12**	**26.37**	**21.89**

(#) Pertaining to amalgamating company FSSPL
(#) Service Tax Matters includes Rs. 4.94 million pertaining to amalgamating company FSSPL

(Rs. in millions)

Income tax matters disputed in appeal with :	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Hon'ble High Court, Mumbai for FY 2005-06	7.49	7.49	7.49	-
Hon'ble High Court, Mumbai for FY 2008-09	12.60	-	-	-
Hon'ble High Court, Mumbai for FY 2009-10	14.06	14.06	14.06	-
ITAT, Mumbai for FY 2008-09	-	-	-	17.39
CIT (Appeals), Mumbai for FY 2005-06	-	-	-	-
CIT (Appeals), Mumbai for FY 2009-10	-	-	-	-
CIT (Appeals), Mumbai for FY 2008-09	-	-	-	-
	-	**-**	**-**	**-**
Total	**34.15**	**21.55**	**21.55**	**17.39**

(Rs. in millions)

Service Tax matters disputed in appeal with :	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Commissioner of Central Excise (Appeal), Thane Period - April' 2010 to March' 2012 (FSSPL)	-	4.94	4.94	-
Commissioner of Central Excise (Appeals) Period - December 2010 to January 2012	-	1.82	1.82	-
Additional Commissioner, Thane Period - December 2010 to January 2012	-	-	-	1.82
Total	**-**	**6.77**	**6.77**	**1.82**

(Rs. in millions)

Excise Duty matters disputed in appeal with :	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Commissioner of Excise (Appeals) for FY 2008 -12	-	0.50	0.50	-
Deputy Commissioner, Kalyan for FY 2008-12	-	-	-	0.50
Total	**-**	**0.50**	**0.50**	**0.50**

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Guarantees given by Bank	33.32	19.12	26.37	21.89

Note 35.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Annexure A.VII–Notes forming a part of Restated Consolidated Financial Information

Note 36 : Other notes to Restated Consolidated Financial Information

a. Scheme of Arrangement (Merger) between the Company, Fine Research & Development Centre Private Limited (FRDCPL) and Fine Speciality Surfactants Private Limited (FSSPL)

In accordance with Ind AS 101 provisions related to first time adoption, the company has elected to apply Ind AS 103 Accounting for business combinations prospectively from April 01, 2016 (transition date). As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, if any, have been carried forward.

The Scheme of amalgamation for the merger of Fine Research & Development Centre Private Limited (FRDCPL) and Fine Speciality Surfactants Private Limited (FSSPL) ("the amalgamating companies") with the Company was approved by the Board of Directors in its meeting held on January 20, 2016 with an appointed date of April 01, 2015. The said scheme has been approved by National Company Law Tribunal ("NCLT") and final order has been received on June 22, 2017. This accounting for amalgamation is accounted as per the scheme and in accordance with Accounting Standard 14 "Amalgamation" notified under the Companies Act, 2013. Further, in terms of the Scheme, 2,80,000 equity shares of Rs. 10 each of the Company are pending to be issued and allotted as fully paid up to the shareholders of the amalgamating companies.

Fine Research & Development Centre Private Limited (FRDCPL) is a Private Limited Company incorporated in India on under the provisions of the Companies Act, 1956. The registered office of the company is situated in the state of Maharashtra. The company is engaged in undertaking scientific and industrial research and development.

Fine Speciality Surfactants Private Limited (FSSPL) is a Private Limited Company incorporated in India under the provisions of the Companies Act, 1956. The registered office of the company is situated in the state of Maharashtra. The company carries on business as manufacturers, importers, exporters, merchants, distributors, commission agents, brokers, wholesale and retail dealers and producers of oil-based chemicals, their intermediates, co-products and finished products and fine chemicals and other related products.

Pursuant to the aforesaid Scheme of amalgamation, the authorised equity share capital of the Company stands increased by the authorised equity share capital of the amalgamating company aggregating Rs.52 million/- (52,00,000 equity shares of face value of Rs. 10 each).

Accounting treatment

The business combination has been accounted by using the Pooling of Interest method in accordance with the said approved Scheme of Amalgamation and Accounting standard 14 "Amalgamation", which is also consistent with Ind AS 103 on "Business Combinations", since the entities before and after the amalgamation are under the common control. Since the Company originally did not have any investments in the amalgamating companies, there is no further adjustment required in terms of Ind AS 103.

Annexure A.VII–Notes forming a part of Restated Consolidated Financial Information

Note 36 : Other notes to Restated Consolidated Financial Information

The Company has restated the financial information as at 1st April, 2016 being the beginning of the preceeding period for which the financial statements are prepared and accordingly recorded all the assets, liabilities and reserves of the amalgamating companies at their respective book values as appearing in the their books of account as on April 1, 2015, the details of which are as follows:

Particulars	FSSPL	FRDCPL	Total
Assets:			
Non Current Assets:			
Fixed Assets	3.47	37.62	41.09
Non- Current Investments	0.00	0.03	0.03
Deferred Tax Assets (Net)	0.10	2.23	2.34
Long -Term Loans and Advances	1.02	7.03	8.05
Current Assets:			
Inventories	12.33	2.63	14.96
Trade Receivables	13.28	0.00	13.28
Cash and Cash Equivalents	76.80	26.15	102.94
Short- Term Loans and Advances	1.66	1.60	3.25
Other Current Assets	0.00	1.22	1.22
Total Assets	**108.66**	**78.50**	**187.16**
Liabilities:			
Long -Term Borrowings	1.99	39.45	41.43
Short- Term Borrowings	0.00	0.00	0.00
Trade Payables	11.58	6.23	17.81
Other Current Liabilities	1.79	0.29	2.08
Short -Term Provisions	7.52	0.00	7.52
Total Liabilities	**22.87**	**45.97**	**68.84**
Net Assets as on 01 April 2015	**85.79**	**32.53**	**118.32**
Share Capital Suspense Account (#)	2.03	0.77	2.80
Amalgamation Reserve	83.76	31.76	115.52

Note 36 : Other notes to Restated Consolidated Financial Information

(#) Pending allotment, an amount of Rs 2.80 million has been shown under the "Share Capital Suspense account" as at 31 March 2017 and 31 March 2016 for the purpose of the Restated Consolidated Financial Information.

During the period between the appointed date and the effective date as FSSPL and FRDCPL carried on the existing business in "trust" on behalf of the Company, all vouchers, documents, etc., for the period are in the name of FSSPL and FRDCPL. The title deeds for leasehold land, building, licenses, agreements, loan documents, etc., are being transferred in the name of the Company. However, credit has not been taken for claims arising as a consequence of the amalgamation in respect of levies/taxes of such claims pending settlement. The income accruing and expenses incurred by FSSPL and FRDCPL during the period April 01, 2016 to March 31, 2017 have also been incorporated in these accounts. The effect of Income accruing and Expenditure incurred by FSSPL & FRDCPL for the period from April 1, 2015 to March 31, 2016 has been considered in the balance of Profit & Loss account in the audited financial statements. For the purpose of Restated Consolidated Financial Information, the income and expenditure for both these amalgamating companies has been shown in the respective year, i.e., for the year ended 31 March 2016 and 31 March 2017.
In terms of the Scheme, the Equity Shares when issued and allotted by the Company shall rank for dividend, voting rights and in all respects pari-passu with the existing Equity Shares of the Company. Accordingly, the appropriation for the proposed dividend includes dividend on 2,80,000 Equity Shares, which would be allotted to the shareholders of FSSPL and FRDCPL on 05 July, 2017.

b. A Major fire broke at the premises of the amalgamating Company FSSPL's factory located at W260 / 261, MIDC Phase 2, Dombivli, District Thane - 421204, on 26 May 2016, gutting the entire building of the factory. The said premises held certain plant & equipment as well as the Books of Account, Computers holding financial and accounting data, financial records, and related documents. No salvage was possible in respect of building premises. The Company is adequately insured for the property restoration. The Company has received full and final settlement/satisfaction and discharge of its claim from the insurance Company after adjustment on account of expected deductions from claim amounts.

c. The Company has entered in to a joint venture with Zeelandia International Holding B.V., a Netherland based Company by forming a separate Company namely FineZeelandia Private Limited having equal ownership. This Company is in process of setting up manufacturing facility at Patalganga, Maharashtra to manufacture additive chemicals.

d. The Company has purchased a plot of land (Plot E-73) in Additional Patalganga Industrial Area, within the village limits of Karade-Budruk, Taluka- Panvel, District- Raigad. The Company has executed Articles of Agreement with M/s Neo Wheels Limited and paid advance of Rs. 65 million towards partial cost of Land.

Note 36 : Other notes to Restated Consolidated Financial Information

e. The Company has entered into a Joint-Venture agreement with a German Company, Adcotec GmbH on 17 January 2018 to set- up joint venture Company named "FineAdd Ingredients GmbH" in Germany with 50% equity interest. Application for registration of the Joint-Venture Company has been made and amount as partial contribution towards equity has been transferred.

f. Depreciation on tangible Fixed Assets is provided using the written down value method based on the useful life of the asset as prescribed under Part C of Schedule II of the Companies Act,2013 and is charged to the Statement of Profit and Loss. Pursuant to the Act being effective from 01 April2014, the Company has revised the depreciation rates on Fixed Assets as per the useful life specified in Part C of Schedule II of the Companies Act, 2013. Further an amount of 52.32 million has been adjusted against the opening balance of retained earnings for the year ended31 March2015.

g. The Company has filed complaint dated 16 August2017 in relation to criminal breach of trust, dishonesty, misappropriation of property and criminal conspiracy against one of its past employee. The Company has also filed a suit before honorable Mumbai high Court. The Company has received an adhoc compensation of Rs. 7 million in this regards which is recorded under the head other income for the nine months period ended 31 December, 2017.

Note 37 : Restated Consolidated Statement on Related party disclosure as per IND AS 24

A Name of the Related Parties and their Relationships

Sr. No.	Name	Relationship			
		As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
1	Mukesh Maganlal Shah	Key Management Personnel (KMP)	Key Management Personnel (KMP)	Key Management Personnel (KMP)	Key Management Personnel (KMP)
2	Prakash Damodar Kamat	Key Management Personnel (KMP)	Key Management Personnel (KMP)	Key Management Personnel (KMP)	Key Management Personnel (KMP)
3	Jayen Ramesh Shah	Key Management Personnel (KMP)	Key Management Personnel (KMP)	Key Management Personnel (KMP)	Key Management Personnel (KMP)
4	Tushar Ramesh Shah	Key Management Personnel (KMP)	Key Management Personnel (KMP)	Key Management Personnel (KMP)	Key Management Personnel (KMP)
5	Bimal Mukesh Shah	Key Management Personnel (KMP)	Key Management Personnel (KMP)	Key Management Personnel (KMP)	Key Management Personnel (KMP)
6	Bina Tushar Shah	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
7	Esha Tushar Shah	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
8	Jayen R. Shah-HUF	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
9	Jayshree Mukesh Shah	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
10	Jyotsna Ramesh Shah	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
11	Manali Jinesh Bhayani	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
12	Mukesh M. Shah-HUF	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
13	Neeta Jayen Shah	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
14	Prakash D. Kamat-HUF	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
15	Ramesh M. Shah-HUF	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
16	RheaTushar Shah	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
17	Shaili Nirav Doshi	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
18	Akruti Bimal Shah	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
19	Tushar R. Shah-HUF	Relative of KMP	Relative of KMP	Relative of KMP	Relative of KMP
20	Smoothex Chemicals Private Limited	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP
21	Fine Research & Development Centre Pvt. Ltd.	N.A.	N.A.	N.A.	Significant influence by KMP
22	Fine Speciality Surfactants Private Limited	N.A.	N.A.	N.A.	Significant influence by KMP
23	Olefine Organics	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP
24	Oleofine Organics SDN. BHD.	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP
25	Oleofine Organics(Thailand) Co.Ltd.	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP
26	Fine Organic Industries	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP
27	Fine Zeelandia Private Limited	Joint Venture Company	Joint Venture Company	Joint Venture Company	Joint Venture Company
28	Shri R. M. Shah Foundation	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP	Significant influence by KMP
29	Nikhil Dattatray Kamat	Key Management Personnel (KMP)	Significant influence by KMP	Significant influence by KMP	N.A.
30	Dr Mayukh Warawdekar	Key Management Personnel (KMP)	N.A.	N.A.	N.A.
31	Dr Vijay Prabhu	Key Management Personnel (KMP)	N.A.	N.A.	N.A.
32	Pooja Gaonkar	Key Management Personnel (KMP)	N.A.	N.A.	N.A.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A. VII - Notes forming part of Restated Consolidated Financial Information

Note 37 : Restated Consolidated Statement on Related party disclosure as per IND AS 24

B Transactions (in aggregate) with Related parties during the year/period and Closing balance as at year/period end.

(Rs. in millions)

Sr. No.	Particulars	Transactions during the year/ Nine months period ended				Closing Balance			
		April-December 2017 (Ind AS)	2016-17 (Ind AS)	2015-16 (Proforma Ind AS)	2014-15 (Proforma Ind AS)	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
1	**Remuneration**								
	Prakash Damodar Kamat	18.02	74.22	64.16	56.32	-	3.74	3.04	2.44
	Mukesh Maganlal Shah	19.86	60.68	52.86	45.67	-	2.54	2.02	0.81
	Jayen Ramesh Shah	18.02	74.22	64.16	56.32	-	3.74	3.03	1.63
	Tushar Ramesh Shah	18.02	74.22	64.16	57.16	-	3.74	3.04	2.44
	Bimal Mukesh Shah	13.61	33.34	28.97	23.85	-	1.25	1.01	2.44
2	**Purchase of Goods / Samples**								
	Fine Organic Industries	93.38	22.29	29.93	17.92	8.20	-	-	-
	Fine Zeelandia Pvt. Ltd.	-	0.03	-	-	-	-	-	-
	Fine Speciality Surfactants Private Limited	-	-	-	2.74	-	-	-	-
	Fine Research & Devlopment Centre Pvt. Ltd.	-	-	-	-	-	-	-	-
	Oleofine Organics Sdn. Bhd.	-	-	-	5.55	-	-	-	-
3	**Sale of Goods / Samples**								
	Oleofine Organics Sdn. Bhd.	31.97	53.12	53.47	52.45	9.68	1.82	11.55	-
	Oleofine Organics (Thailand) Co.Ltd.	19.17	20.06	17.19	21.42	3.03	3.49	5.00	-
	Fine Organic Industries	32.58	41.04	42.69	88.01	1.92	-	-	-
	Fine Zeelandia Private Limited	0.01	1.54	-	-	-	-	-	-
	Fine Speciality Surfactants Private Limited	-	-	-	45.79	-	-	-	-
	Fine Research & Devlopment Centre Pvt. Ltd.	-	-	-	0.17	-	-	-	-
4	**Sale of Components / Assets**								
	Fine Organic Industries	-	-	0.37	-	-	-	-	-
	Fine Zeelandia Private Limited	-	-	0.07	-	-	-	-	-
	Oleofine Organics SDN BHD								
5	**Purchase of Components / Assets**								
	Fine Organic Industries	22.58	-	-	-	-	-	-	-
6	**Processing Charges Paid**								
	Fine Organic Industries	0.00	0.00	0.01	-	-	-	-	-
	Olefine Organics	31.38	28.52	27.50	23.95	4.53	-	-	-
7	**Processing Charges Received**								
	Fine Organic Industries	-	0.19	0.77	0.29	-	-	-	-
8	**Purchase of License**								
	Fine Zeelandia Private Limited	-	0.02	-	-	-	-	-	-
9	**Sale of License**								
	Fine Organic Industries	8.72	7.24	11.14	14.18	-	-	-	-
	Fine Zeelandia Private Limited	5.85	3.31	3.73	-	0.54	-	-	-
	Fine Speciality Surfactants Private Limited	-	-	-	1.12	-	-	-	-
10	**Corporate Social Responsibility Expenses**								
	R M Shah Foundation	-	13.10	9.50	6.50	-	-	-	-
11	**Interest on Unsecured Loan / Deposit**								
	Prakash D. Kamat	2.50	11.17	11.20	8.21	-	109.18	126.60	109.21
	Mukesh Maganlal Shah	0.26	0.67	0.67	0.27	-	3.11	7.56	3.11
	Jayen Ramesh Shah	1.39	6.54	6.58	7.14	-	65.73	74.09	66.11
	Tushar Ramesh Shah	1.71	8.01	8.09	8.55	-	80.47	91.38	81.30
	Bimal Mukesh Shah	0.06	0.33	0.33	0.25	-	2.82	3.74	2.85
	Nikhil Dattatraya Kamat	0.00	0.02	0.02	-	-	0.25	0.24	-
	Akruti Bimal Shah	-	-	-	0.07	-	-	-	-
	Bina Tushar Shah	-	-	-	1.37	-	-	-	-
	Esha Tushar Shah	-	-	-	0.02	-	-	-	-
	Jayen R. Shah-HUF	-	-	-	0.19	-	-	-	-
	Jayshree Mukesh Shah	-	-	-	1.06	-	-	-	-
	Jyotsna Ramesh Shah	-	-	-	11.51	-	-	-	-
	Manali Jinesh Bhayani	-	-	-	0.03	-	-	-	-
	Mukesh M. Shah-HUF	-	-	-	0.55	-	-	-	-
	Neeta Jayen Shah	-	-	-	1.31	-	-	-	-
	Prakash D. Kamat-HUF	-	-	-	0.10	-	-	-	-
	Ramesh M. Shah-HUF	-	-	-	0.50	-	-	-	-
	Rhea Tushar Shah	-	-	-	0.05	-	-	-	-
	Shaili Nirav Doshi	-	-	-	0.11	-	-	-	-
	Smoothex Chemicals Private Limited	-	-	-	3.08	-	-	-	-
	Tushar R. Shah-HUF	-	-	-	0.06	-	-	-	-
	Fine Organic Industries (Notional Interest)	0.07	-	-	-	0.07	-	-	-

Note 37 : Restated Consolidated Statement on Related party disclosure as per AS 18

B Transactions (in aggregate) with Related parties during the year/period and Closing balance as at year/period end.

(Rs. in millions)

Sr. No.	Particulars	Transactions during the year/ Nine months period ended				Closing Balance			
		April-December 2017 (Ind AS)	2016-17 (Ind AS)	2015-16 (Proforma Ind AS)	2014-15 (Proforma Ind AS)	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
12	**Dividend paid/Proposed**								
	Mukesh Maganlal Shah	19.41	-	18.72	-	-	-	-	-
	Rhea Tushar Shah	0.80	-	0.77	-	-	-	-	-
	Neeta Jayen Shah	4.95	-	4.36	-	-	-	-	-
	Jyotsna Ramesh Shah	44.03	-	42.71	-	-	-	-	-
	Bina Tushar Shah	4.31	-	3.50	-	-	-	-	-
	Shaili Nirav Doshi	0.92	-	0.77	-	-	-	-	-
	Mukesh M. Shah HUF	1.05	-	1.05	-	-	-	-	-
	Jayshree Mukesh Shah	4.26	-	3.95	-	-	-	-	-
	Bimal Mukesh Shah	21.17	-	20.86	-	-	-	-	-
	Prakash D. Kamath HUF	1.03	-	1.03	-	-	-	-	-
	Manali Jinesh Bhayani	0.57	-	0.54	-	-	-	-	-
	Jayen R. Shah HUF	2.30	-	2.30	-	-	-	-	-
	Tushar Ramesh Shah	39.22	-	38.78	-	-	-	-	-
	Prakash Damodar Kamath	44.52	-	43.32	-	-	-	-	-
	Esha Tushar Shah	0.80	-	0.77	-	-	-	-	-
	Tushar R. Shah HUF	0.77	-	0.77	-	-	-	-	-
	Ramesh M. Shah HUF	2.32	-	2.32	-	-	-	-	-
	Jayen Ramesh Shah	37.15	-	36.61	-	-	-	-	-
	Nikhil Dattatray Kamat	0.36	-	0.23	-	-	-	-	-
13	**Salary**								
	Akruti Bimal Shah	0.33	0.78	0.78	0.78	-	-	-	-
	Manali Jinesh Bhayani	-	0.13	1.83	1.33	-	-	-	-
	Nikhil Dattatray Kamat								
	Vijay Prabhu								
	Shaili Nirav Doshi	-	-	-	-	-	-	-	-
	Pooja Gaonkar	0.60	-	-	-	-	-	-	-
	Dr. Mayukh Warwadekar	3.77	-	-	-	-	-	-	-
14	**R & D Expenses**								
	Fine Organic Industries	-	0.36	0.66	-	-	-	-	-
	Fine Research & Development Centre Pvt. Ltd.	-	-	-	50.30	-	-	-	-
15	**Export Commission**								
	Oleofine Organics Sdn. Bhd.	0.08	0.32	0.50	0.67	0.08	0.15	0.16	-
	Oleofine Organics(Thailand) Co.Ltd.	-	-	0.02	0.23	-	-	-	-
16	**Leave and License Agreement**								
	Fine Organic Industries	0.60	-	-	-	0.60	-	-	-
	Fine Organic Industries (Interest free Security Deposit)	1.80	-	-	-	1.80	-	-	-
17	**Rent (Office Usage Charges)**								
	Jayshree Mukesh Shah	0.63	0.84	0.84	0.84	0.06	0.13	0.13	-
	Jyotsna Ramesh Shah	0.63	0.84	0.84	0.84	0.06	0.13	0.13	-
	Bina Tushar Shah	0.63	0.84	0.84	0.84	-	-	-	-
	Olefine Organics	-	-	-	0.22	-	-	-	-
	Fine Organic Industries (Notional rent)	0.07	-	-	-	0.07	-	-	-
18	**Reimbursement of Expenses**								
	Manali Jinesh Bhayani	-	-	0.05	-	-	-	-	-
	Fine Zeelandia Private Limited	0.02	6.63	0.45	0.41	-	-	-	0.41
	Fine Organic Industries	-	-	0.01	-	-	-	-	-
	Nikhil Dattatray Kamat	0.08	-	-	-	-	-	-	-
	Dr. Vijay Prabhu	-	-	-	-	-	-	-	-
	Dr. Mayukh Warwadekar	-	-	-	-	-	-	-	-
	Mukesh Maganlal Shah	2.58	-	-	-	3.42	-	-	-
	Prakash D. Kamath	2.58	-	-	-	-	-	3.42	-
	Jayen R. Shah	2.58	-	-	-	-	-	3.42	-
	Tushar Ramesh Shah	2.58	-	-	-	-	-	3.42	-
	Jyotsna Ramesh Shah	2.58	-	-	-	-	-	3.42	-
19	**Sharing of cost (ERP)**								
	Fine Organic Industries	-	1.59	1.49	-	-	-	-	-
20	**Investments in equity instruments**								
	Fine Zeelandia Private Limited	-	60.00	52.84	-	112.84	112.84	52.84	-

Note 37 B.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.

b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 38 - Segment Reporting

Since the Company operates in a single segment i.e. "Speciality chemical manufacturing" Ind AS 108 - Operating Segment is not

Note 39: Restated Consolidated Statement of Expenditure towards Corporate Social Responsibility (CSR) activities

(Rs. in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Amount Required to be spent as per section 135 of the Companies Act,2013 calculated as per section 198 of Companies Act,2013	-	13.10	9.49	6.49
Amount actually spent towards CSR	-	13.10	9.50	6.50

Note 39.1 : The Company has not provided for CSR expenditure for the nine months period ended 31 December 2017.

Note 40 - Material Regrouping of Restated Consolidated Financial Information

Appropriate adjustments have been made in the Restated Consolidated Financial Information wherever required, by a classification of the corresponding items of income, expenses, assets, liabilities, cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company as at and for the nine months period ended 31 December 2017.

Note:41 Restated Consolidated statement of other Litigations

AIG Europe Limited, an insurance Company incorporated under English law, has filed an appeal before the Court of Appeal, Antwerp in relation to a purchase agreement entered into by the Company with one of its clients. The appeal has been disposed of by the Court of Appeal, Antwerp awarding AIG Europe Limited to pay legal indemnity for an amount of EUR 6,000.00 in favour of the Company.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A. VII - Notes forming part of Restated Consolidated Financial Information

Note 42 A - Restated Consolidated Statement of Fair Values

(Rs. in millions)

Particulars	Carrying Value				Fair Value			
	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Financial assets at fair value through profit & loss								
Financial assets at fair value through OCI								
Non Current Financial Assets: Investments	0.52	0.52	0.51	-	0.52	0.52	0.51	-
Non Current Financial Assets: Investments in Jointly controlled entity	105.19	110.18	52.14	-	105.19	110.18	52.14	-
Financial assets at amortised cost								
Non Current Financial Assets: Others	2.86	1.28	0.42	0.70	2.86	1.28	0.42	0.70
Current Financial Assets								
Current Trade Receivables	1,172.09	1,114.00	867.85	862.70	1,172.09	1,114.00	867.85	862.70
- Cash and Cash Equivalents	260.79	139.70	393.50	30.42	260.79	139.70	393.50	30.42
- Bank Balances	1.85	39.46	28.28	3.26	1.85	39.46	28.28	3.26
- Loans	7.30	7.35	7.61	5.70	7.30	7.35	7.61	5.70
- Other Financial Assets	1.35	0.98	1.02	0.14	1.35	0.98	1.02	0.14
Financial liabilities at fair value through profit & loss								
Financial liabilities at amortised cost:								
Non Current Financial Liabilities : Borrowings	-	-	212.68	290.55	-	-	212.68	290.55
Current Financial Liabilities								
- Borrowings	285.48	402.62	728.68	655.90	285.48	402.62	728.68	655.90
- Trade Payables	771.02	643.24	533.39	532.55	771.02	643.24	533.39	532.55
- Other Financial Liabilities	8.15	9.12	86.37	88.17	8.15	9.12	86.37	88.17

In all cases, the management has assessed that the fair value of all financial assets and liabilities other than investment in subsidiaries and joint ventures approximate their carrying amounts as stated above.
The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Note 42 A.1

a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.
b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A. VII - Notes forming part of Restated Consolidated Financial Information
Note 42 B - Restated Consolidated Statement of Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Note 42.1 - Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 December 2017:

(Rs. in millions)

Particulars	Fair value measurement Using				
	Date of Valuation	Total	Level 1*	Level 2**	Level 3***
FINANCIAL ASSETS					
A] Financial assets at fair value through OCI					
Investments in equity instruments	3/31/2017	0.52		0.52	
B) Financial assets at amortised cost					
Current Financial Assets : Trade Receivables	12/31/2017	1,172.09			1,172.09
Non Current Other Financial Assets : Rent Deposits	12/31/2017	1.35			1.35
FINANCIAL LIABILITIES					
A) Financial liabilities at fair value through profit & loss					
B) Financial liabilities at amortised cost:					

*Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
**Level 2 - Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
***Level 3 - inputs for the asset or liability that are not based on observable market data

Note 42.2 - Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2017

(Rs. in millions)

Particulars	Fair value measurement Using				
	Date of Valuation	Total	Level 1*	Level 2**	Level 3***
FINANCIAL ASSETS					
A) Financial assets at fair value through profit & loss					
B] Financial assets at fair value through OCI					
Investments in equity instruments	3/31/2017	0.52		0.52	
C) Financial assets at amortised cost					
Current Financial Assets : Trade Receivables	3/31/2017	1,114.00		-	1,114.00
FINANCIAL LIABILITIES					
A) Financial liabilities at fair value through profit & loss					
B) Financial liabilities at amortised cost:					

*Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
**Level 2 - Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
***Level 3 - inputs for the asset or liability that are not based on observable market data

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A. VII - Notes forming part of Restated Consolidated Financial Information
Note 42 B - Restated Consolidated Statement of Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.
Note 42.3 - Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2016

(Rs. in millions)

Particulars	Fair value measurement Using				
	Date of Valuation	Total	Level 1*	Level 2**	Level 3***
FINANCIAL ASSETS					
A) Financial assets at fair value through profit & loss					
B) Financial assets at amortised cost					
Current Financial Assets : Trade Receivables	3/31/2016	867.85	-	-	867.85
		-			
FINANCIAL LIABILITIES					
A) Financial liabilities at fair value through profit & loss					
B) Financial liabilities at amortised cost:					

*Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
**Level 2 - Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
***Level 3 - inputs for the asset or liability that are not based on observable market data

Note 42.4 - Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2015

(Rs. in millions)

Particulars	Fair value measurement Using				
	Date of Valuation	Total	Level 1*	Level 2**	Level 3***
FINANCIAL ASSETS					
A) Financial assets at fair value through profit & loss					
B) Financial assets at amortised cost					
Current Financial Assets : Trade Receivables	3/31/2015	862.70	-	-	862.70
FINANCIAL LIABILITIES					
A) Financial liabilities at fair value through profit & loss					
B) Financial liabilities at amortised cost:					

*Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
**Level 2 - Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
***Level 3 - inputs for the asset or liability that are not based on observable market data

Note 42.5 - Measurement of Fair Value : Valuation techniques

The following table shows the valuation techniques used in measuring Level 2 fair values for assets and liabilities carried at fair value through profit or loss

Type	Valuation Technique
FINANCIAL ASSETS	
A) Financial assets at fair value through profit & loss	
Non Current Financial Assets: Investments	Level - 2
B) Financial assets at amortised cost	
Current Financial Assets : Trade Receivables Non Current Other Financial Assets : Rent Deposits	Level - 3
FINANCIAL LIABILITIES	
A) Financial liabilities at fair value through profit & loss	
B) Financial liabilities at amortised cost:	

Note 42.6
a.The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the Company.
b. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure A.V, A.VI & A.VII respectively.

Note 43 - Impact of IND AS adoption on Balance Sheet as at 31 March 2015

Balance Sheet as at 31st March 2015 (Proforma) **(Rs. in millions)**

ASSETS	Note	As 31st March 2015 (Proforma Ind AS)				
		As per IGAAP	Adjustment on to transition to Ind AS	As per Proforma Ind AS	Restatement Adjustments	Restated Proforma Ind AS
Non-current assets						
Property, plant and equipment	B	1,236.59	(212.37)	1,024.22	-	1,024.22
Capital work-in-progress		81.12	-	81.12	-	81.12
Investment Property	A	-	-	-	-	-
Goodwill		-	-	-	-	-
Intangible assets		-	-	-	-	-
Intangible Assets under development		-	-	-	-	-
Biological Assets other than bearer plants		-	-	-	-	-
Financial Assets		-	-	-	-	-
- Investment		-	-	-	-	-
- Loans		-	-	-	-	-
- Trade Receivables		-	-	-	-	-
- Other Financial Assets		-	0.70	0.70	-	0.70
Deferred tax assets (Net)	D	5.38	(5.38)	-	-	-
Other Non - current assets		327.35	200.06	527.41	-	527.41
Total Non-current assets		**1,650.44**	**(16.99)**	**1,633.45**	**-**	**1,633.45**
Current assets						
Inventories		644.36	(0.00)	644.36	-	644.36
Financial assets						
Investments		-	-	-	-	-
Trade receivables		894.22	(29.49)	864.73	(2.03)	862.70
Cash and cash equivalents		30.42	0.00	30.42	-	30.42
Bank Balances		3.26	-	3.26	-	3.26
Loans		5.70	-	5.70	-	5.70
Others (to be specified)		-	0.14	0.14	-	0.14
Current Tax Assets (Net)		-	11.46	11.46	3.74	15.19
Other current assets		520.67	0.21	520.87	-	520.87
Total current assets		**2,098.63**	**(17.69)**	**2,080.94**	**1.71**	**2,082.64**
Total Assets		**3,749.06**	**(34.68)**	**3,714.39**	**1.71**	**3,716.09**

(Rs. in millions)

EQUITY AND LIABILITIES	Note	As at 31st March 2015 (Proforma Ind AS)				
		As per IGAAP	Adjustment on to transition to Ind AS	As per Proforma Ind AS	Restatement Adjustments	Restated Proforma Ind AS
Equity						
Equity Share capital		48.30	-	48.30	-	48.30
Equity Share Suspense Account		-	-	-	-	-
Other equity		1,885.88	135.58	2,021.46	2.41	2,023.87
Total Equity		**1,934.18**	**135.58**	**2,069.76**	**2.41**	**2,072.17**
Liabilities						
Non-current liabilities						
Financial liabilities						
Borrowings		290.55	-	290.55	-	290.55
Trade Payables		-	-	-	-	-
- Other Financial Liabilities		-	-	-	-	-
Provisions		-	-	-	-	-
Deferred tax liabilities (Net)		-	4.14	4.14	(0.70)	3.44
Other non-current Liabilities		-	-	-	-	-
Total Non-current liabilities		**290.55**	**4.14**	**294.69**	**(0.70)**	**293.99**
Current liabilities						
Financial liabilities						
Borrowings		655.90	-	655.90	-	655.90
Trade payables		534.20	(1.65)	532.55	-	532.55
Others		88.17	-	88.17	-	88.17
Other current liabilities		71.67	(0.02)	71.65	0.00	71.65
Provisions		174.40	(172.74)	1.66	(0.00)	1.66
Current tax liabilities (Net)		-	-	-	-	-
Total Current liabilities		**1,524.34**	**(174.40)**	**1,349.94**	**0.00**	**1,349.94**
Total Liabilities		**1,814.89**	**(170.26)**	**1,644.63**	**(0.70)**	**1,643.92**
Total Equity and Liabilities		**3,749.06**	**(34.68)**	**3,714.39**	**1.71**	**3,716.09**

The previous GAAP figures have been reclassified to confirm to IndAS presentation requirements for the purpose of this note.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)
Annexure A. VII - Notes forming part of Restated Consolidated Financial Information

Note 44 - Impact of IND AS adoption on Statement of Profit & Loss for the year ended 31 March 2015

(Rs. in millions)

Particulars	For the year ended 31st March 2015 (Proforma Ind AS)				
	As per IGAAP	Adjustment on to transition to Ind AS	As per Proforma Ind AS	Restatement Adjustments	Restated Proforma Ind AS
Income					
Revenue from operations	6,147.13	212.19	6,359.32	-	6,359.32
Other income	14.31	2.23	16.54	3.71	20.25
Total revenue	**6,161.43**	**214.43**	**6,375.86**	**3.71**	**6,379.57**
Expenditure					
Cost of Materials Consumed	3,866.89	(0.00)	3,866.89	-	3,866.89
Purchase of Stock-in-trade	21.54	0.00	21.54	-	21.54
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	(64.09)	0.00	(64.09)	-	(64.09)
Excise Duty / Goods and Service Tax Expenses	-	291.25	291.25	-	291.25
Employee Benefits Expense	443.19	0.15	443.34	-	443.34
Finance Costs	74.75	2.23	76.99	-	76.99
Depreciation / Impairment & Amortization Expenses	226.53	(0.76)	225.77	-	225.77
Other Expenses	740.04	(49.01)	691.03	0.09	691.11
Total Expenses	**5,308.84**	**243.87**	**5,552.71**	**0.09**	**5,552.79**
Profit / (Loss) before exceptional items and tax	852.60	(29.44)	823.16	3.62	826.78
Exceptional Item	-	-	-	-	-
Profit / (Loss) before tax	**852.60**	**(29.44)**	**823.16**	**3.62**	**826.78**
Tax Expenses					-
Current Tax	300.00	-	300.00	-	300.00
Deferred Tax	(15.77)	9.47	(6.29)	1.23	(5.06)
Short / (Excess) Provision for earlier years	0.04	-	0.04	(0.05)	(0.01)
Total Tax Expense	**284.27**	**9.47**	**293.75**	**1.18**	**294.93**
Profit / (Loss) for the period from continuing operations	568.32	(38.91)	529.41	2.44	531.85
Profit / (Loss) for the period from discounted operations	-	-	-	-	-
Tax expense of discounted operations	-	-	-	-	-
Profit / (Loss) from discontinued operations (after tax)	-	-	-	-	-
				-	-
PROFIT / (LOSS) FOR THE PERIOD	**568.32**	**(38.91)**	**529.41**	**2.44**	**531.85**
OTHER COMPREHENSIVE INCOME					
(A) (i) Items that will not be reclassified to Profit or Loss					
(a) Change in fair value of Equity instruments through OCI	-	-	-	-	-
(b) Remeasurements of Loss on employees defined benefit plan	-	0.15	0.15	-	0.15
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(0.05)	(0.05)	-	(0.05)
(B) (i) Items that will be reclassified to Profit or Loss					
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Total Other Comprehensive Income					
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**568.32**	**(38.81)**	**529.51**	**2.44**	**531.95**

The previous GAAP figures have been reclassified to confirm to IndAS presentation requirements for the purpose of this note.

Note 45 - Impact of IND AS adoption on Balance Sheet as at 31 March 2016

Balance Sheet as at 31st March 2016 **(Rs. in millions)**

ASSETS	Note	As at 31st March 2016 (Proforma Ind AS)				
		As per IGAAP	Adjustment on to transition to Ind AS	As per Proforma Ind AS	Restatement Adjustments	Restated Proforma Ind AS
Non-current assets						
Property, plant and equipment	B	1,245.84	(221.11)	1,024.73	-	1,024.73
Capital work-in-progress		56.50	(0.00)	56.50	-	56.50
Investment Property	A	-	-	-	-	-
Goodwill		-	-	-	-	-
Intangible assets		1.38	(0.06)	1.32	-	1.32
Intangible Assets under development		-	-	-	-	-
Biological Assets other than bearer plants		-	-	-	-	-
Financial Assets		-	-	-	-	-
- Investment		0.03	52.62	52.65	-	52.65
- Loans		344.62	(344.62)	-	-	-
- Trade Receivables		-	-	-	-	-
- Other Financial Assets		-	0.42	0.42	-	0.42
Deferred tax assets (Net)	D	29.24	(15.55)	13.69	0.66	14.35
Other Non - current assets		-	531.56	531.56	-	531.56
Total Non-current assets		**1,677.61**	**3.26**	**1,680.87**	**0.66**	**1,681.53**
Current assets						
Inventories		761.90	(1.67)	760.23	-	760.23
Financial assets						
Investments		-	-	-	-	-
Trade receivables		889.25	(19.37)	869.88	(2.03)	867.85
Cash and cash equivalents		435.97	(42.47)	393.50	-	393.50
Bank Balances		-	28.28	28.28	-	28.28
Loans		426.27	(418.66)	7.61	-	7.61
- Other Financial Assets		-	1.02	1.02	-	1.02
Current Tax Assets (Net)		-	-	-	-	-
Other current assets		-	416.00	416.00	-	416.00
Total current assets		**2,513.40**	**(36.88)**	**2,476.51**	**(2.03)**	**2,474.48**
Total Assets		**4,191.01**	**(33.63)**	**4,157.38**	**(1.37)**	**4,156.01**

(Rs. in millions)

EQUITY AND LIABILITIES	Note	As at 31st March 2016 (Proforma Ind AS)				
		As per IGAAP	Adjustment on to transition to Ind AS	As per Proforma Ind AS	Restatement Adjustments	Restated Proforma Ind AS
Equity						
Equity Share capital		48.30	-	48.30	-	48.30
Equity Share Suspense Account		2.80	-	2.80	-	2.80
Other equity		2,493.04	(33.38)	2,459.66	0.22	2,459.88
Total Equity		**2,544.14**	**(33.38)**	**2,510.76**	**0.22**	**2,510.98**
Liabilities						
Non-current liabilities						
Financial liabilities						
Borrowings		516.28	(303.61)	212.68	-	212.68
Trade Payables		-	-	-	-	-
Others		-	-	-	-	-
Provisions		-	-	-	-	-
Deferred tax liabilities (Net)		-	-	-	-	-
Other non-current Liabilities		-	-	-	-	-
Total Non-current liabilities		**516.28**	**(303.61)**	**212.68**	**-**	**212.68**
Current liabilities						
Financial liabilities						
Borrowings		425.08	303.61	728.68	-	728.68
Trade payables		533.63	(0.24)	533.39	-	533.39
- Other Financial Liabilities		-	86.37	86.37	-	86.37
Other current liabilities		162.22	(86.38)	75.85	(0.12)	75.73
Provisions		9.66	(6.40)	3.26	-	3.26
Current tax liabilities (Net)		-	6.40	6.40	(1.47)	4.93
Total Current liabilities		**1,130.59**	**303.36**	**1,433.95**	**(1.59)**	**1,432.35**
Total Liabilities		**1,646.87**	**(0.25)**	**1,646.62**	**(1.59)**	**1,645.03**
Total Equity and Liabilities		**4,191.01**	**(33.63)**	**4,157.38**	**(1.37)**	**4,156.01**

The previous GAAP figures have been reclassified to confirm to IndAS presentation requirements for the purpose of this note.

Note 46 - Impact of IND AS adoption on Statement of Profit & Loss for the year ended 31 March 2016

(Rs. in millions)

Particulars	For the year ended 31st March 2016 (Proforma Ind AS)				
	As per IGAAP	Adjustment on to transition to Ind AS	As per Proforma Ind AS	Restatement Adjustments	Restated Proforma Ind AS
Income					
Revenue from operations	6,597.39	262.70	6,860.08	-	6,860.08
Other income	84.68	22.96	107.64	(5.57)	102.07
Total revenue	**6,682.07**	**285.65**	**6,967.72**	**(5.57)**	**6,962.16**
Expenditure					
Cost of Materials Consumed	3,894.37	(0.00)	3,894.37	-	3,894.37
Purchase of Stock-in-trade	24.95	(2.80)	22.15	-	22.15
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	(42.46)	1.67	(40.79)	-	(40.79)
Excise Duty / Goods and Service Tax Expenses	-	335.17	335.17	-	335.17
Employee Benefits Expense	542.14	3.26	545.40	-	545.40
Finance Costs	71.10	11.98	83.09	-	83.09
Depreciation / Impairment & Amortization Expenses	298.16	(2.52)	295.64	-	295.64
Other Expenses	725.67	(68.71)	656.95	(5.68)	651.27
Total Expenses	**5,513.93**	**278.05**	**5,791.97**	**(5.68)**	**5,786.29**
Profit / (Loss) before exceptional items and tax	1,168.14	7.61	1,175.75	0.12	1,175.87
Exceptional Item	-	-	-	-	-
Profit / (Loss) before tax	**1,168.14**	**7.61**	**1,175.75**	**0.12**	**1,175.87**
Tax Expenses		-	-	-	-
Current Tax	427.84	-	427.84	-	427.84
Deferred Tax	(21.52)	4.69	(16.83)	0.04	(16.79)
Short / (Excess) Provision for earlier years	(2.26)	-	(2.26)	2.26	0.00
Total Tax Expense	**404.06**	**4.69**	**408.75**	**2.30**	**411.05**
Profit / (Loss) for the period from continuing operations	764.08	2.92	767.00	(2.19)	764.81
Profit / (Loss) for the period from discounted operations	-	-	-	-	-
Tax expense of discounted operations	-	-	-	-	-
Profit / (Loss) from discontinued operations (after tax)	-	-	-	-	-
				-	-
PROFIT / (LOSS) FOR THE PERIOD	**764.08**	**2.92**	**767.00**	**(2.19)**	**764.81**
OTHER COMPREHENSIVE INCOME					
(A) (i) Items that will not be reclassified to Profit or Loss					
(a) Change in fair value of Equity instruments through OCI	-	0.48	0.48	-	0.48
(b) Remeasurements of Loss on employees defined benefit plan	-	3.37	3.37	-	3.37
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(1.33)	(1.33)	-	(1.33)
(B) (i) Items that will be reclassified to Profit or Loss					
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Total Other Comprehensive Income					
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**764.08**	**5.43**	**769.52**	**(2.19)**	**767.33**

The previous GAAP figures have been reclassified to confirm to IndAS presentation requirements for the purpose of this note.

Note 47 -Reconciliation of profit/loss as at March 31,2017, March 31,2016 and March 31, 2015

Particulars	Note	For the year ended		
		31 March 2017 (Ind AS)	31 March 2016 (Proforma Ind AS)	31 March 2015 (Proforma Ind AS)
Profit after tax as per Restated IGAAP		776.75	761.90	570.76
Ind As Adjustments :				
Remeasurement of Defined Benefit Plan	1	3.22	(3.37)	(0.15)
Deferred tax (Net)	2	(0.48)	(4.49)	(9.47)
Expected Credit Loss on trade receivables	3	4.13	10.97	(29.49)
Share of loss in Jointly Controlled entiry	4	-	(0.20)	0.20
Profit after tax as per Restated Ind AS		783.62	764.81	531.85

Working note on Reconciliation of profit/loss as at March 31,2017, March 31,2016 and March 31, 2015

1 **Remeasurement of Defined Benefit Plan**

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

2 **Deferred Tax (Net)**

The above transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or as a separate component of equity.

3 **Expected Credit Loss on trade receivables**

Under Indian GAAP, the Company had created provision for impairment of financial assets based on losses incurred. However, under Ind AS impairment allowance has been determined based on expected credit loss (ECL) model , which considers the probable non recovery of amount and delayed expected receipts.

4 **Share of loss in Jointly Controlled entity**

Loss in share of JV was not recorded for FY 2014-15, since the company has not contributed towards the share capital of the JV till the closure of financial year. However, under IND AS, as per equity method, share of profit / loss of the JV needs to be adjusted against the investment. Accordingly, the share of loss for corresponding year has not been recorded and cumulative effect has been given in FY 2015-16.

Note 48 - Reconciliation of equity as at March 31,2017, March 31,2016 and March 31, 2015

Particulars	Note	As at		
		31 March 2017 (Ind AS)	31 March 2016 (Proforma Ind AS)	31 March 2015 (Proforma Ind AS)
Total Equity as per Restated IGAAP		**3,042.08**	**2,544.36**	**1,936.59**
Ind As Adjustments :				
Proposed Dividend	1	229.95	-	144.90
Tax on Dividend	1	46.81	-	29.50
Expected Credit Loss on trade receivables	2	-14.39	-18.52	-29.49
Remeasurement of Defined Benefit Plan	3	-0.30	-3.52	-0.15
Deferred tax (net)	4	-13.28	-13.96	-9.47
Share of loss in Jointly Controlled entiry	5	-	-	0.20
Fair value / Remeasurements routed through OCI	6	0.52	2.62	0.10
Total Equity as per Restated Ind AS		**3,291.40**	**2,510.98**	**2,072.17**

Working note on Reconciliation of equity as at March 31,2017, March 31,2016 and March 31, 2015

1 **Proposed Dividend & Tax on Dividend**

Under previous IGAAP, dividend proposed by the board of directors after the reporting date but before the approval of financial statement were considered to be adjusting event as per AS 4 and accordingly recognised as liability at the reporting date (along with DDT).

As per Para 12 of the Ind AS 10 "Events after reporting period", if an entity declares dividends to holders of equity instruments (as defined in Ind AS 32, Financial Instruments: Presentation) after the reporting period, the entity shall not recognise those dividends as a liability at the end of the reporting period.

As per Para 13 of the Ind AS 10 "Events after reporting period", If dividends are declared after the reporting period but before the financial statements are approved for issue, the dividends are not recognised as a liability at the end of the reporting period because no obligation exists at that time. Such dividends are disclosed in the notes in accordance with Ind AS 1, Presentation of Financial Statements.

From the above explanation dividend so proposed by the board of directors are considered to be non-adjusting event. Accordingly, provision for proposed dividend and DDT recognised under previous IGAAP has been reversed.

2 **Expected Credit Loss on trade receivables**

Under Indian GAAP, the Company had created provision for impairment of financial assets based on losses incurred. However, under Ind AS impairment allowance has been determined based on expected credit loss (ECL) model , which considers the probable non recovery of amount and delayed expected receipts.

3 **Remeasurement of Defined Benefit Plan**

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

4 **Deferred Tax (Net)**

The above transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or as a separate component of equity.

5 **Share of loss in Jointly Controlled entiry**

Loss in share of JV was not recorded for FY 2014-15, since the company has not contributed towards the share capital of the JV till the closure of financial year. However, under IND AS, as per equity method, share of profit / loss of the JV needs to be adjusted against the investment. Accordingly, the share of loss for corresponding year has not been recorded and cumulative effect has been given in FY 2015-16.

6 **Fair value / Remeasurements routed through OCI**

Under Indian GAAP, the Company has not presented other comprehensive income separately. As per IndAS, certain items needs to be routed through Other Comprehensive Income (OCI). Accordingly, the company has classified remeasurement of definned contributions employees benefits and fair value of investments in equity instruments through OCI.

Note 49 - Cash flows between previous GAAP and Ind AS

The company did not have any significant material differences in cash flows prepared under previous GAAP and cash flows prepared under IND AS. The differences, if any are on account of re-classification requirement under IND AS & IND AS adjustments.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure A.VIII –Restated Consolidated Statement of Capitalisation

Particulars	Pre-Issue as at 31 December 2017 (Rs. in millions)	Post -Issue (Refer Note i below)
Borrowings		
Current Borrowings	**285.48**	
Non-Current Borrowings including current maturity	-	
Total Borrowings (A)	**285.48**	
Equity		
Equity Share Capital	**153.30**	
Other Equity	3468.73	
Total Equity (B)	**3622.03**	
Total Borrowings/Total Equity	0.08:1	

Notes:

i) Total Equity post- issue can be calculated only on the conclusion of the book building process and hence the same has not been provided in the statement.

ii) The above ratios have been computed on the basis of the Restated Consolidated Summary Statement of Assets and Liabilities as at31 December 2017 to be read together with summary of significant accounting policies in Annexure A.V, impact of adjustments to Consolidated audited financial Statements in Annexure A.VI and notes to restated Consolidated financial information in Annexure A.VII.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure A.IX - Restated Consolidated Statement of Dividend

(Rs. in millions)

Particulars	For the Year/Nine months period ended			
	31 December 2017 (Ind AS)	31 March 2017 (Ind AS)	31 March 2016 (Proforma Ind AS)	31 March 2015 (Proforma Ind AS)
Class of Shares				
Equity Shares				
Equity Shares of 10 each - Numbers	-	48,29,996	48,29,996	48,29,996
Equity Shares of 5 each - Numbers	3,06,59,976	-	-	-
Amount (In Rupees)	153.30	48.30	48.30	48.30
Equity Shares (**Share Capital Suspense Account**)of 10 each - Numbers	-	-	-	-
Share Capital Suspense (Rs) [**Refer Note 2 below**]	-	2.80	2.80	-
Final Dividend (Refer Note 3 below)				
Rate of Dividend (%)	450		300	-
Dividend per share	45		30	-
Amount of dividend	229.95		144.90	-
Corporate dividend tax	46.81		29.50	-
Interim Dividend (Refer Note 4a)				
Rate of Dividend (%)	-	-	450	-
Dividend per share	-	-	45	-
Amount of dividend	-	-	217.35	-
Corporate dividend tax	-	-	44.25	-
Interim Dividend (Refer Note 4b below)				
Rate of Dividend (%)	-	-	1,200	-
Dividend per share	-	-	1,200	-
Amount of dividend	-	-	6.00	-
Corporate dividend tax	-	-	1.22	-

Note:

1. The above statement should be read with Restated Consolidated Summary Statements as appearing in Annexure A. V, A.VI & A.VII respectively.

2.Share Capital Suspense (Rs 2.80 million)comprises of shares pending allotment to amalgamating companies Fine Research & Development Centre Private Limited (FRDCPL) and Fine Speciality Surfactants Private Limited (FSSPL) amounting to Rs 0.77 million and Rs 2.03 million respectively and subsequently allotted on 05 July 2017.

3a. Final Dividend proposed for the year ended 31 March 2015 amounting to Rs 144.90 million has been disclosed in the period in which it is actually paid as per requirement of Para 12 & Para 13 of Ind AS 10- Events after the Reporting Period.

3b. Final Dividend proposed for the year ended 31 March 2017 amounting to Rs 229.95 million including the Final dividend proposed to the shareholders of Amalgamating Companies (FSSPL (Rs. 0.91 million) & FRDPL (Rs. 0.35 million)) has been disclosed in the period in which it is actually paid as per requirement of Para 12 & Para 13 of Ind AS 10- Events after the Reporting Period.

4a.The Interim Dividend amounting to Rs. 217.35 million has been paid to the shareholders of the Company.

4b. The Interim Dividend amounting to Rs. 6 million has been paid to the shareholders of FSSPL by FSSPL prior to giving effect of the amalgamation.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure A.X - Restated Consolidated Statement of Accounting Ratios

(Rs. in millions)

Particulars		For the Nine months period ended 31 December 2017 (Ind AS)	For the Year ended 31 March 2017 (Ind AS)	For the Year ended 31 March 2016 (Proforma Ind AS)	For the Year ended 31 March 2015 (Proforma Ind AS)
Net Profit After Tax as Restated	A	609.44	783.62	764.81	531.85
Total Number of Equity Shares outstanding at the end of the year/period	B	3,06,59,976	48,29,996	48,29,996	48,29,996
Weighted Average Number of Equity Shares outstanding during the year/period	C	2,30,99,982	3,06,59,976	3,06,59,976	2,89,79,976
Weighted Average Number of Diluted Equity Shares outstanding during the year/period	D	2,30,99,982	3,06,59,976	3,06,59,976	2,89,79,976
Total Number of Equity Shares outstanding at the end of the year/period(as restated)	E	3,06,59,976	3,06,59,976	3,06,59,976	2,89,79,976
Basic Earnings Per Share (Rs) [A/C]		26.38	25.56	24.95	18.35
Diluted Earnings Per Share (Rs) [A/D]		26.38	25.56	24.95	18.35
Return on Net Worth (%)		17.34%	24.65%	31.91%	25.66%
Net Asset Value per Equity Share(Net Worth/E)		114.65	103.70	78.18	71.52
Face value per share		5	10	10	10

Notes:

1. These ratios have been computed as below:

a) Basic Earnings Per Share = $\frac{\text{Net Profit After Tax (As Restated)}}{\text{Weighted Average Number of Equity Shares outstanding during the year}}$

b) Diluted Earnings per Share = $\frac{\text{Net Profit After Tax (As Restated)}}{\text{Weighted Average Number of Diluted Equity Shares outstanding during the year}}$

c) Return on Net Worth (%) = $\frac{\text{Net Profit After Tax (As Restated)}}{\text{Net Worth at the end of the year}}$

d) Net Asset Value Per Share (Rs) = $\frac{\text{Net Worth at the end of the Year (As Restated)}}{\text{Total Number of Equity Shares outstanding at the end of the year/period(as restated)}}$

2. Weighted Average Number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of equity shares during year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

3. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure A.VII

4. The figures/ratios disclosed above are based on Restated Consolidated Summary Statements of the company

5.Net Worth = Equity Share Capital+Reserves & Surplus (included General Reserves, Surplus in Profit & Loss Account and Securities Premium) in accordance with section 2(57) of the Companies Act, 2013.

Calculation of Net Worth

(Rs.in millions)

Particulars	As at 31 December 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Proforma Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Paid Up Share Capital	153.30	48.30	48.30	48.30
Reserves				
Retained Earnings	3,361.21	3,083.35	2,298.56	1,976.97
General Reserve	-	47.39	47.39	47.39
Securities Premium	-	0.00	0.00	0.00
Other Comprehensive Income	0.52	0.52	2.62	0.10
Net Worth	**3,515.03**	**3,179.55**	**2,396.87**	**2,072.75**

6. The aforesaid statement of Accounting Ratios has been prepared as per the restated Consolidated summary statement of assets and liabilities and profits and losses of the Company.

7. The Board of Directors of the Company in their meeting held on 05 July 2017 have allotted 280,000 equity shares of Rs. 10 each to the shareholders of the Amalgamating Companies Fine Research and Development Center Private Limited(FRDCPL) and Fine Speciality Surfactants Private Limited (FSSPL) pending allotment as at 31 March 2016 and 31 March 2017 respectively. Equity shares allotted as part of the consideration being an amalgamation in the nature of merger are included in the calculation of the weighted average number of outstanding equity shares of respective years

8. Subsequent to the allotment of shares to the Amalgamating Companies, the Company has issued bonus shares in the ratio of 2 shares for every 1 share, on 16 October 2017 thereby making total number of shares 15,329,988. Further there was subdivision of equity shares of face value of Rs. 10 each into equity shares of Face Value of Rs. 5 each on 06 November 2017, thereby making total number of shares 30,659,976 and the same has been considered for the calculation of Basic and Diluted EPS for the period upto 31 March 2017

Annexure I - Restated Consolidated Summary Statement of Assets and Liabilities

(Rs. in millions)

Sr No.	Particulars	Note No.	As at 31 March 2014	As at 31 March 2013
	Equity and Liabilities			
(1)	**Shareholder's funds**			
	(a) Share Capital	1	48.30	48.30
	(b) Reserves and Surplus	2	1,544.83	927.37
			1,593.13	**975.67**
(2)	**Share application money, pending allotment**		-	-
(3)	**Non-Current Liabilities**			
	(a) Long-Term Borrowings	3	871.05	664.11
	(b) Deferred Tax Liabilities (Net)	10	8.45	13.77
	(c) Other Long-Term Liabilities		-	-
	(d) Long-Term Provisions	4	-	0.63
			879.50	**678.52**
(4)	**Current Liabilities**			
	(a) Short-Term Borrowings	5	200.52	349.70
	(b) Trade Payables	6	584.18	412.46
	(c) Other Current Liabilities	7	121.66	139.95
	(d) Short-Term Provisions	8	23.57	(2.51)
			929.92	**899.60**
	Total		**3,402.55**	**2,553.78**
	Assets			
(5)	**Non-Current Assets**			
	(a) Fixed Assets	9		
	Tangible Assets		700.70	753.18
	Capital Work-In-Progress		241.48	27.34
			942.17	**780.52**
	(b) Non-Current Investments			
	(c) Deferred Tax Assets (Net)	10	-	-
	(d) Long-Term Loans and Advances	11	522.50	28.11
	(e) Other Non-Current Assets		-	-
			522.50	**28.11**
(6)	**Current Assets**			
	(a) Current Investments		-	-
	(b) Inventories	12	543.12	616.90
	(c) Trade Receivables	13	765.08	557.63
	(d) Cash and Bank Balances	14	91.57	78.64
	(e) Short-Term Loans and Advances	15	531.43	491.81
	(f) Other Current Assets	16	6.68	0.18
			1,937.87	**1,745.16**
	Total		**3,402.55**	**2,553.78**

Notes :
The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

As per our report of even date
For B Y & Associates
Chartered Accountants
Firm Registration No.: 123423W

CA Bhavesh Vora
Partner
M. No. 043908

Place: Mumbai
Date:

For and on behalf of Board of Directors of
Fine Organic Industries Limited
(formerly known as Fine Organic Industries Private Limited)

Mukesh Shah	**Jayen Shah**
Managing Director	**Whole Time Director and CEO**
DIN: 00106799	**DIN: 00106919**
Tushar Shah	**Pooja Gaonkar**
Whole Time Director and CFO	**Company Secretary**
DIN: 00107144	

Place: Mumbai
Date:

Annexure II - Restated Consolidated Summary Statement of Profit and Loss

(Rs. in millions)

Sr No.	Paticulars	Note No.	For the Year ended 31 March 2014	For the Year ended 31 March 2013
A	**Incomes**			
i	Revenue from operations	17	5,672.04	4,964.50
ii	Other income	18	69.81	10.60
iii	**Total revenue (i+ii)**		**5,741.85**	**4,975.10**
B	**Expenses**			
	Cost of materials consumed	19	3,490.06	3,534.12
	Purchase of Stock in Trade		-	-
	Changes in inventory of finished goods and work- in-progress	20	5.70	(37.68)
	Employee benefits expense	21	381.38	328.26
	Other expenses	22	716.42	632.43
	Depreciation and amortisation	23	106.10	113.55
	Finance costs	24	96.49	94.86
	Total expenses		**4,796.15**	**4,665.53**
iv	**Net profit before tax and exceptional items**		**945.70**	**309.57**
v	**Exceptional items**		-	-
vi	**Net profit from Ordinary Items before tax**		**945.70**	**309.57**
vii	**Tax expense :**			
	- Income taxes- current tax		335.00	103.00
	- MAT credit entitlement		-	-
	- Deferred tax (credit)/ charge		(5.32)	(0.96)
	- Short/(Excess) Provision for earlier years/period		(1.44)	(1.44)
	Total Tax Expense		**328.24**	**100.60**
viii	**Net Profit from Ordinary Activities After Tax (vi-vii)**		**617.46**	**208.97**
ix	**Extraordinary Item (Net of Tax Expense)**		-	-
x	**Profit for the period/ year**		**617.46**	**208.97**
xi	**Earnings Per Equity Share**			
	Basic (In Rupees)		**21.31**	**7.21**
	Diluted (In Rupees)		**21.31**	**7.21**

Notes:
The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

As per our report of even date
For B Y & Associates
Chartered Accountants
Firm Registration No.: 123423W

CA Bhavesh Vora
Partner

M. No. 043908

For and on behalf of Board of Directors of
Fine Organic Industries Limited
(formerly known as Fine Organic Industries Private Limited)

Mukesh Shah
Managing Director
DIN: 00106799

Jayen Shah
Whole Time Director and CEO
DIN: 00106919

Tushar Shah
Whole Time Director and CFO
DIN: 00107144

Pooja Gaonkar
Company Secretary

Place: Mumbai
Date:

Place: Mumbai
Date:

Annexure III - Restated Consolidated Summary Statement of Cash Flows

(Rs. in millions)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
A.Cash flows from operating activities		
Restated Profit before tax	945.70	309.57
Adjustments for:		
Depreciation and amortisation	106.10	113.55
(Profit)/ loss on sale of fixed assets	(0.19)	(0.08)
Exchange Gain/Loss on Foreign Currency Rollover & EEFC	25.56	20.30
Unrealised exchange fluctuation (gain)/ loss (net)	-	-
Interest income	(1.36)	(4.60)
Interest expense and other finance costs	72.29	79.16
Operating profit before working capital changes	**1,148.10**	**517.90**
Changes in working capital		
(Increase)/decrease in inventories	73.78	(142.52)
(Increase)/decrease in trade receivables	(207.45)	(64.65)
(Increase)/decrease in loans and advances and other current assets	(540.52)	(91.36)
Increase /(decrease) in trade payables, other current liabilities and provisions	(162.70)	374.50
Cash flows generated from /(used in) operating activities	**311.21**	**593.87**
Direct taxes paid	(290.35)	(104.58)
Net cash flows generated from /(used in) operating activities (A)	**20.86**	**489.29**
B. Cash flows from investing activities		
Purchase of fixed assets (net of capital work-in- progress, capital creditors and capital advance)	(268.11)	(88.21)
Proceeds from sale of fixed assets	0.54	0.28
Exchange Gain/Loss on Foreign Currency Rollover & EEFC	(25.56)	(20.30)
Interest received	1.36	4.60
Net cash flows generated from /(used in) investing activities (B)	**(291.77)**	**(103.63)**
C. Cash flows from financing activities		
Proceeds/Repayment of long-term Loans and advance/borrowings	206.94	(102.65)
Proceeds / Repayment of short-term borrowings	149.18	(146.50)
Dividend paid, including tax thereon	-	-
Finance costs paid	(72.29)	(79.16)
Net cash flows generated from/ (used in) financing activities (C)	**283.83**	**(328.31)**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	**12.92**	**57.35**
Cash and cash equivalents at the beginning of the period/ year	78.64	21.29
Cash and cash equivalents at the end of the period/ year	**91.57**	**78.64**
Cash and cash equivalents at the end of the year comprises:		
(a) cash on hand	1.69	0.59
(b) balances with banks	-	-
(i) in current accounts	51.76	8.65
(ii) in EEFC accounts	34.27	68.08
(iii) in deposit accounts	0.25	0.20
(iv) in term loan accounts	0.00	0.00
(v) in Margin Account	3.60	1.12
(vi) Cheques on hand	-	-
Total of Balances with banks	**89.87**	**78.05**
	91.57	**78.64**

Notes :-

The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

As per our report of even date
For B Y & Associates
Chartered Accountants
Firm Registration No.: 123423W

For and on behalf of Board of Directors of
Fine Organic Industries Limited
(formerly known as Fine Organic Industries Private Limited)

CA Bhavesh Vora
Partner
M. No. 043908

Mukesh Shah
Managing Director
DIN: 00106799

Jayen Shah
Whole Time Director and CEO
DIN: 00106919

Tushar Shah
Whole Time Director and CFO
DIN: 00107144

Pooja Gaonkar
Company Secretary

Place: Mumbai
Date:

Place: Mumbai
Date:

Annexure IV - Notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows

1. Corporate Information:

Fine Organic Industries Limited "the Company"(formerly known as Fine Organic Industries Private Limited) is a limited company incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is situa ted in the state of Maharashtra. The Company and its subsidiaries (including joint ve nture entity) carries on the business, in India and abroad, as manufacturers, processors, suppliers, distributors, dealers, importers, exporters of flavours, perfumes and flavouring chemicals, oil and colours, surface active agents, emulsifiers, preservatives, clouding agents , textile auxiliaries, lubricants, oleo chemicals and their derivatives, fatty acids and their derivatives, salt an d esters. It also d evelops, processes, manufactures, deals in and carries on business in India and abroad in fine and heavy chemicals, oils, fats, dyes, dyestuffs, dye retardants, dye assistants and organic and inorganic chemicals.

2. Significant Accounting Policies:

2(1) Basis of Preparation of Financial Statements:

The financial statements are prepared under the historical cost convention, in accordance with applicable accounting standards no tified by the companies (accounting standards) Rules, 2006 & the relevant provisions of the Companies Act, 1956.

The Restated Consolidated Statement of Assets and Liabilities of the group as at 31 March 2014 and 31 March 2013 and the Restated Consolidated Statement of Profit and Loss and the Restated Consolidated Statement of Cash flows for the period ended 31 March 2014 and 31 March 2013 (collectively the "Restated Consolidated Financial Information") has been prepared as per Accounting Standard (AS) specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Com panies (Accounts) Rules, 2014 and other relevant provision of the Companies Act, 2013 to the extent applicable.

The Restated Consolidated Financial Information have been compiled by the Company from the Audited Financial Statements of the Group for the respective period/years ("Audited Financial Statements") prepared under the g enerally accepted accounting principles followed in India (Indian GAAP). Accounting policies, unless specifically stated to be otherwise, are consistent and are in accordance with Indian GAAP.

The Restated Consolidated Financial Information has been prepared under Indian GAAP defined above and in accordance with the requirements of:
(a) Section 26 of Part I of Chapter III of the Companies Act 2013 read with Rule 4 to Rule 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and
(b) item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirem ents) Regulations, 2009 as amended to date in pursuance of provisions of Securities and Ex change Board of India Act,1992 read along with the SEB I circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated 31 March 2016 on Clarification regarding disclosures in Offer Documents under the SEBI Regulations issued by the Securities and Exchange Board of India in connection with the proposed Initial Public Offering of Equity Shares of the Company.

The Restated Consolidated Financial Information has been extracted by the Company's management from the Audited Consolidated Financial Statements and:

• There were no audit qualifications on these financial statements,

• There were no changes in accounting policies during the years of these financial statements,

• Material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted,

• Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited Financial Statements of the Group as at and for the year ended 31 March, 2014 and the requirements of the SEBI Regulations, and

• The resultant tax impact on above adjustments has been appropriately adjusted in deferred tax in the respective years and the impact of current tax in respect of short/excess income tax arising out of assessments, appeals, revised income tax returns, etc., has been adjusted in the tax expense of respective years to which they relate.

2(2) Fixed Assets & Depreciation:

Fixed Assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

(1)Depreciation and Amortization:

Depreciation on fixed assets up to the year ended 31 March 2014, is provided to the extent of depreciable amount on the Written Down Value (WDV) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 over their useful life. In respect of additions to Fixed Assets, the Depreciation and amortization is provided on pro rata basis for the year.

The premium paid for lease-hold plots have been amortized equally over the period of lease term. Leasehold improvements are depreciated over the shorter of the unexpired period of the lease and the estimated useful life of the assets.

2(3) Inventories:

Inventories are valued at lower of cost and net realisable value. The cost is determined on the basis of Average Method. For the purpose of finished goods, cost comprises of all direct and indirect cost related to production and includes excise duty.

2(4) Borrowing Cost:

Interest & borrowing cost other than those directly attributable to the acquisition, construction or installation of qualifying capital assets are recognized as an expense in the period in which they are incurred.

2(5) Revenue Recognition:

Revenue from operation includes sale of goods, excise duty and sales during trial run period, adjusted for discounts (Net) and Value Added Tax (VAT).

2(6) Taxes on Income:

Current Tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

2(7) Employee Benefits:

a) In accordance with the provision of Employees Provident Funds & Miscellaneous Provisions Act, 1952, eligible employees of the company are entitled to receive benefits with respect to provident fund, a defined contribution plan in which both the Company & the employee contribute monthly at a determined rate (currently 12% of employee's basic salary). Company's contribution to PF is charged to Profit & Loss Account.

b) The Company has taken a Policy with Life Insurance Corporation of India for the payment of gratuity, a defined contribution plan & premium paid on the policy has been charged to Profit & Loss Account.

2(8) Foreign Exchange Transactions:

Transactions denoted in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transactions. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit & Loss account as Other Income/Expense. Any Income/Expense on account of exchange difference on foreign currency loan at the year end is recognised in Profit & Loss account as Finance Charges.

2(9) Contingent Liabilities and Provisions:

A provision is recognized when there is a present obligation as a result of past events for which 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. These are reviewed at each balance sheet date & adjusted to reflect the current best estimates. Contingent liabilities are discovered after an evaluation of the facts & legal aspects of the matters involved.

2(10) Research & Development:

Revenue expenditure on research and development is charged as an expense in the year in which it is incurred.

Annexure V - Statement on Material Adjustments to prepare Restated Consolidated Financial Information

I. Below mentioned is the summary of results of adjustments made in the Audited Financial Statements of the respective years and its impact on the restated consolidated summary statement of profit and loss and restated consolidated summary statement of assets and liabilities:

(Rs. in millions)

Sr No.	Particulars	Note	For the year ended 31 March 2014	For the year ended 31 March 2013
A	Net profit after Tax as per audited financial statements		617.43	209.04
B	**Restatement Adjustments**			
	Prior Period Adjustment	1	-	0.25
	Reversal of Provision on Gratuity	2	-	(1.35)
	Rates & Taxes Adjustment	3(a)	(1.74)	(1.16)
	Rates & Taxes Adjustment	3(b)	-	(0.14)
			(1.74)	**(2.40)**
C	**Tax Adjustments**	5	1.77	2.33
D	**Total Adjustment (B+C)**		**0.03**	**(0.07)**
E	**Restated (loss) / profit after tax (A+D)**		**617.46**	**208.97**

II **Adjustment made in the opening balance of surplus in the statement of profit and loss as on 01 April 2012.**

(Rs.in millions)

Particulars	Note	Amount
Surplus in the Statement of Profit & Loss as at 01 April 2012		**670.99**
Adjustment on account of Restatements:-		-
Prior Period Adjustment	1	(0.25)
Gratuity	2	1.35
Rates & Taxes Adjustments	3(a)	(2.43)
Rates & Taxes Adjustments	3(c)	1.86
Provision for Doubtful Debts	4	(2.03)
Tax Adjustment of earlier years	5	1.49
		-
Balance as per Restated Consolidated Financial Information as at 01 April 2012		**670.97**

Notes to I & II

1 **Prior Period Adjustment**
This represents export clearing charges provided in FY 2012-13 aggregating to Rs. 0.25 million pertaining to earlier years.

2 **Employee Benefits**
This represents excess provision for gratuity and interest on gratuity fund recorded in FY 2011-12 reversed in FY 2012-13 aggregating to Rs. 1.35 million adjusted to Opening Reserve as on April 01, 2012.

3 **Rates & Tax Adjustments**
This Represents Adjustments of Service Tax,Customs & Vat detailed as below recorded in FY 2015-16 pertaining to earlier years:

a	**Service Tax**	**(Rs. in millions)**
i	Expense pertaining to FY 2012-13	1.16
ii	Expense pertaining to FY 2013-14	1.74
iii	Adjustment to Opening Reserve as on 01.04.2012	2.43
	Adjustment to Rates & Taxes of FY 2015-16	**5.33**

b **Customs Duty**
This represents Customs Duty agregating to Rs. 0.14 million written off pertaining to FY 2012-13.

c	**Interest On Vat Refund**	**(Rs. in millions)**
i	Adjustment to Opening Reserve as on 01.04.2012	1.86
	Adjustment to Rates & Taxes of FY 2015-16	**1.86**

4 **Provision for Doubtful Debts**
This represents Provision for Doubtful Debts for the FY 2011-12 aggregating to Rs 2.03 million.

5 **Tax Adjustments**
This represents income tax (current tax +deferred tax) adjustment on account of excess/short provision pertaining to earlier years which has now been adjusted in respective years and tax adjustment on account of restatement of consolidated financial information.

Annexure V - Statement on Material Adjustments to prepare Restated Consolidated Financial Information

III Matters not requiring Adjustment in Restated Consolidated Financial Information:

Statutory Auditors have made the following comments as per Audited Financial Statement for the financial years 2013-14 & 2012-13 in terms with the requirements of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub section 4A of section 127 of the Companies Act, 1956.

Auditor's comments in Company Auditor's Report Order - FY 2013-14

Clause ix (a)

According to the records of the company and information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, ESIC, Income Tax, Sales Tax including Works Contract Tax, Service Tax and other material statutory dues applicable to it.

Clause ix (b)

According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales tax, Customs Duty, Excise Duty, Service Tax and cess were in arrears as on 31 March 2014 for a period of more than six months from the date they became payable.

Clause ix (c)

According to the information and explanations given to us, details of dues in respect of Income-Tax which have not been deposited as on 31 March 2014 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs. in millions)
Income Tax Act,1961	Income Tax	CIT (Appeals), Mumbai	AY 2006-07	11.14
Income Tax Act,1961	Income Tax	CIT (Appeals), Mumbai	AY 2010-11	20.37

Auditor's comments in Company Auditor's Report Order - FY 2012-13

Clause ix (a)

According to the records of the co mpany and information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, ESIC, Income Tax , Sales Tax including Works Contract Tax, Service Tax and ot her material statutory dues applicable to it.

Clause ix (b)

According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales tax, Customs Duty, Excise Duty, Service Tax and cess were in arrears as on 31 March 2013 for a period of more than six months from the date they became payable.

Clause ix (c)

According to the inform ation and explanations given to us, details of dues in respect of Income-Tax which have not been deposited as on 31 March 2013 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs. In millions)
Income Tax Act,1961	Income Tax	CIT (Appeals), Mumbai	AY 2006-07	11.14
Income Tax Act,1961	Income Tax	CIT (Appeals), Mumbai	AY 2010-11	20.37

Annexure VA : Notes to Restated Consolidated Financial Information

Note 1 : Restated Consolidated Statement of Share Capital

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	**SHARE CAPITAL**		
	AUTHORISED		
	51,00,000 Equity Shares of Re. 10/- each	51.00	51.00
2	**ISSUED, SUBSCRIBED & PAID-UP**		
	48,29,996 Equity Shares of Re. 10/- each (Refer note 1.5)	48.30	48.30
	Total	**48.30**	**48.30**

Note 1.1 : Details of shareholders holding more than 5%

Sr. No.	Name of the Shareholder	As at 31 March 2014		As at 31 March 2013	
		No. of Shares	% held	No. of Shares	% held
1	Mukesh Maganlal Shah	807,884	16.73	807,884	16.73
2	Prakash Damodar Kamat	941,350	19.49	941,350	19.49
3	Jayen Ramesh Shah	807,308	16.71	807,308	16.71
4	Jyotsna Ramesh Shah	922,479	19.10	922,479	19.10
5	Bimal Mukesh Shah	-	-	-	-
6	Tushar Ramesh Shah	859,572	17.80	859,572	17.80

Note 1.2 : Reconciliation of No. of Shares Outstanding

Sr. No.	Particulars	As at 31 March 2014		As at 31 March 2013	
		No. of Shares	% held	No. of Shares	% held
	Number of shares at the beginning of the year	4,829,996	100.00	4,829,996	100.00
	Issued during the year/period	-	-	-	-
	Number of shares at the end of the year	4,829,996	100.00	4,829,996	100.00

Note 1.3 : Rights, Preferences & Restrictions of each class of shares

The Company has issued one class of shares, i.e,equity shares, which enjoys the same rights in respect of voting, payment of dividend and repayment of capital. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Note 1.4 : Particulars of shares reserved for options and contracts / commitments for sale of shares / disinvestment

The Company has not reserved any shares for issue of options and contracts / commitments for sale of shares / disinvestment.

Note 1.5 : Particulars of shares issued / alloted as fully paid up by way of consideration other than cash

The Company has issued 2,830,000 Equity Shares of Rs. 10 each on 11 August 2011 for consideration other than cash to the shareholders of Oleofine Organics India Private Limited ("OOIPL") on account of amalgamation.

Note 1.6 : Particulars of calls unpaid

There is no calls unpaid, thus such disclosure is not applicable.

Note 1.7

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure VA : Notes to Restated Consolidated Financial Information

Note 2 : Restated Consolidated Statement of Reserves & Surplus

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	**General Reserve**	**47.39**	**47.39**
2	**Amalgamation Reserve**	**-**	**-**
3	**Securities Premium Account**	**0.00**	**0.00**
4	**Surplus in Statement of Profit and Loss**		
	As per last balance sheet	879.98	671.01
		-	-
	Add : Profit for the year	617.46	208.97
	Amount Available for Appropriation	1,497.44	879.98
	Less: Appropriations		
		-	-
	Proposed Dividend on Equity shares	-	-
	Income Tax on Proposed Dividend	-	-
	Interim Dividend on Equity shares	-	-
	Income Tax on Interim Dividend	-	-
		-	-
		1,497.44	**879.98**
5	**Foreign Currency Translation Reserve**		
	Balance at the beginning of the year	-	-
	Add : Additions made during the year	-	-
	Balance at the end of the year	-	-
		1,497.44	**879.98**
	Total	**1,544.83**	**927.37**

Note 2.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Note 3 : Restated Consolidated Statement of Long Term Borrowings

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	**Secured Loans**		
	Term Loans from a Scheduled Bank	-	-
	Foreign Currency Term Loans	324.30	101.66
	(secured against equitable mortgage over land & building and plant & machinery)		
2	**Unsecured Loans:**	-	-
	From Directors	271.89	304.05
	From Shareholders and others	274.87	258.41
	Total	**871.05**	**664.11**

Note 3.1

(Rs. in millions)

Sr No	Nature of Loan	Lender	As at 31 March 2013 (Rs. In Million)		Nature of Securities	Interest Rate	Tenure of Repayment
			Non-Current	Current			
1	Foreign Currency Term Loan	UBI	101.66	75.36	EM on Land & Building, Hyp of Plant & Machinery	BR + 4.75% (BR = 10%)	5 Years

(Rs. in millions)

Sr No	Nature of Loan	Lender	As at 31 March 2014 (Rs. In Million)		Nature of Securities	Interest Rate	Tenure of Repayment
			Non-Current	Current			
1	Foreign Currency Term Loan	UBI	324.30	50.40	EM on Land & Building, Hyp of Plant & Machinery	BR + 4.75% (BR = 10.25%)	5 Years

Note 3.2

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Note 4 : Restated Consolidated Statement of Long Term Provisions

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	Provision for employee group gratuity	-	0.63
	Total	**-**	**0.63**

Note 4.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Note 5 : Restated Consolidated Statement of Short Term Borrowings

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	**Secured Loans**		
	From a Scheduled Bank Repayable on demand		
	Cash Credit	181.38	151.00
	Packing Credit	-	132.78
	Term Loan	0.00	0.01
	From a Scheduled Bank (Export Loan)	-	46.51
	(Secured against hypothecation of stock and book debts)		
2	**Unsecured Loans:**		
	From Directors	-	-
	From Shareholders and others	19.14	19.39
	Total	**200.52**	**349.70**

Note 5.1

(Rs. in millions)

Sr No	Nature of Loan	Lender	As at 31 March 2013 Current	Nature of Securities	Interest Rate	Tenure of Repayment
1	Cash Credit	UBI	151.00	Hyp of Stock and Book Debts	BR + 4% (BR = 10%)	On demand
2	Packing Credit	UBI	132.78	Stock Meant for export	BR + 4% (BR = 10%)	On demand
3	Term Loan	UBI	0.01	EM on Land & Building, Hyp of Plant & Machinery	BR + 4.75% (BR = 10.25%)	On demand
4	Export Loan	CITI Bank	46.51	First Pari Passu Charge on Present and Future Stocks and books debts of the borrower, Personal Guarantee of Mr. Bimal Shah and Mr. Tushar Shah, Security to be in line with existing working capital bankers	2.4031%	On demand

(Rs. in millions)

Sr No	Nature of Loan	Lender	As at 31 March 2014 Current	Nature of Securities	Interest Rate	Tenure of Repayment
1	Cash Credit	UBI	181.38	Hyp of Stock and Book Debts	BR + 4.50% (BR = 10.25%)	On demand
2	Term Loan	UBI	0.00	EM on Land & Building, Hyp of Plant & Machinery	BR + 4% (BR = 10.25%)	On demand

Note 5.2

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Annexure VA : Notes to Restated Consolidated Financial Information

Note 6 : Restated Consolidated Statement of Trade Payables

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	Micro and Small Enterprises(refer note 6.1)	28.46	24.20
2	Others	555.72	388.26
	Total	**584.18**	**412.46**

Note 6.1 Disclosure of outstanding dues to MSME under restated standalone statement of trade payable is based on the information available with the Company regarding the status of Suppliers as defined under Micro, Small and Medium Enterprise Development Act, 2006.Balances in Trade Payables are subject to confirmation and/ or reconciliation.

Note 6.2

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Note 7 : Restated Consolidated Statement of Other Current Liabilities

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	Current maturities of long-term borrowings (Secured) [Refer Note 3.1]	50.40	75.36
2	Statutory dues payable	42.61	40.02
3	Trade / security deposits	6.44	7.58
4	Advances from customers	11.61	9.22
5	Other Liabilities	10.60	7.78
	Total	**121.66**	**139.95**

Note 7.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Note 8 : Restated Consolidated Statement of Short Term Provisions

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	Proposed Dividend	-	-
2	Income Tax on Proposed Dividend (u/s 115-O)	-	-
3	Provision for employee benefits	-	-
4	Provision for Income Tax (Net of Taxes Paid)	23.57	(2.51)
	Total	**23.57**	**(2.51)**

Note 8.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure VA : Notes to Restated Consolidated Financial Information

Note 9 : Restated Consolidated Statement of Fixed Assets as at 31 March 2013

(Rs. in millions)

Sr. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01 April 2012	Additions during the year	Deductions during the year	As at 31 March 2013	As at 01 April 2012	Provided for the year	Deductions during the year	As at 31 March 2013	As at 31 March 2013	As at 31 March 2012
	TANGIBLE ASSETS										
1	Factory Land	21.75	-	-	21.75	1.87	0.05	-	1.93	19.82	19.88
2	Factory Building	394.76	7.39	-	402.15	130.78	26.70	-	157.48	244.67	263.98
3	Factory Flat	0.28	-	-	0.28	0.11	0.01	-	0.12	0.16	0.17
4	Residential Premises	0.44	-	-	0.44	0.22	0.01	-	0.23	0.21	0.22
5	Office Premises	4.83	-	-	4.83	2.64	0.11	-	2.75	2.07	2.18
6	Plant & Machinery	818.06	45.63	-	863.70	347.20	75.67	-	422.87	440.82	470.86
7	Furniture & Fixtures	31.54	5.70	-	37.24	19.35	2.65	-	22.00	15.25	12.19
8	Automobiles	41.68	2.13	1.20	42.62	25.17	4.48	0.99	28.65	13.96	16.51
9	Air-Conditioner	5.31	0.13	-	5.45	2.91	0.34	-	3.25	2.19	2.40
10	Computer System	18.80	2.77	-	21.57	14.00	2.56	-	16.56	5.01	4.80
11	Office Equipments	9.23	4.37	-	13.59	3.62	0.97	-	4.59	9.00	5.61
	Grand Total	**1,346.67**	**68.13**	**1.20**	**1,413.60**	**547.87**	**113.55**	**0.99**	**660.43**	**753.18**	**798.80**
	Previous Year	1,108.49	238.51	0.34	1,346.67	456.71	91.38	0.22	547.87	798.80	651.78
	Capital Work-in-Progress									**27.34**	**7.25**

Note 9.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure VA : Notes to Restated Consolidated Financial Information

Note 9 : Restated Consolidated Statement of Fixed Assets as at 31 March 2014

(Rs. in millions)

Sr. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01 April 2013	Additions during the year	Deductions during the year	As at 31 March 2014	As at 01 April 2013	Provided for the year	Deductions during the year	As at 31 March 2014	As at 31 March 2014	As at 31 March 2013
	TANGIBLE ASSETS										
1	Factory Land	21.75	-	-	21.75	1.93	0.40	-	2.32	19.42	19.82
2	Factory Building	402.15	15.14	-	417.29	157.48	24.98	-	182.46	234.83	244.67
3	Factory Flat	0.28	-	-	0.28	0.12	0.01	-	0.13	0.15	0.16
4	Residential Premises	0.44	-	-	0.44	0.23	0.01	-	0.24	0.20	0.21
5	Office Premises	4.83	-	-	4.83	2.75	0.10	-	2.86	1.97	2.07
6	Plant & Machinery	863.70	26.44	0.38	889.76	422.87	69.20	0.22	491.85	397.91	440.82
7	Furniture & Fixtures	37.24	0.35	-	37.59	21.97	2.79	-	24.76	12.83	15.28
8	Automobiles	42.62	6.20	1.53	47.29	28.65	4.38	1.34	31.69	15.60	13.96
9	Air-Conditioner	5.45	0.08	-	5.53	3.25	0.31	-	3.56	1.97	2.19
10	Computer System	21.57	2.95	-	24.52	16.59	2.46	-	19.05	5.47	4.98
11	Office Equipments	13.59	2.81	-	16.41	4.59	1.47	-	6.06	10.35	9.00
	Grand Total	**1,413.60**	**53.97**	**1.91**	**1,465.67**	**660.43**	**106.10**	**1.55**	**764.97**	**700.70**	**753.18**
	Previous Year	1,346.67	68.13	1.20	1,413.60	547.87	113.55	0.99	660.43	753.18	798.80
	Capital Work-in-Progress									**241.48**	**27.34**

Note 9.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Annexure VA : Notes to Restated Consolidated Financial Information

Note 10 : Restated Consolidated Statement of Deferred Tax Assets/(Liabilities)

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	Opening Balance	(13.77)	(14.73)
2	Add: During the year/period	5.32	0.96
3	Closing Balance	**(8.45)**	**(13.77)**
	Total	**(8.45)**	**(13.77)**

Note 10.1 : Restated Consolidated Statement of Deferred Tax Expenses

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
	Deferred Tax		
1	On Account of Depreciation difference on Fixed Assets	(6.04)	0.03
2	On Account of Amalgamation Expenses	-	-
3	On Account of Provision for gratuity and others *	0.72	(0.98)
	Total	**(5.32)**	**(0.96)**

* This includes the amount of deferred tax on account of restatement adjustments

Note 10.2

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Annexure VA : Notes to Restated Consolidated Financial Information

Note 11 : Restated Consolidated Statement of Long Term Loans & Advances

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
	Unsecured, considered good		
1	Capital Advances	510.70	0.16
2	Security Deposits	11.80	9.47
3	Advance Income-Tax (net of provision)	-	18.48
	Total	**522.50**	**28.11**

Note 11.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Note 12 : Restated Consolidated Statement of Inventories

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	Raw Materials and Packing Materials	250.78	333.35
2	Finished goods	225.68	237.47
3	Consumables (Furnace Oil/LDO)	5.90	11.04
4	Semi-Finished Goods (Work-in-Progress)	19.29	17.78
5	Trading Goods	4.73	-
6	Stores & Spares	36.73	17.11
7	Materials- in- Transit	-	0.00
8	Waste Material (Sludge)	-	0.15
	Total	**543.12**	**616.90**

Note 12.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Annexure VA : Notes to Restated Consolidated Financial Information

Note 13 : Restated Consolidated Statement of Trade Receivables

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
	Unsecured, considered good		
1	Outstanding for more than six months	4.07	5.04
	Less: Provision for Doubtful Debts	(2.03)	(2.03)
		2.04	**3.01**
2	Others	763.04	554.62
	Total	**765.08**	**557.63**

Note 13.1

Balances in Trade Receivables are subject to confirmation and/ or reconciliation.

Note 13.2

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Note 14 : Restated Consolidated Statement of Cash & Cash Equivalents

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	Balances with banks		
	- In Current Account	51.76	8.65
	- In EEFC Account	34.27	68.08
	- In Term Loan Account	0.00	0.00
	- In Margin Account	3.60	1.12
2	Cash on hand	1.69	0.59
3	Fixed Deposits with banks	0.25	0.20
4	Cheques on Hand	-	-
	Total	**91.57**	**78.64**

Note 14.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Annexure VA : Notes to Restated Consolidated Financial Information

Note 15 : Restated Consolidated Statement of Short Term Loans & Advances

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
	Unsecured, considered good		
1	Prepaid Expenses	11.64	9.49
2	Loans to employees	5.25	4.11
3	Balance with Statutory / Government Authorities	100.46	132.25
4	Other loans and advances (including advance to suppliers)	409.84	345.96
5	Gratuity Fund Balance with LIC of India	3.23	-
6	Others	1.00	-
	Total	**531.43**	**491.81**

Note 15.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Note 16 : Restated Consolidated Statement of Other Current Assets

(Rs. in millions)

Sr. No.	PARTICULARS	As at 31 March 2014	As at 31 March 2013
1	Income Tax Refund Receivable	6.68	0.18
	Total	**6.68**	**0.18**

Note 16.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Annexure VA - Notes to the Restated Consolidated Financial Information:

Note 17 : Restated Consolidated Statement of Revenue From Operations

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Sale of products	5,933.20	5,181.53
	Less : Excise duty / GST	(265.95)	(238.11)
	Sale of products (net)	**5,667.25**	**4,943.42**
2	Other Operating revenues	4.79	21.08
	Total	**5,672.04**	**4,964.50**

Note 17.1 Particulars of Sale Products

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Speciality Chemicals	5,773.47	5,104.90
2	Others	159.73	76.63
	Total	**5,933.20**	**5,181.53**

Note 17.2

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Note 18 : Restated Consolidated Statement of Other Income

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Net gain on foreign currency transactions and translations	65.24	10.07
		65.24	**10.07**
	Other non-operating income		
2	Gain on Sale of Assets	0.22	0.08
3	Insurance claim received	0.27	0.02
4	FPS Duty Benefit	0.22	-
5	Status Holder Incentive Scrip Licence	3.82	-
6	Other Income	0.04	0.01
7	Balances Written back	-	0.42
8	Reversal of Gratuity	-	-
		4.56	**0.53**
	Total	**69.81**	**10.60**

Note 18.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Annexure VA - Notes to the Restated Consolidated Financial Information:

Note 19 : Restated Consolidated Statement of Cost of Materials Consumed

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Opening Stock of Raw Material (including Packing Materials)	333.35	225.49
2	**Add :** Purchases (including expenses)	3,407.49	3,641.98
3	**Less :** Closing stock of Raw Material (including Packing Materials)	250.78	333.35
	Total	**3,490.06**	**3,534.12**

Note 19.1 :Restated Consolidated Statement Particulars of Material Consumed

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Oils and Chemicals	3,405.35	3,462.80
2	Packing Materials	84.70	71.32
	Total	**3,490.06**	**3,534.12**

Note 19.2

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Annexure VA - Notes to the Restated Consolidated Financial Information:

Note 20 :Restated Consolidated Statement of Changes in Inventories of Finished Goods, Work in Progress and Stock In Trade

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
	Decrease/(Increase) in stock		
	Opening stock :		
1	Finished Goods	237.47	206.23
2	Work-in-Progress	17.78	11.34
3	Trading Goods	-	-
4	Waste Material (Sludge)	0.15	0.15
5	Finished Goods	-	-
6	Work-in-Progress	-	-
7	Trading Goods	-	-
		255.40	217.71
	Closing stock :		
1	Finished Goods	225.68	237.47
2	Work-in-Progress	19.29	17.78
3	Trading Goods	4.73	-
4	Waste Material (Sludge)	-	0.15
		249.70	255.40
	Total	**5.70**	**(37.68)**

Note 20.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Note 21 :Restated Consolidated Statement of Employee Benefit Expenses

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Salaries and other benefits to Directors	211.95	183.20
2	Salaries, wages & other benefits to others	155.11	132.12
3	Contribution to gratuity fund	2.25	2.34
4	Contribution to provident and other funds	2.42	2.31
5	Staff welfare expenses & Insurance	9.64	8.29
	Total	**381.38**	**328.26**

Note 21.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure VA - Notes to the Restated Consolidated Financial Information:

Note 22: Restated Consolidated Statement of Other Expenses

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Consumption of stores and spares	3.98	2.64
2	Power, Fuel and Water Charges	275.87	256.18
3	Repairs to	-	-
4	(i) Factory Building	4.26	2.61
	(ii) Machinery	30.12	38.25
	(iii) Others	10.81	16.28
	Insurance Premium	7.78	5.73
5	Rates and taxes, excluding, taxes on income	13.30	9.85
6	Auditors Remuneration		
7	(i) Audit fees	1.20	1.30
	(ii) Tax Audit Fees	0.30	0.30
	(iii) Income Tax Matters	0.10	-
	(iv) Certification charges	0.20	-
8	Excise Duty Expenses*	(1.16)	3.56
9	Legal and Professional fees	31.45	16.84
10	VAT Audit Fees	0.22	0.21
11	Bank charges and Commission	7.48	5.24
12	Postage, Telephone and Telegram	3.75	3.18
13	Printing and Stationery	2.20	1.63
14	Travelling and Conveyance	19.46	18.59
15	Freight and forwarding charges	127.54	124.62
16	Motor Car Expenses	3.23	3.93
17	Sales Commission	73.45	59.44
18	Advertisement & Publicity Expenses	0.19	3.38
19	Seminar & Trade Fair Expenses	24.25	-
20	Laboratory Expenses	6.35	5.33
21	Research & Development Charges	37.95	36.58
22	Electricity Charges	2.02	2.17
23	Subscription ,Membership, Books & Periodicals	1.20	1.24
24	Other Administrative Expenses	7.72	3.54
25	Sales Promotion Expenses	6.29	7.05
26	Product Registration Fees	12.14	-
27	Security charges	2.77	2.76
28	Provision For Doubtful Debts	-	-
	Total	**716.42**	**632.43**

* Excise Duty shown under Expenditure represents the aggregate of excise duty borne by the Company and the difference between excise duty on opening and closing stock of Finished Goods.

Note 22.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Annexure VA - Notes to the Restated Consolidated Financial Information:

Note 23: Restated Consolidated Statement of Depreciation & Ammortization Expenses

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Depreciation & Ammortization Expenses	106.10	113.55
	Total	**106.10**	**113.55**

Note 23.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Note 24 : Restated Consolidated Statement of Finance Cost

(Rs. in millions)

Sr. No.	PARTICULARS	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Interest Expense	75.60	79.16
	Less : Interest Capitalised	(3.31)	-
	Less : Interest Income	(1.36)	(4.60)
		70.93	74.56
2	Exchange Loss on Foreign Currency Term Loan & EEFC	25.56	20.30
3	Bank charges and Commission	-	-
4	Franking charges	-	-
5	Registration Charges	-	-
6	Stamp Duty	-	-
7	Premium / Discount on Forward Contract	-	-
	Total	**96.49**	**94.86**

Note 24.1

a The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

b The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses, cash flows and statement on material adjustment to prepare the Restated Consolidated Financial Information as appearing in Annexure IV & V respectively.

Note 25: Restated Consolidated Statement of Contingent Liabilities & Commitments

Capital Commitments

(Rs. in millions)

Sr. No.	Particulars	As at 31 March 2014	As at 31 March 2013
1	Estimated amounts of contracts remaining to be executed on capital account and not provided for	27.52	7.32

Contingent Liabilities

Claims against Companies not acknowledged as debts

(Rs. in millions)

Sr. No.	Particulars	As at 31 March 2014	As at 31 March 2013
1	Income Tax Matters	31.51	48.91
2	Excise Duty & Service Tax Matters	-	-

<u>Brief description of contingent liabilities</u>

(Rs. in millions)

Sr. No.	Income tax matters disputed in appeal with :	As at 31 March 2014	As at 31 March 2013
1	Hon'ble High Court, Mumbai for FY 2005-06	-	-
2	Hon'ble High Court, Mumbai for FY 2008-09	-	-
3	Hon'ble High Court, Mumbai for FY 2009-10	-	-
4	ITAT, Mumbai for FY 2008-09	-	-
5	CIT (Appeals), Mumbai for FY 2005-06	11.14	11.14
6	CIT (Appeals), Mumbai for FY 2009-10	20.37	20.37
7	CIT (Appeals), Mumbai for FY 2008-09	-	17.39
	Total	**31.51**	**48.91**

Guarantees & Others

(Rs. in millions)

Sr. No.	Particulars	As at 31 March 2014	As at 31 March 2013
1	Guarantees Given By Bank	25.06	7.56

Note 26 : Restated Consolidated Statement of Segment Reporting Applicability

The Company carries on business, in India and abroad, as manufacturers, processors, suppliers, distributors, dealers, importers and exporters of speciality additives. Accordingly disclosures under Accounting Standard - 17 "Segment Reporting" are not applicable.

Note 27: Restated Consolidated Statement of Value of Import on CIF Basis

(Rs. in millions)

Sr. No.	Particulars	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Raw Materials	483.05	938.86
2	Trading Goods	22.31	-
3	Plant & Machinery	6.26	7.30
4	Spares	-	-
5	Computers	-	-
6	Laboratory Equipments	-	-
	Total	**511.62**	**946.16**

Annexure VA - Notes to Restated Consolidated Financial Information

Note 28: Restated Consolidated Statement of Value of Imported and Indigenous Raw Materials Consumed

Sr. No.	Particulars	For the Year ended 31 March 2014		For the Year ended 31 March 2013	
		Value	Percent of Consumption	Value	Percent of Consumption
1	Imported	484.60	13.88	930.99	26.34
2	Indigenous	3,005.46	86.12	2,603.12	73.66
	Total	**3,490.06**	**100.00**	**3,534.12**	**100.00**

Note 29: Restated Consolidated Statement of Expenses in Foreign Currency

(Rs. in millions)

Sr. No.	Particulars	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	Legal and Professional fees	5.49	1.61
2	Seminar & Trade Fair Expenses	13.50	0.46
3	Export Commission	60.02	48.85
4	Freight, Insurance and Export Clearing Charges	8.77	10.30
5	Foreign Travel	0.10	0.18
6	Subscription & Membership Fees	0.51	-
7	Product Registration Charges	12.14	-
8	Repairs & Maintenance	0.11	-
9	Sales Promotion Expenses	-	0.96
10	Other Administrative Expenses	0.23	1.71
	Total	**100.87**	**64.07**

Note 30: Restated Consolidated Statement of Earnings in Foreign Currency

(Rs. in millions)

Sr. No.	Particulars	For the Year ended 31 March 2014	For the Year ended 31 March 2013
1	FOB Value of Exports	3378.88	3113.03

Note 31 : Restated Consolidated Statement on Related party disclosure as per AS 18

A Name of the Related Parties and their Relationships

Sr. No.	Name	Relationship	
		As at 31 March2014	As at 31 March2013
1	Mukesh Maganlal Shah	Key Management Personnel (KMP)	Key Management Personnel (KMP)
2	Prakash Damodar Kamat	Key Management Personnel (KMP)	Key Management Personnel (KMP)
3	Jayen Ramesh Shah	Key Management Personnel (KMP)	Key Management Personnel (KMP)
4	Tushar Ramesh Shah	Key Management Personnel (KMP)	Key Management Personnel (KMP)
5	Bimal Mukesh Shah	Key Management Personnel (KMP)	Key Management Personnel (KMP)
6	Bina Tushar Shah	Relative of KMP	Relative of KMP
7	Esha Tushar Shah	Relative of KMP	Relative of KMP
8	Jayen R. Shah-HUF	Relative of KMP	Relative of KMP
9	Jayshree Mukesh Shah	Relative of KMP	Relative of KMP
10	Jyotsna Ramesh Shah	Relative of KMP	Relative of KMP
11	Manali Jinesh Bhaiyani	Relative of KMP	Relative of KMP
12	Mukesh M. Shah-HUF	Relative of KMP	Relative of KMP
13	Neeta Jayen Shah	Relative of KMP	Relative of KMP
14	Prakash D. Kamat-HUF	Relative of KMP	Relative of KMP
15	Ramesh M. Shah-HUF	Relative of KMP	Relative of KMP
16	RheaTushar Shah	Relative of KMP	Relative of KMP
17	Shaili Nirav Doshi	Relative of KMP	Relative of KMP
18	Akruti Bimal Shah	Relative of KMP	Relative of KMP
19	Tushar R. Shah-HUF	Relative of KMP	Relative of KMP
20	Smoothex Chemicals Private Limited	Significant influence by KMP	Significant influence by KMP
21	Fine Research & Development Centre Pvt. Ltd.	Significant influence by KMP	Significant influence by KMP
22	Fine Speciality Surfactants Private Limited	Significant influence by KMP	Significant influence by KMP
23	Olefine Organics	Significant influence by KMP	Significant influence by KMP
24	Oleofine Organics SDN. BHD.	Significant influence by KMP	Significant influence by KMP
25	Oleofine Organics(Thailand) Co.Ltd.	Significant influence by KMP	Significant influence by KMP
26	Fine Organic Industries	Significant influence by KMP	Significant influence by KMP

Note 31 : Restated Consolidated Statement on Related party disclosure as per AS 18

B Transactions (in aggregate) with Related parties during the year/period and Closing balance as at year/period end.

(Rs. in millions)

Sr. No.	Particulars	Transactions during the year/Nine months period ended		Closing Balance	
		2013-14	2012-13	As at 31 March 2014	As at 31 March 2013
1	**Remuneration**				
	Prakash Damodar Kamat	50.49	43.76	2.59	-
	Mukesh Maganlal Shah	40.72	35.23	1.73	-
	Jayen Ramesh Shah	50.49	43.76	2.59	-
	Tushar Ramesh Shah	51.23	44.38	2.59	-
	Bimal Mukesh Shah	19.03	16.08	0.86	-
2	**Purchase of Goods / Samples**				
	Fine Organic Industries	28.02	38.05	-	-
	Fine Speciality Surfactants Private Limited	5.38	5.13	-	-
	Oleofine Organics Sdn. Bhd.	-	1.42	-	-
3	**Sale of Goods**				
	Oleofine Organics Sdn. Bhd.	70.49	59.34	-	-
	Oleofine Organics (Thailand) Co.Ltd.	8.36	5.28	-	-
	Fine Organic Industries	78.63	53.30	-	-
	Fine Speciality Surfactants Private Limited	36.52	37.37	-	-
	Fine Research & Devlopment Centre Pvt. Ltd.	0.11	0.03	-	-
4	**Sale of Components / Assets**				
	Fine Organic Industries	0.29	-	-	-
	Oleofine Organics (Thailand) Co. Ltd.	-	0.27	-	-
5	**Processing Charges Paid**				
	Fine Organic Industries	0.29	0.97	-	-
	Olefine Organics	-	-	-	-
6	**Processing Charges Received**				
	Fine Organic Industries	0.64	0.82	-	-
7	**Sale of Licence**				
	Fine Organic Industries	8.80	6.66	-	-
	Fine Research & Development Centre Pvt. Ltd.	0.08	-	-	-
	Fine Speciality Surfactants Private Limited	1.13	0.52	-	-
8	**Interest on Unsecured Loan**				
	Prakash D. Kamat	10.87	11.00	66.01	124.66
	Mukesh Maganlal Shah	0.09	0.21	3.10	2.38
	Jayen Ramesh Shah	7.59	6.94	94.79	77.02
	Tushar Ramesh Shah	8.98	8.48	105.32	96.14
	Bimal Mukesh Shah	0.27	0.34	2.81	3.85
	Nikhil Dattatraya Kamat	-	-	-	-
	Akruti Bimal Shah	0.05	-	1.12	-
	Bina Tushar Shah	1.68	1.55	20.59	17.55
	Esha Tushar Shah	0.03	0.03	0.35	0.35
	Jayen R. Shah-HUF	0.24	0.23	2.91	2.61
	Jayshree Mukesh Shah	1.24	1.01	15.99	11.40
	Jyotsna Ramesh Shah	12.62	12.55	143.96	141.42
	Manali Jinesh Bhaiyani	0.04	0.04	0.45	0.45
	Mukesh M. Shah-HUF	0.62	0.60	8.29	6.77
	Neeta Jayen Shah	1.73	1.70	19.64	19.23
	Prakash D. Kamat-HUF	0.12	0.11	1.55	1.25
	Ramesh M. Shah-HUF	0.85	0.83	10.40	9.38
	Rhea Tushar Shah	0.07	0.07	0.77	0.77
	Shaili Nirav Doshi	0.10	0.01	1.60	0.08
	Smoothex Chemicals Private Limited	4.09	4.09	46.33	46.33
	Tushar R. Shah-HUF	0.07	0.07	0.92	0.82
9	**Salary**				
	Akruti Bimal Shah	0.60	0.42	-	-
	Manali Jinesh Bhayani	0.90	0.60	-	-
	Shaili Nirav Doshi	-	1.13	-	-
10	**R & D Expenses**				
	Fine Research & Development Centre Pvt. Ltd.	42.64	41.10	-	-
11	**Export Commission**				
	Oleofine Organics Sdn. Bhd.	0.65	0.49	-	-
	Oleofine Organics(Thailand) Co.Ltd.	0.31	0.93	-	-
12	**Rent (Office Usage Charges)/ Deposits**				
	Jayshree Mukesh Shah	0.84	0.84	-	-
	Jyotsna Ramesh Shah	0.84	0.84	-	-
	Bina Tushar Shah	0.84	0.84	-	-
	Olefine Organics	0.84	0.89	-	-
13	**Reimbursement of Expenses**				
	Manali Jinesh Bhayani	-	-	-	-
	Nikhil Dattatray Kamat	-	-	-	-
	Fine Organic Industries	-	-	-	-
	Fine Zeelandia Private Limited	-	-	-	-
	Mukesh Maganlal Shah	-	-	-	-
	Prakash D. Kamath	-	-	-	-
	Jayen R. Shah	-	-	-	-
	Tushar Ramesh Shah	-	-	-	-
	Jyotsna Ramesh Shah	-	-	-	-
14	**Sharing of cost (ERP)**				
	Fine Organic Industries	-	9.15	-	-

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure VA - Notes to Restated Consolidated Financial Information

Note 32: Material Regrouping to Restated Consolidated Financial Information

Appropriate adjustments have been made in the Restated Consolidated Financial Information wherever required,by a classification of the corresponding items of income, expenses, assets, liabilities, cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company as at and for the year ended 31 March, 2014.

Note 33: Restated Consolidated Statement of Earnings per share

(Rs. in millions)

Particulars	As at 31 March 2014	As at 31 March 2013
Net Profit for EPS (A)	617.46	208.97
Weighted Average Number of Equity Shares for calculation of Basic EPS (B)	28,979,976	28,979,976
Basic EPS (A/B)	21.31	7.21
Weighted Average Number of Equity Shares for calculation of Diluted EPS (C)	28,979,976	28,979,976
Diluted EPS (A/C)	21.31	7.21

Note 33.1

Weighted Average number of Equity shares considered for the purpose of calculation of Basic EPS & Diluted EPS is in accordance with Para 44 of Accounting Standard-20 "Earnings Per Share" issued by The Institute of Chartered Accountants of India i.e. the weighted average number of equity shares are determined after giving effect to bonus issue and share split subsequently made by the Company during the period of Restatement prepared under Ind AS.

Note 34 : Restated Consolidated Statement of Employee Benefits

(Rs. in millions)

Particulars	As at 31 March 2014	As at 31 March 2013
Gratuity	2.25	2.34
Summary of the Actuarial Assumptions		
Discount Rate (%)	8.00	8.00
Salary Escalation (%)	7.00	7.00
Changes in Present Value of Obligations		
Present value of obligations as at beginning of year	19.43	15.82
Interest Cost	1.55	1.27
Current Service Cost	1.53	1.30
Benefits Paid	(1.33)	(0.31)
Actuarial (gain) / loss on obligations	0.75	1.35
Present value of obligations as at end of year	21.93	19.43
Changes in Fair Value Plan Assets		
Fair value of plan assets at the beginning of year	18.80	17.16
Expected return on plan assets	1.58	1.58
Contributions	6.12	0.36
Benefit paid	(1.33)	(0.31)
Actuarial gain / (loss) on plan assets	-	-
Fair value of plan assets at the end of year	25.17	18.80
Acuarial gain / (loss) recognised		
Actuarial (gain) / loss on obligations	0.75	1.35
Actuarial (gain) / loss on plan assets	-	-
Total (gain) / loss for the year	0.75	1.35
Actuarial (gain) / loss recognised in the year	0.75	1.35
Net Assets / (Liabilities) recognised in Balance Sheet		
Present value of obligations as at end of year	21.93	19.43
Fair value of plan assets at the end of year	25.17	18.80
Funded status	3.23	(0.63)
Net asset / (liability) recognised in balance sheet	3.23	(0.63)
Expenses recognised in the statement of profit and loss		
Current Service Cost	1.53	1.30
Interest Cost	1.55	1.27
Expected Return on plan assets	(1.58)	(1.58)
Net Actuarial (gain) / loss recognised in the year	0.75	1.35
Expenses recognised in statement of profit and loss	2.25	2.34

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure VI - Restated Consolidated Statement of Dividend

(Rs. in million)

Particulars	31 March 2014	31 March 2013
Class of Shares		
Equity Shares		
Equity Shares of 10 each - Numbers	4,829,996	4,829,996
Equity Shares of 5 each - Numbers	-	-
Amount (Rupees in Millions)	48.30	48.30
Equity Shares (**Share Capital Suspense Account**)of 10 each - Numbers	-	-
Share Capital Suspense (Rupees in Millions)	-	-
Final Dividend		
Rate of Dividend (%)	-	-
Dividend per share	-	-
Amount of dividend	-	-
Corporate dividend tax	-	-
Interim Dividend		
Rate of Dividend (%)	-	-
Dividend per share	-	-
Amount of dividend	-	-
Corporate dividend tax	-	-
Interim Dividend		
Rate of Dividend (%)	-	-
Dividend per share	-	-
Amount of dividend	-	-
Corporate dividend tax	-	-

Note:

1. The above statement should be read with Restated Consolidated Summary Statements as appearing in Annexure VA

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure VII -Restated Consolidated Statement of Accounting Ratios

(Rs. in millions)

Particulars		For the Year ended 31 March 2014	For the Year ended 31 March 2013
Net Profit After Tax as Restated	A	617.46	208.97
Total Number of Equity Shares outstanding at the end of the year/period	B	4,829,996	4,829,996
Weighted Average Number of Shares outstanding during the year/period	C	28,979,976	28,979,976
Weighted Average Number of Diluted Equity Shares outstanding during the year/period	D	28,979,976	28,979,976
Total Number of Equity Shares outstanding at the end of the year/period(as restated)	E	28,979,976	28,979,976
Basic Earnings Per Share (Rs) [A/C]		21.31	7.21
Diluted Earnings Per Share (Rs) [A/D]		21.31	7.21
Return on Net Worth (%)		38.76%	21.42%
Net Asset Value per Equity Share(Net Worth/E)		54.97	33.67
Face value per share		10	10

Notes:

1. These ratios have been computed as below:

a) Basic Earnings Per Share $= \dfrac{\text{Net Profit After Tax (As Restated)}}{\text{Weighted Average Number of Equity Shares outstanding during the year (as Restated)}}$

b) Diluted Earnings per Share $= \dfrac{\text{Net Profit After Tax (As Restated)}}{\text{Weighted Average Number of Diluted Equity Shares outstanding during the year (As Restated)}}$

c) Return on Net Worth (%) $= \dfrac{\text{Net Profit After Tax (As Restated)}}{\text{Net Worth at the end of the year (As Restated)}}$

d) Net Asset Value Per Share (Rs) $= \dfrac{\text{Net Worth at the end of the Year (As Restated)}}{\text{Total Number of Equity Shares outstanding at the end of the year/period(as restated)}}$

Fine Organic Industries Limited (formerly known as Fine Organic Industries Private Limited)

Annexure VII -Restated Consolidated Statement of Accounting Ratios

2. Weighted Average Number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of equity shares during year multiplied by the time weighing factor.The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

3. Earnings Per Share Calculations are done in accordance with Accounting Standard 20 " Earnings Per Share" issued by Institute of Chartered Accountants of India.

4. The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure - VA

5. The figures/ratios disclosed above are based on Restated Consolidated Summary Statements of the Company.

6. Net Worth = Equity Share Capital+Reserves & Surplus (included General Reserves, Surplus in Profit & Loss Account and Securities Premium) in accordance with the provisions of Companies Act.

Calculation of Net Worth

(Rs. in millions)

Particulars	For the Year ended 31 March 2014	For the Year ended 31 March 2013
Paid Up Share Capital	48.30	48.30
Reserves		
Surplus Transfer from Balance Sheet	1497.44	879.98
General Reserve	47.39	47.39
Securities Premium	0.00	0.00
Net Worth	**1593.13**	**975.67**

7. The aforesaid statement of Accounting Ratios has been prepared as per the restated consolidated summary statement of assets and liabilities and profits and losses of the Company.

8. The above statement should be read with the notes to the restated consolidated summary statement of assets and liabilities, profits and losses and cash flows as appearing in Annexure – VA

9. Weighted Average number of Equity shares considered for the purpose of calculation of Basic EPS & Diluted EPS is in accordance with Para 44 of Accounting Standard-20 "Earnings Per Share" issued by The Institute of Chartered Accountants of India i.e. the weighted average number of equity shares are determined after giving effect to bonus issue and share split subsequently made by the Company during the period of Restatement prepared under Ind AS.

SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND AS

Ind AS comprises of accounting standards notified under the Companies (Indian Accounting Standards) Rules, 2015. Indian GAAP comprises accounting standards issued by the Institute of Chartered Accountants of India notified under the Companies (Accounting Standards) Rules, 2006 as amended and to the relevant requirements of the Companies Act, 2013, together with the Guidance Notes and other authoritative pronouncements issued by the Institute of Chartered Accountants of India.

Many differences exist between Indian GAAP and Ind AS that might be material to the financial information of the company.

Ind AS being the exhaustive sets of standards, rules and interpretations, no assurance can be given that the differences listed below cover all possible differences. The matters described below summarize certain key differences between Indian GAAP and Ind AS. No numerical reconciliation of the financial position and results of operations under Indian GAAP and under Ind AS have been included.

As mentioned above, please note that the differences indicated below is not an exhaustive list of differences between Ind AS and Indian GAAP; rather, it indicates only those key differences which are considered to be more relevant to the financial position and results of operations of the Company and does not cover all differences regarding presentation, classification and disclosure requirements applicable under Ind AS and Indian GAAP.

Sr. No.	Ind As No.	Particulars	Ind As Treatment	Indian GAAP Treatment
1	Ind AS 1	Presentation of Financial Statements: Other Comprehensive Income (OCI)	Ind AS 1 requires the presentation of a statement of Other Comprehensive Income (OCI) as part of the financial statements. This statement presents all the items of income and expense (including reclassification adjustments) that are not recognized in the Statement of Profit and Loss as required or permitted by other Ind ASs.	There is no concept of inclusion of statement of Other Comprehensive Income (OCI) under Indian GAAP. Hence all the items of Incomes and expenses are recognized in the Statement of Profit and Loss.
2	Ind AS 1	Presentation of Financial Statements: Statement of Changes in Equity (SOCIE)	Ind AS 1 requires the presentation of all transactions with equity holders in their capacity as equity holders to be presented in the statement of changes in equity (the "SOCIE"). The SOCIE is considered to be an integral part of financial statements	Indian GAAP does not require a Statement of Change in Equity. However, information relating to the appropriation of profits and movement in capital and reserves is presented in the line items 'Share Capital' and 'Reserves and Surplus' in the Balance Sheet.
3	Ind AS 1	Presentation of Financial Statements: Extraordinary Items	Under Ind AS 1 presentation of items of income and expenditure as extraordinary is prohibited	Extraordinary items are disclosed separately in Indian GAAP to determine the net profit after tax.
4	Ind AS 1	Presentation of Financial Statements: Proposed Dividend	Proposed Dividend is not to be recognized. No presentation of disclosure until approval by Shareholders in AGM	Proposed Dividend is shown as appropriation of profit forming part of reserved in the year in which it is declared.
5	Ind AS 1	Presentation of Financial Statements: Disclosure	Ind AS 1 requires disclosure of: (a) Critical judgments made by the management in applying accounting policies; (b) Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying	There are no specific general disclosure requirements under Indian GAAP. However, the individual accounting standards prescribe the various disclosure requirements.

Sr. No.	Ind As No.	Particulars	Ind As Treatment	Indian GAAP Treatment
			amounts of assets and liabilities within the next financial year; and (c) Information that enables users of financial statements to evaluate the entity's objectives, policies and processes for managing capital (d) Dividend Policy	
5	Ind AS 7	Statement of Cash Flows:	As per Ind AS 3 (in accordance with Ind AS 1), the cash flow statement does not reflect any item of cash flow as extraordinary item. As per Ind AS 7, Bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents.	As per Indian GAAP, cash flows associated with extraordinary items should be classified as arising from operating, investing or financing activities as appropriate and separately disclosed. As per Indian GAAP, Bank overdrafts were not considered as cash equivalents.
6	Ind AS 8	Accounting Policies, Changes in Accounting Estimates and Errors: Change in Accounting Policy	Under Ind AS 8, an entity shall account for a change in accounting policy retrospectively unless transitional provisions, if any, of an Ind AS require otherwise. Comparative information is restated, and the amount of the adjustment relating to prior periods is adjusted against the opening balance of retained earnings of the earliest year presented.	As per Indian GAAP, Any change in an accounting policy which has a material effect should be disclosed. The impact of, and the adjustments resulting from, such change, if material, should be shown in the financial statements of the period in which such change is made, to reflect the effect of such change. Where the effect of such change is not ascertainable, wholly or in part, the fact should be disclosed.
7	Ind AS 8	Accounting Policies, Changes in Accounting Estimates and Errors: Rectification of Prior Period Error	Under Ind AS 8, an entity shall correct material prior period errors retrospectively in the first set of financial statements approved for issue after their discovery by: (a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or (b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.	The nature and amount of prior period items should be separately disclosed in the statement of profit and loss in a manner that their impact on the current profit or loss can be perceived. Comparative information of previous years is not required to be restated.
8	Ind AS 10	Events After the Reporting Period: Material Non-adjusting events after reporting period	As per Ind AS 10, material non adjusting events are required to be disclosed in the financial statements	Under Indian GAAP, material non-adjusting events are required to be disclosed in the report of approving authority i.e. Board Report.
9	Ind AS 12	Income Taxes	Deferred Taxes are computed for Temporary differences between the carrying amount of an asset or liability	Deferred taxes are computed for timing differences in respect of recognition of items of profit or loss

Sr. No.	Ind As No.	Particulars	Ind As Treatment	Indian GAAP Treatment
			in the Statement of Financial Position and its tax base. Current Tax and Deferred Tax are recognized outside Statement of Profit or Loss if the tax relates to items that are recognized in the same or different period, outside Statement of Profit or Loss. Therefore the tax on items recognized in Other Comprehensive Income (OCI) or directly in Equity, is also recorded in Other Comprehensive Income (OCI) or in Equity, as appropriate	for the purpose of financial reporting and for income taxes.
10	Ind AS 18	Revenue: Measurement	Under Ind AS 18, revenue from sale of products is measured at the fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates/ incentives. When the inflow of cash and cash equivalents is deferred is determined by discounting the future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of consideration is recognized as interest revenue using the effective interest method.	Revenue is recognized at the nominal amount of consideration receivable. Revenue is measured at the amount recoverable from the customers for goods supplied or the resources used by them. Discounting of deferred revenue is normally not required.
12	Ind AS 19	Employee Benefits	Under Ind AS 19, Actuarial gains & losses arising on remeasurement of net defined asset / liability, will be recognized as part of "Other Comprehensive Income".	Under Indian GAAP, the impact of actuarial gains & losses arising on remeasurement of net defined asset/liability was given in the Statement of Profit & Loss.
13	Ind AS 24	Related Party Disclosures: Key Management Personnel (KMP)	Under Ind AS 24, KMP are person having authority and responsibility for planning, directing and controlling the activities of the entities directly or indirectly, including any directors whether executive or otherwise of that entities.	Under Indian GAAP, KMP are person having authority and responsibility for planning, directing and controlling the activities of the reporting enterprise. Non-Executive director is not considered as KMP.
14	Ind AS 37	Provisions, Contingent Liabilities & Contingent Assets: Contingent Assets	Where an inflow of economic benefits is probable, an entity shall disclose a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect.	Under Indian GAAP, Contingent assets are not disclosed in financial statements.
15	Ind AS 38	Intangible Assets: Subsequent Measurement	Under Ind AS 38, subsequent measurement of intangibles can be done either at cost model or at revaluation model.	Under Indian GAAP, after initial recognition, an intangible asset should be carried at its cost less any accumulated amortisation and any accumulated impairment losses.

Sr. No.	Ind As No.	Particulars	Ind As Treatment	Indian GAAP Treatment
16	Ind AS 103 r.w. Ind AS 38	Business Combinations: Goodwill	The Acquirer measures goodwill at amount recognised at the acquisition dates less any accumulated impairment losses. Hence goodwill is never amortised and annually tested for impairment.	As per Indian GAAP, Goodwill is amortised over a period of 10 years.
17	Ind AS 108	Operating Segments: Determination of Segments	Under Ind AS 108, segments are required to be determined based on the Chief Operating Decision Maker's (CODM's) regular review of the financial information for allocating resources and assessing performance.	Under Indian GAAP, segments are determined on the basis of geography and business, using a "risk-and-reward" approach.
18	Ind AS 109	Financial Instruments: Expected Credit Loss (ECL) on Trade Receivables	Under Ind AS 109, Entity makes the assessment for credit loss allowance for Trade receivables on the basis of Lifetime Expected credit loss model as per simplified approach prescribed in Ind AS 109.	Under Indian GAAP, provisions are made for specific receivables based on the circumstances such as credit defaults of customers or disputes with customers. An enterprise assess the provision of f doubtful debts at each period end which, in practice, is based on relevant information such as past experience, actual financial position of the debtors.
19	Ind AS 109	Financial Instruments: Equity Investments	As per Ind AS 109, Investments in Equity Instruments held by the company must be measured at Fair Value. Quoted Equity investment are being classified under FVTPL. Unquoted equity investments are being classified under FVOCI.	Under Indian GAAP, Long Term Investments are recorded at cost on the date of purchase. Long Term investments are stated at cost after deducting provision made, if any, for other than temporary diminution in the carrying value. Current investments are stated at lower of cost and fair value.
20	Ind AS 109	Financial Instruments: Security Deposits Given	Interest-free deposits which are being given to parties on account of return in future (refund period is certain) in cash, will be discounted using an appropriate current market rate and will be shown at their fair value at the time of its initial recognition. The difference between the nominal value and the fair value of the deposit under the lease is considered as prepaid rent, which will be expensed on straight line basis over the period of the lease. The company will also recognize interest income using the discounting rate, over the life of the deposit.	Under Indian GAAP, interest-free deposits are accounted as current/non-current assets at historical cost.
22	Ind AS 109	Financial Instruments: Hedge Accounting	As per Ind AS 109, Cross Currency swap is designated as Cash Flow Hedge for risk associated with cash flow of highly probable forecast transactions and variable interest rate risk associated with borrowings. Accordingly, changes in fair value of such swaps, to the extent such hedge is effective, are recognised under OCI as	Under Indian GAAP, Cross Currency swap is designated as hedges of foreign currency risk associated with the cash flows of highly probable forecast transactions and variable interest rate risks associated with the borrowings. Accordingly, any gains or loss arising from changes in the fair value of derivatives are taken directly

Sr. No.	Ind As No.	Particulars	Ind As Treatment	Indian GAAP Treatment
			cash flow Hedge reserve. The amount that has been accumulated in cash flow hedge reserve shall be reclassified to statement of profit or loss as a reclassification adjustment in the same period during which interest expense is recognised and repayment of borrowing is made.	to statement of profit and loss, except for the effective portion of cash flow hedge which is recognized in shareholder's funds and presented as separate component of shareholder's funds which is later reclassified to statement of profit and loss when the hedge item affects profit & loss.
23	Ind AS 109	Financial Instruments: Forward Contracts	As per Ind AS 109, forward exchange contracts are accounted as derivative instrument measured at FVTPL. Gain or loss on account of changes in fair value of such forward exchange contract is recognized in Statement of Profit & Loss.	Under Indian GAAP, Premium / discount, in respect of forward exchange contract is recognized over the life of the contract. Exchange differences on such contracts are recognized in the Statement of Profit & Loss.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations is based on, and should be read in conjunction with, our Restated Consolidated Financial Statements included in the section "Financial Statements" beginning on page 306.

Our fiscal year ends on March 31 of each year, so all references to a particular "Fiscal" of "fiscal year" are to the 12–month period ended March 31 of that fiscal year.

The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward–looking statements. See "Forward-Looking Statements" and "Risk Factors" on pages 14 and 15, respectively, for factors that could cause or contribute to these differences.

OVERVIEW

We are the largest manufacturer of oleochemical-based additives in India and a strong player globally in this industry. *(Source: CRISIL Research Report).* We produce a wide range of specialty plant derived oleochemical-based additives used in food, plastic, cosmetics, paint, ink, coatings and other specialty application in various industries. As at March 31, 2018, we had a range of 387 different products sold under the 'Fine Organics' brand. We are the first company to introduce slip additives in India and we are the largest producer of slip additives in the world *(Source: CRISIL Research Report).* Our success is the result of sustained efforts over the decades in all areas of our business, such as product innovation, process technology improvements, increases in scale, improved raw material procurement and focus on cultural understanding of consumers. *(Source: CRISIL Research Report)*. In the 12 months ended March 31, 2018, we had 631 direct customers (i.e., end-users of our products) and 127 distributors (who sold our products to more than 5,000 customers) from 69 countries. Our direct customers are multinational, regional and local players manufacturing consumer products and petrochemical companies and polymer producers globally. Our plastics additives and specialty additives are also used in the packaging of foods and other fast moving consumer goods.

Manufacturing plant-based additives from base oleochemicals is a highly specialised process. Hence, many of these additives are specialty products, and this industry enjoys premium margins with only a few players dominating the industry globally. Proprietary technology to manufacture these specialty additives is available with only a few global players. We are one of the leading players that developed proprietary technologies to manufacture these green additives. *(Source: CRISIL Research Report)*

We currently have three production facilities: one in Ambernath (Maharashtra) (the "**First Ambernath Facility**"); one in Badlapur (Maharashtra) (the "**Badlapur Facility**"); and one in Dombivli (Maharashtra) (the "**Dombivli Facility**"). As at March 31, 2017, these three facilities have a combined installed capacity of approximately 64,300 tonnes per annum. Each of our current manufacturing facilities has the ability to manufacture our wide range of products, which provides us with the necessary flexibility to cater to changing demands in the market, thereby avoiding dependence on any one major product category.

Our products are also manufactured for us on a job-work basis by Olefine Organics ("**Olefine**"), a partnership firm and a Promoter Group entity, at a manufacturing facility in Ambernath, Maharashtra (the "**Second Ambernath Facility**"). The Second Ambernath Facility is situated on a plot of land that MIDC currently leases to Olefine. Our Company has entered into a leave and license agreement for the land with Olefine for a term of three years effective March 26, 2018. However, we were unable to take over the operation of the Second Ambernath Facility until we receive MIDC's approval, which we received from MIDC pursuant to a letter dated May 21, 2018. We will be taking over operation of the facility in the near future. As at December 31, 2017, the Second Ambernath Facility had an installed capacity of approximately 5,000 tonnes per annum.

We have developed in-house process design expertise to construct our production facilities. This gives us scale advantages by enabling the timely expansion of our capacity in response to market needs and reduces capital expenditure costs for expansions significantly compared to other players. *(Source: CRISIL Research Report)*

We are currently planning to set up an additional production facility in Ambernath with a planned installed capacity of 32,000 tonnes per annum (the "**Third Ambernath Facility**"). We expect it to commence operations in the fourth quarter of Fiscal 2019. In addition, we are currently planning to set up a new production facility in Leipzig, Germany with a planned initial installed capacity of 10,000 tonnes per annum (the "**German Facility**"). We expect it to commence operations in the third quarter of Fiscal 2020. This facility will be owned and operated by a joint venture company (which we plan to name FineAdd Ingredients GmbH, ("**FineAdd**")), in which we will have 50% equity interest.

We are also in the preliminary stages of planning the development of two additional production facilities: one in Patalganga (Maharashtra) with a planned initial installed capacity of approximately 10,000 tonnes per annum (the "**Patalganga Facility**"); and one in Ambernath (Maharashtra) for which we are awaiting possession of the land and have yet to decide on the planned initial installed capacity (the "**Fourth Ambernath Facility**").

Since our inception, we have looked to expand our product range into segments that we believe offer high growth potential. While we continue to maintain our focus in the additives space, we are planning to diversify and strengthen our business by manufacturing and distributing premixes for bakery and confectionary products and pan release agents. Fine Zeelandia Private Limited ("**Fine Zeelandia**"), a joint venture company in which we have a 50% equity interest, is in the process of setting up a new manufacturing facility in Patalganga to manufacture these products (the "**Fine Zeelandia Facility**"). This new facility has a planned initial installed capacity of 10,000 tonnes per annum. We expect it to commence operations in the first quarter of Fiscal 2019.

We have a dedicated research and development ("**R&D**") centre located in Mahape, Navi Mumbai. Our R&D activities are focused on improving our production processes, improving the quality of our present products, creating new additives and creating downstream products. We have developed several new products, such as Acetem, Datem and Lactem, and processes, such as in-house technology for the production of fatty amides for the polymer industry. We are currently conducting research and development for new products such as fatty amines, polyglycerols and guerbet alcohols and new organic anti-block additives and new additives to make plastics biodegradable. We are also conducting research into new technologies for chemical processing to minimise energy costs.

Our Company is driven by our experienced Key Management Personnel, who have an average of 30 years' experience each. We believe that our Key Management Personnel's collective experience and capabilities enable us to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships and respond to changes in customer preferences. Our workforce has grown significantly over the years, and as at March 31, 2018, we had 608 full-time employees.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our business, results of operations, financial conditions and cash flows are affected by a number of factors. The following factors are of particular importance.

Fluctuations in cost of raw materials

Our largest expense, by far, is our cost of raw materials. Our primary raw materials are derived from vegetable oils, including rapeseed oil, palm oil, palm kernel oil, sunflower oil, castor oil, soybean oil and rice bran oil. Our cost of material consumed (raw material costs) represented 60.81%, 56.77%, 61.69% and 64.03% of our revenue from operations for Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, respectively. We have not entered into supply contracts that are for periods of more than six months and, as such, fluctuations in the prices of raw materials have a significant effect on our results of operations.

We purchase both domestic and imported raw materials. The table below shows the value of domestic and imported raw materials consumed and as a percentage of total consumption for the periods indicated.

(in ₹ million, except for percentages)

Particulars	Nine months December 31, 2017 (Ind AS)		Fiscal 2017 (Ind AS)		Fiscal 2016 (Proforma Ind AS)		Fiscal 2015 (Proforma Ind AS)	
	Value	% of Consumption	Value	% of Consumption	Value	% of Consumption	Value	% of Consumption
Indigenous	2,817.75	74.53	4,010.46	79.77	2,983.80	76.62	3,012.00	77.89
Imported	963.02	25.47	1,017.11	20.23	910.57	23.38	854.89	22.11
Total	3,780.77	100.00	5,027.57	100.00	3,894.37	100.00	3,866.89	100.00

Domestic vegetable oil prices depend on global demand-supply dynamics as well as domestic output. Duty changes (by the Indian government and exporting countries) can result in price fluctuations, and hence volatility in demand. Climatic changes and a weak monsoon could impact production of oilseeds as well, and consequently supply. Further, base oleochemical manufacturers change vegetable oil type based on market prices. Hence, prices of vegetable oil are interlinked due to mutual substitutability. (*Source: CRISIL Research Report*). For a chart showing the trends in domestic vegetable oil prices, see "*Industry Overview–Domestic Vegetable Oil Prices*" on page 130.

We primarily import raw materials derived from palm oil. The cost of these raw materials to us is affected by fluctuations in market prices and import duties. Over the years, the Indian government has gradually increased the import duty on crude palm oil from 0.00% in April 2008 to 12.50% in September 2015. However, in September 2016, it reduced the import duty on crude palm oil to 7.73% and refined palm oil to 15.50% to boost supply and curb food inflation. (*Source: CRISIL Research Report*) On August 11, 2017, the Government increased the import tax on crude palm oil to 15.00% from 7.50%, and increased import tax duty on refined palm oil imports to 25.00% from 15.00%. *(Source: Government of India, Ministry of Finance (Department of Revenue) Notification No. 71/2017-Customs, dated August 11, 2017).* On November 17, 2017, the Government increased the import tax on crude palm oil to 30% from 15%, and increased import tax duty on refined palm oil imports to 40% from 25%. *(Source: Government of India, Ministry of Finance (Department of Revenue) Notification No. 87/2017–Customs, dated November 17, 2017).*

The cost of our imported raw materials is also affected by fluctuations in the rate of exchange of the currency in which we purchase these raw materials (primarily USD) and the Rupee. For a chart showing the trends in global vegetable oil prices, see "*Industry Overview–Global Vegetable Oil Prices*" on page 129.

Pricing pressure

Our customers are in the plastic industry and food, cosmetics, printing inks, coated papers, lube additives, wires and cables, coatings and other specialty applications industries. These industries are characterised by intense competition and as such our customers are focused on reducing their costs. Our customers are generally aware of the prices for our raw materials and will negotiate with us to reduce our prices when our raw material costs decrease, which means our ability to keep our prices at the same level when our raw material costs decrease is somewhat constrained. Some of our long-term sales contracts allow a purchaser to terminate an agreement if we do not agree to meet any lower offers that the purchaser receives from other suppliers. Therefore, we may reduce the prices of our products in order to retain customers, which may have a material adverse effect on our revenues and margins.

Fluctuations in the exchange rate of the Rupee

Most of our sales to our overseas customers are denominated in foreign currencies, predominantly USD. For Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, our revenue from operations net off excise duty from sales to foreign customers was ₹ 3,588.68 million, ₹ 3,509.64 million, ₹ 4,817.67 million and ₹ 3,245.12 million, respectively, representing 59.14%, 53.79%, 61.91% and 55.86%, respectively, of our revenue from operations net off excise duty. A depreciation of the Rupee increases the Rupee amount of revenue from sales in foreign currency, and, conversely, an appreciation of the Rupee decreases the Rupee amount of revenue from sales made in foreign currency.

We import goods, primarily raw materials. For Fiscals 2015, 2016, and 2017 and the nine months ended December 31, 2017, we imported ₹ 891.33 million, ₹ 877.83 million, ₹ 1,085.07 million and ₹ 935.89 million worth of goods, respectively, representing 14.02%, 12.80%, 13.31% and 15.85% of our revenue from operations, respectively. An appreciation in the Rupee would result in a decrease in the prices of imported goods and conversely a depreciation of the Rupee would result in an increase in the prices of imported goods.

The Rupee has depreciated over the course of last three Fiscals and the average exchange rate per USD (RBI reference rate) moved from ₹ 61.15 for Fiscal 2015 to ₹ 65.46 for Fiscal 2016 and to ₹ 67.09 for Fiscal 2017 and depreciated to ₹ 64.61 in the nine months ended December 31, 2017 based on the average of the RBI's official rate for each working day of the relevant period. *(Source: https://m.rbi.org.in/scripts/referenceratearchive.aspx)*

Fluctuations in the value of the Rupee against such foreign currencies, to the extent that it is not hedged, would result in gains or losses. On a net basis, an appreciation of the Rupee would be negative for our business, financial condition and results of operations.

Increase in Installed Capacity

We increased the installed capacity of the First Ambernath Facility by 14,100 tonnes per annum from 35,400 tonnes per annum to 49,500 tonnes per annum, with the additional capacity being fully operational in May 2015.

In addition to the above factors, the following factors could have a significant effect on our future results of operations and financial condition.

Taking over the operation of the Dombivli Facility effective December 1, 2017

The Dombivli Facility has a total installed production capacity of 8,400 tonnes per annum as at December 31, 2017. We purchased the machines trade at this facility from Fine Organic Industries, a Group company, for₹ 22.58 million effective November 30, 2017. We took over this facility by way of a lease deed effective July 18, 2017. We commenced operations at this facility on December 1, 2017. Prior to December 1, 2017, we did not earn any revenue from this facility. However, the impact of this on our results operations for the nine months ended December 31, 2017 was not material as we only operated the facility for one month in the nine-month period.

Profitability of Fine Zeelandia

Fine Zeelandia Private Limited ("**Fine Zeelandia**"), is a joint venture company in which we have a 50.00% equity interest. Fine Zeelandia currently acts as an exclusive distributor for Zeelandia International's range of premixes for bakery and confectionary products and pan release agents in India, Sri Lanka, Bangladesh and Nepal, but does not currently manufacture these products. It is in the process of setting up the Fine Zeelandia Facility, which will manufacture premixes for bakery and confectionary products and pan release agents. We estimate that the Fine Zeelandia Facility will commence operations in the first quarter of Fiscal 2019. For details on the Fine Zeelandia Facility, see "*Our Business–Manufacturing–Planned Facilities–Fine Zeelandia Facility*" on page 144.

Expansion of our total installed production capacity

We plan on to set up two new production facilities: the Third Ambernath Facility and the German Facility. The Third Ambernath has a planned installed capacity of 32,000 tonnes per annum. The Third Ambernath Facility will be capable of manufacturing most of our additive products. We expect it to commence operations in the fourth quarter of Fiscal 2019. The Germany Facility has a planned initial installed capacity of 10,000 tonnes per annum. The German Facility will manufacture specialty food emulsifiers and other additives for food. We expect it to commence operations in the third quarter of Fiscal 2020. This facility will be owned and operated by a joint venture company (FineAdd), in which we will have 50% equity interest. For more details, see *"Our Business–Manufacturing–Planned Facilities*" on page 144.

Our products are also manufactured for us on a job-work basis by Olefine at the Second Ambernath Facility. The Second Ambernath Facility is situated on a plot of land that MIDC currently leases to Olefine. Our Company has entered into a leave and license agreement for the land with Olefine for a term of three years effective March 26, 2018. However, we were unable to take over the operation of the Second Ambernath Facility until we receive MIDC's approval, which we received from MIDC pursuant to a letter dated May 21, 2018. We will be taking over operation of the facility in the near future. As at December 31, 2017, the Second Ambernath Facility had an installed capacity of approximately 5,000 tonnes per annum.

We are also in the preliminary stages of planning the development of two additional production facilities: the Patalganga Facility; and the Fourth Ambernath Facility. The Patalganga Facility has a planned initial installed capacity of approximately 10,000 tonnes per annum. We are awaiting possession of the land for the Fourth Ambernath Facility and have yet to decide on the planned initial installed capacity. For more details on the two preliminarily planned facilities, see "*Our Business–Manufacturing–Additional Production Facilities–Preliminary Stages of Planning*" on page 145.

Fluctuations in interest rates and funding

Whilst our results of operations are currently not significantly affected by fluctuations in interest rate risks, we intend to borrow some of the funds to build the Third Ambernath Facility, the Patalganga Facility and the Fourth Ambernath Facility. In addition, Fine Zeelandia has borrowed funds to build the Fine Zeelandia Facility and FineAdd could borrow funds to build the German Facility. Fine Zeelandia's borrowings are on floating rates. We also expect our borrowings for our capital expenditure (term loans) to be on floating rates (which are linked to the banks' marginal cost of lending rate). Any increase in interest rates would increase the interest costs of our floating rate borrowings, which would adversely affect our results of operations in the future.

PRINCIPLES OF CONSOLIDATION

The following subsidiary companies and a joint venture have been considered in the preparation of the Restated Consolidated Financial Statements.

List of subsidiaries:

Name of Entity	Country of Incorporation	% of Ownership		
		As at December 31, 2017	As at March 31, 2017	As at March 31, 2016
Fine Organics (USA), Inc	USA	100	100	100
Fine Organics Europe BVBA	Belgium	99.46	100	100

Our Company owns an equity interest in the following joint venture:

Name of Entity	Country of incorporation	% of ownership held by our Company			
		As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Fine Zeelandia Private Limited	India	50	50	50	50

Our Company's interest in the above joint venture is accounted for using the equity method of accounting.

For more details on the principals of consolidation, see "*Financial Statements–Restated Consolidated Financial Statements–Annexure A.V-2.1 Basis of Consolidation*" on page 318.

SIGNIFICANT ACCOUNTING POLICIES

For details on our significant accounting policies, see "*Financial Statements–Restated Consolidated Financial Statements–Annexure A.V–2. Basis of Preparation of Financial Statements*" on page 318.

RESULTS OF OPERATIONS

The following tables set forth a summary of our summary statements of profit and loss for the nine months ended December

31, 2017 and Fiscals 2017, 2016 and 2015, expressed in absolute terms and as a percentage of our revenue from operations for the periods indicated.

(₹ in millions, except percentages)

Particulars	For the nine months ended December 31, 2017 (Ind AS)	Percentage of revenue from operations (%)
Income:		
Revenue from operations	5,904.27	100.00
Other income	87.80	1.49
Total revenue	**5,992.07**	**101.49**
Expenses:		
Cost of materials consumed	3,780.77	64.03
Purchase of stock-in-trade	16.63	0.28
Changes in inventory of finished goods and work-in-progress	46.52	0.79
Excise duty goods and services tax expenses	94.55	1.60
Employee benefits expense	379.08	6.42
Other expenses	544.09	9.22
***EBITDA*[(1)]**	***1,130.43***	***19.15***
Depreciation/impairment and amortisation expense	146.25	2.48
Finance costs	30.20	0.51
Total expenses	**5,038.10**	**85.33**
Net profit from ordinary items before tax	**953.97**	**16.16**
Tax expense:		
Income taxes – current tax	349.00	5.91
Deferred tax (credit)/charge	(4.47)	(0.08)
Total tax expense	**344.53**	**5.84**
Net profit from ordinary items after tax	**609.44**	**10.32**
Profit for the period/year	**609.44**	**10.32**
Total other comprehensive income	–	–
Total comprehensive income for the year	**609.44**	**10.32**

Note:

(1) EBITDA is equal to revenue from operations less cost of materials consumed, less purchase of stock-in-trade, less change in inventories of manufactured goods, less excise duty/goods and service tax expenses, less employee benefits and less other expenses.

(₹ in millions, except percentages)

Particulars	Fiscal 2017 (Ind AS)	Percentage of revenue from operations (%)	Fiscal 2016 (Proforma Ind AS)	Percentage of revenue from operations (%)	Fiscal 2015 (Proforma Ind AS)	Percentage of revenue from operations (%)
Income:						
Revenue from operations	8,149.36	100.00	6,860.08	100.00	6,359.32	100.00
Other income	44.13	0.54	102.07	1.49	20.25	0.32
Total revenue	**8,193.50**	**100.54**	**6,962.16**	**101.49**	**6,379.57**	**100.32**
Expenses:						
Cost of materials consumed	5,027.57	61.69	3,894.37	56.77	3,866.89	60.81
Purchase of stock-in-trade	11.35	0.14	22.15	0.32	21.54	0.34
Changes in inventory of finished goods and work-in-progress	(61.30)	0.75	(40.79)	0.59	(64.09)	1.01
Excise duty/goods and services tax expenses	367.35	4.51	335.17	4.89	291.25	4.58
Employee benefits expense	642.80	7.89	545.40	7.95	443.34	6.97
Other expenses	707.22	8.68	651.27	9.49	691.11	10.87
***EBITDA*[(1)]**	***1,498.51***	***18.39***	***1,554.59***	***22.66***	***1,129.54***	***17.76***

Particulars	Fiscal 2017 (Ind AS)	Percentage of revenue from operations (%)	Fiscal 2016 (Proforma Ind AS)	Percentage of revenue from operations (%)	Fiscal 2015 (Proforma Ind AS)	Percentage of revenue from operations (%)
Depreciation/impairment and amortisation expense	237.13	2.91	295.64	4.31	225.77	3.55
Finance costs	45.66	0.56	83.09	1.21	76.99	1.21
Total expenses	**6,977.78**	**85.62**	**5,786.29**	**84.35**	**5,552.79**	**87.32**
Net profit before tax and exceptional items	**1,215.71**	**14.92**	**1,175.87**	**17.14**	**826.78**	**13.00**
Net profit from ordinary Items before tax	**1,215.71**	**14.92**	**1,175.87**	**17.14**	**826.78**	**13.00**
Tax expense:						
Income taxes - current tax	450.00	5.52	427.84	6.24	300.00	4.72
Deferred tax (credit)/ charge	(17.90)	0.22	(16.79)	0.24	(5.06)	0.08
Short/(excess) provision for earlier years	–	–	–	–	(0.01)	–
Total tax expense	**432.10**	**5.30**	**411.05**	**5.99**	**294.93**	**4.64**
Net profit from ordinary activities after tax	**783.62**	**9.62**	**764.81**	**11.15**	**531.85**	**8.36**
Profit for the year	**783.62**	**9.62**	**764.81**	**11.15**	**531.85**	**8.36**
Other comprehensive income:						
Items that will not be reclassified to profit or loss:						
Change in fair value of equity instruments through other comprehensive income	0.01	–	0.48	0.01	–	–
Remeasurements of loss on employees defined benefit plan	(3.22)	0.04	3.37	0.05	0.15	–
Income tax relating to items that will not be reclassified to profit or loss	**1.11**	**0.01**	**(1.33)**	**0.02**	**(0.05)**	–
Total other comprehensive income	**(2.10)**	**0.03**	**2.52**	**0.04**	**0.10**	–
Total comprehensive income for the year	**781.52**	**9.59**	**767.33**	**11.19**	**531.95**	**8.36**

Note:

(1) *EBITDA is equal to revenue from operations less cost of materials consumed, less purchase of stock-in-trade, less change in inventories of manufactured goods, less excise duty/goods and service tax expenses, less employee benefits and less other expenses.*

Principal Components of Statement of Profit and Loss

Our income consists of revenue from operations and other income.

Revenue

Revenue from Operations

Our revenue from operations comprises revenue from the sale of our products and excise duty on our domestic sales (up to June 30, 2017) as well as other operating revenues. GST was introduced in India effective July 1, 2017 and it replaced all excise duties that were applicable to our products. Our revenue from operations does not include the GST payable on the sale of our products.

Our revenue from the sale of products comprises income from the sale of specialty chemicals and from the sale of other products.

Other Income

Our other income comprises net gain from foreign currency transactions and translations, and other non–operating income.

Expenses

Our total expenses comprise: (a) cost of materials consumed; (b) purchases of stock in trade; (c) changes in inventory of finished goods and work-in-progress; (d) excise duty/goods and service tax expenses; (e) employee benefits expense; (f) other expenses; (g) depreciation and amortisation; (h) finance costs and (i) tax expense.

Cost of Materials Consumed

Cost of materials consumed includes the opening stock of our raw materials at the beginning of the year, increased by the purchases of raw materials, stock transferred from amalgamating companies, reduced by the closing stock of such inventory at the end of the year and loss of stock due to fire.

Purchases of Stock in Trade

Purchases of stock in trade comprises purchases of trading goods.

Changes in Inventories of Manufactured goods

Changes in inventories of manufactured goods are calculated on the basis of stock at the end and the beginning of the year, comprising: (a) stock transferred from amalgamating companies; (b) trading goods; (c) work in progress; and (d) finished goods and account for variation in excise duty on opening and closing stock of manufactured goods.

Excise Duty/Goods and Services Tax Expenses

Excise duty/goods and service tax expenses comprises excise duty on domestic sales our products up to June 30, 2017. GST was introduced in India effective July 1, 2017 and it replaced all excise duties that were applicable to our products. From and including July 1, 2017, GST payable on the sale of our products is not included in our revenue from operations or in this line item.

Employee Benefit Expenses

Employee benefit expenses comprise: (a) salaries and other benefits to Directors; (b) salaries, wages and other benefits to others; (c) contribution to gratuity fund, provident fund and other funds; and (d) staff welfare expenses and insurance.

Finance Costs

Finance costs comprise (a) interest expense (less interest capitalised and interest income); (b) exchange loss on foreign currency term loan and exchange earners foreign currency; (c) bank charges and commission; (d) franking charges; (e) registration charges; (f) stamp duty; and (g) premium/discount on forward contracts.

Other Expenses

Other primary expenses are (a) power, fuel and water charges; (b) freight and forwarding charges, and (c) repairs and maintenance.

Nine months ended December 31, 2017

Total Income

Our total revenue was ₹ 5,992.07 million for the nine months ended December 31, 2017. The primary reasons for this are discussed below.

Revenue from Operations

The table below sets forth our revenue from the sale of our products.

(in ₹ millions)

Particulars	Nine months ended December 31, 2017 (Ind AS)
Sale of products	
Speciality chemicals	5,802.67
Others	101.43
Sale of products (gross)	5,904.10
Other operating revenue	
Income from sale of scrap	0.17
Research and development receipts	–
Other operating revenue (gross)	0.17
Total revenue from operations	5,904.27

Our revenue from exports of speciality chemicals was negatively affected by the appreciation of the Rupee during the period, which reduces the amount of revenue denominated in foreign currency we record in Rupees, as well as pricing pressure, which led to us to reduce prices of some of our products. The Rupee appreciated to an average of ₹ 64.61 for the nine months ended December 31, 2017 from ₹ 67.09 for Fiscal 2017 based on the average of the RBI's official rate for each working day of the relevant period. *(Source: https://m.rbi.org.in/scripts/referenceratearchive.aspx)*

Total Expenses

Our total expenses were ₹ 5,038.10 million for the nine months ended December 31, 2017. The primary reasons for this are discussed below.

Cost of Materials Consumed

The table below sets forth our cost of materials consumed (raw material costs).

(in ₹ millions)

Particulars	Nine months ended December 31, 2017 (Ind AS)
Opening stock of raw material (including packing materials)	420.00
Add: Purchases (including expenses)	3,771.18
Less: Closing stock of raw material (including packing materials)	410.41
Total cost of materials consumed	3,780.77

Our cost of materials consumed for the nine months ended December 31, 2017 was ₹3,780.77 million. As a percentage of revenue from operations, our cost of materials consumed increased to 64.03% for the nine months ended December 31, 2017 from 61.69% for Fiscal 2017. This increase was due to a decrease in revenue for the reasons discussed above and small increases in the cost of raw materials as well as increases in duty on palm oil, which we were unable to pass on due to pricing pressure. On August 11, 2017, the Government increased the import tax on crude palm oil to 15% from 7.5%, and increased import tax duty on refined palm oil imports to 25% from 15%. *(Source: Government of India, Ministry of Finance (Department of Revenue) Notification No. 71/2017-Customs, dated August 11, 2017).* On November 17, 2017, the Government increased the import tax on crude palm oil to 30% from 15%, and increased import tax duty on refined palm oil imports to 40% from 25%. *(Source: Government of India, Ministry of Finance (Department of Revenue) Notification No. 87 /2017-Customs, dated November 17, 2017).*

Changes in Inventories of Manufactured Goods

The table below sets forth our changes in inventories of manufactured goods.

(in ₹ millions, except for percentages)

Particulars	Nine months ended December 31, 2017 (Ind AS)
Decrease/(Increase) in stock	
Opening stock:	
Finished goods	375.96
Work-in-progress	6.77
Trading goods	35.28
Subtotal	418.01
Closing stock:	
Finished goods	301.05
Work-in-progress	27.38
Trading goods	43.07
Subtotal	371.49
Total changes in inventories of manufactured goods	46.52

For the nine months ended December 31, 2017, our inventories decreased by ₹ 46.52 million, or 11.13%, to ₹ 371.49 million as at December 31, 2017. We believe that this decrease was primarily attributable to our domestic customers reducing their stock levels due to the uncertainty of whether they could use the input tax credit on purchases made prior to the introduction of GST on sales made by them after the introduction of GST from July 1, 2017.

Excise Duty/Goods and Services Tax Expenses

Our excise duty/goods and services tax expenses were ₹ 94.55 million for the nine months ended December 31, 2017. As a percentage of our revenue from operations, our exercise duty/goods and services tax expenses were 1.60% for the nine months ended December 31, 2017 compared to 4.51% for Fiscal 2017. The primary reason for this decrease was that the excise duty applicable to our products was abolished in India effective July 1, 2017 and replaced with GST. From and including July 1, 2017, GST payable on the sale of our products is not included this line item. Therefore, our excise duty/goods and services tax expenses of ₹ 94.55 million were only for the period April 1, 2017 to June 30, 2017.

Employee Benefit Expense

Our employee benefit expense was ₹ 379.08 million for the nine months ended December 31, 2017. The number of our employees increased from 488 as at March 31, 2017 to 596 as at December 31, 2017. There was also a reduction in expenses due to reduced remuneration to Whole Time Directors. As a percentage of revenue from operations, our employee benefit expense was 6.42% in the nine months ended December 31, 2017 compared to 7.89% for Fiscal 2017.

Other Expenses

The table below sets forth details of our other expenses for nine months ended December 31, 2017.

(in ₹ in millions)

Particulars	Nine months ended December 31, 2017 (Ind AS)
Other Expenses	544.09
Of which:	
Power, fuel and water charges	218.60
Freight and forwarding charges	115.49
Repairs and Maintenances	67.89

Depreciation/Impairment and Amortisation Expense

Depreciation/impairment and amortisation expense expenses were ₹ 146.25 million for the nine months ended December 31, 2017.

Tax Expense

Our total tax expense was ₹ 344.53 million for the nine months ended December 31, 2017. Our tax expense as a percentage of our profit before tax was 36.12%. The corporate income tax for the period was 34.61% (including all cesses). Our tax expense as a percentage of our profit before tax was marginally higher than the corporate income tax primarily due to losses from our Company's foreign subsidiaries.

Profit for the Period

As a result of the foregoing, our profit for the period was ₹ 609.44 million.

Total Other Comprehensive Income

Our total other comprehensive income was nil for the nine months ended December 31, 2017.

Total Comprehensive Income

As a result of the foregoing, our total comprehensive income was ₹ 609.44 million for the nine months ended December 31, 2017.

Fiscal 2017 Compared to Fiscal 2016

Total Income

Our total revenue increased by 17.69% from ₹ 6,962.16 million in Fiscal 2016 to ₹ 8,193.50 million in Fiscal 2017. The primary reasons for the increase are discussed below.

Revenue from Operations

The table below sets forth our revenue from the sale of our products.

(₹ in millions, except percentages)

Particulars	Fiscal 2017 (Ind AS)	Fiscal 2016 (Proforma Ind AS)	Percentage increase / (decrease) (%)
Sale of products			
Speciality chemicals	8,029.50	6,648.33	20.77
Others	118.45	210.04	(43.61)
Sale of products (gross)	8,147.95	6,858.37	18.80
Other operating revenue			
Income from sale of scrap	1.06	1.13	(6.19)

Particulars	Fiscal 2017 (Ind AS)	Fiscal 2016 (Proforma Ind AS)	Percentage increase / (decrease) (%)
Research and development receipts	0.36	0.58	(37.93)
Other operating revenue (gross)	1.42	1.71	(16.96)
Total revenue from operations	8,149.36	6,860.08	18.79

Our revenue from operations increased by 18.79% from ₹ 6,860.08 million for Fiscal 2016 to ₹ 8,149.36 million for Fiscal 2017, which was primarily due to a 20.77% increase in revenue from the sale of specialty chemicals. The 20.77% increase in revenue from the sale of speciality chemicals was primarily attributable to an increase in the volume of sales due to increased production capacity at the First Ambernath Plant for a full fiscal year and a depreciation in the Rupee, which increased the amount of revenue denominated in foreign currency we recorded in Rupees. The Rupee depreciated against the USD from an average of ₹ 65.46 for Fiscal 2016 to ₹ 67.09 for Fiscal 2017 based on the average of the RBI's official rate for each working day of the relevant period. *(Source: www.rbi.org)*

Total Expenses

Our total expenses increased by 20.59% from ₹ 5,786.29 million for Fiscal 2016 to ₹ 6,977.78 million for Fiscal 2017. The primary reasons for this are discussed below.

Cost of Materials Consumed

The table below sets forth our cost of materials consumed (raw material costs).

(₹ in millions, except percentages)

Particulars	Fiscal 2017 (Ind AS)	Fiscal 2016 (Proforma Ind AS)	Percentage increase / (decrease) (%)
Opening stock of raw materials (including packing materials)	344.52	275.18	25.20
Add: Stock transferred from FRDCPL and FSSPL (amalgamating companies)	–	10.94	(100.00)
Add: Purchases (including expenses)	5,109.83	3,952.78	29.27
Less: Loss of stock due to fire	6.78	–	N.C.[1]
Less: Closing stock of raw materials (including packing materials)	420.00	344.52	21.91
Total cost of materials consumed	5,027.57	3,894.37	29.10

Note:

1. *Not Comparable.*

Our cost of materials consumed increased by 29.10% from ₹ 3,894.37 million for Fiscal 2016 to ₹ 5,027.57 million for Fiscal 2017, which was primarily attributable to an increase in the production of speciality chemicals. As a percentage of revenue from operations, our cost of materials consumed increased to 61.69% for Fiscal 2017 from 56.77% for Fiscal 2016. This increase was primarily due to depreciation in the Rupee and an increase in the price of some of the raw materials.

Changes in Inventories of Manufactured Goods

The table below sets forth our changes in inventories of manufactured goods.

(in ₹ millions, except for percentages)

Particulars	Fiscal 2017 (Ind AS)	Fiscal 2016 (Proforma Ind AS)	Percentage increase / (decrease) (%)
Decrease/(Increase) in stock			
Opening stock:			
Finished goods	324.51	268.44	20.89
Work-in-progress	8.99	21.08	(57.35)
Trading goods	24.52	24.27	1.03
Add: Opening stock transferred from FRDCPL and FSSPL (amalgamating companies)			
Finished goods	–	1.06	(100.00)
Work-in-progress	–	2.38	(100.00)
Adjustment of foreign currency translation reserve	(1.32)	–	N.C.[1]
Subtotal	356.71	317.24	12.44
Closing stock:			
Finished goods	375.96	324.51	15.85

Particulars	Fiscal 2017 (Ind AS)	Fiscal 2016 (Proforma Ind AS)	Percentage increase / (decrease) (%)
Work-in-progress	6.77	8.99	(24.69)
Trading goods	35.28	24.52	43.88
Subtotal	418.01	358.03	16.75
Total changes in inventories of manufactured goods	(61.30)	(40.79)	50.28

Note:

1. *Not Comparable.*

For Fiscal 2017, our inventories increased by ₹ 61.30 million, or 17.18% to ₹ 418.01 million as at March 31, 2017. This was primarily attributable to an increase in closing stock of finished goods.

For Fiscal 2016, our inventories increased by ₹ 40.79 million, or 12.86%, to ₹ 358.03 million as at March 31, 2016. This was primarily attributable to an increase in closing stock of finished goods.

Excise Duty/Goods and Services Tax Expenses

Our excise duty/goods and services tax expenses increased by ₹ 32.18 million, or 9.6%, to ₹ 367.35 million for Fiscal 2017 from ₹ 335.17 million for Fiscal 2016, which increase was due to an increase in our domestic sales.

Employee Benefit Expense

Our employee benefit expense increased by ₹ 97.40 million, or 17.86%, to ₹ 642.80 million for Fiscal 2017 from ₹ 545.40 million for Fiscal 2016. This was primarily due to a 23.62% increase in salary and other benefits to Directors and a 9.41% increase in salary, wages and other benefits to others, which was primarily attributable to an increase in the number of our employees from 463 as at March 31, 2016 to 488 as at March 31, 2017 and increases in salaries. As percentage of revenue from operations, our employment benefit expense was 7.89% for Fiscal 2016 and 7.95% for Fiscal 2017.

Other Expenses

The table below sets forth details of our other expenses for the periods indicated.

(in ₹ millions, except for percentages)

Particulars	Fiscal 2017 (Ind AS)	Fiscal 2016 (Proforma Ind AS)	Percentage increase / (decrease) (%)
Other expenses	707.22	651.27	8.59
Of which:			
Power, fuel and water charges	280.40	266.33	5.28
Freight and forwarding charges	145.03	133.35	8.76
Repairs	75.74	65.04	16.45

Our other expenses increased by ₹ 55.95 million, or 8.59%, to ₹ 707.22 million for Fiscal 2017 from ₹ 651.27 million for Fiscal 2016, which was primarily attributable to:

- a ₹ 14.07 million, or a 5.28%, increase in power, fuel and water charges;
- a ₹ 11.68 million, or 8.76%, increase in freight and forwarding charges; and
- a ₹ 10.70 million, or 16.45%, increase in repairs expenses.

Depreciation/Impairment and Amortisation Expense

Depreciation/impairment and amortisation expenses decreased by 19.79% to ₹ 237.13 million for Fiscal 2017 from ₹ 295.64 million for Fiscal 2016, which decreased primarily due to the decrease in depreciation on plant and machinery

Tax Expense

Our total tax expense increased by 5.12% from ₹ 411.05 million in Fiscal 2016 to ₹ 432.10 million in Fiscal 2017. For Fiscals 2017 and 2016, our tax expense as a percentage of our profit before tax was 35.54% and 34.96%, respectively. The corporate income tax was 34.61% (including all cesses) for both Fiscals.

Profit for the Year

As a result of the foregoing, our profit for the year increased by 2.46% from ₹ 764.81 million for Fiscal 2016 to ₹ 783.62 million for Fiscal 2017.

Total Other Comprehensive Income

Our total other comprehensive income was ₹ (2.10) million in Fiscal 2017 compared to ₹ 2.52 million in Fiscal 2016.

Total Comprehensive Income

As a result of the foregoing, our total comprehensive income increased by 1.85% from ₹ 767.33 million for Fiscal 2016 to ₹ 781.52 million for Fiscal 2017.

Fiscal 2016 Compared to Fiscal 2015

Total Income

Our total revenue increased by 9.13% from ₹ 6,379.57 million for Fiscal 2015 to ₹ 6,962.16 million for Fiscal 2016. The primary reasons for the increase are discussed below.

Revenue from Operations

The table below sets forth our revenue from operations.

(₹ in millions, except percentages)

Particulars	Fiscal 2016 (Proforma Ind AS)	Fiscal 2015 (Proforma Ind AS)	Percentage increase / (decrease) (%)
Sale of products			
Specialty Chemicals	6,648.33	6,133.10	8.40
Others	210.04	225.39	(6.81)
Sale of products (gross)	***6,858.37***	***6,358.49***	***7.86***
Other operating revenue			
Income from sale of scrap	1.13	0.83	36.14
Research and development receipts	0.58	–	N.C.(1)
Other operating revenue (gross)	***1.71***	***0.83***	***106.02***
Total revenue from operations	**6,860.08**	**6,359.32**	**7.87**

Note:

1. *Not Comparable.*

Our revenue from operations increased by 7.87% from ₹ 6,359.32 million for Fiscal 2015 to ₹ 6,860.37 million for Fiscal 2016. This increase was primarily due to 8.40% increase in revenue from the sale of specialty chemicals. The 8.40% increase in revenue from the sale of specialty chemicals was primarily attributable to an increase in the volume of sales due to increased production capacity at the First Ambernath Plant in Fiscal 2016 and a depreciation in the Rupee, which increased the amount of revenue denominated in foreign currency we recorded in Rupees. The Rupee depreciated against the USD from an average of ₹ 61.15 for Fiscal 2015 to ₹ 65.46 for Fiscal 2016 based on the average of the RBI's official rate for each working day of the relevant period. *(Source: https://m.rbi.org.in/scripts/referenceratearchive.aspx)*

Total Expenses

Our total expenses increased by 4.21% from ₹ 5,552.79 million in Fiscal 2015 to ₹ 5,786.29 million in Fiscal 2016. The primary reasons for this increase are described below.

Cost of Materials Consumed

The table below sets forth our cost of materials consumed (raw material costs).

(₹ in millions, except percentages)

Particulars	Fiscal 2016 (Proforma Ind AS)	Fiscal 2015 (Proforma Ind AS)	Percentage increase / (decrease) (%)
Opening stock of raw material (including packing materials)	275.18	250.78	9.73%
Add: Stock transferred from FRDCPL and FSSP (amalgamating companies)	10.94	–	N.C.(1)
Add: Purchases (including expenses)	3,952.78	3,891.28	1.58%
Less: Closing stock of raw material (including packing	344.52	275.18	25.20%

Particulars	Fiscal 2016 (Proforma Ind AS)	Fiscal 2015 (Proforma Ind AS)	Percentage increase / (decrease) (%)
materials)			
Total cost of materials consumed	**3,894.37**	**3,866.89**	**0.71%**

Note:

1. *Not Comparable.*

Our cost of materials consumed increased by 0.71% from ₹ 3,866.89 million for Fiscal 2015 to ₹ 3,894.37 million for Fiscal 2016. As percentage of revenue from operations, our cost of materials consumed decreased to 56.77% for Fiscal 2016 from 60.81% for Fiscal 2015. This decrease was primarily due to decrease in the prices of some of the raw materials.

Changes in Inventories of Manufactured Goods

The table below sets forth our changes in inventories of manufactured goods.

(in ₹ millions, except for percentages)

Particulars	Fiscal 2016 (Proforma Ind AS)	Fiscal 2015 (Proforma Ind AS)	Percentage increase / (decrease) (%)
Decrease/(Increase) in stock			
Opening stock:			
Finished goods	268.44	225.68	18.95
Work-in-progress	21.08	19.29	9.28
Trading Goods	24.27	4.73	413.11
Add: Opening stock transferred from FRDCPL and FSSPL (amalgamating companies)			
Finished goods	1.06	–	N.C.[1]
Work-in-progress	2.38	–	N.C.[1]
Subtotal	317.24	249.70	27.05
Closing stock:			
Finished goods	324.51	268.44	20.89
Work-in-progress	8.99	21.08	(57.35)
Trading goods	24.52	24.27	1.03
Subtotal	358.03	313.79	14.10
Total changes in inventories of manufactured goods	(40.79)	(64.09)	(36.36)

Note:

1. *Not Comparable.*

For Fiscal 2016, our inventories increased by ₹ 40.79 million, or 12.86%, to ₹ 358.03 million as at March 31, 2016. This was primarily attributable to an increase in inventory of finished goods.

Excise Duty/Goods and Services Tax Expenses

Our excise duty/goods and services tax expenses increased by ₹ 43.92 million, or 15.08%, to ₹ 335.17 million for Fiscal 2016 from ₹ 291.25 million for Fiscal 2015, which increase was primarily due to an increase in our domestic sales.

Employee Benefit Expense

Our employee benefit expense increased by ₹ 102.06 million, or 23.02%, to ₹ 545.40 million for Fiscal 2016 from ₹ 443.34 million for Fiscal 2015. This was primarily due to a 14.75% increase in salary and other benefits to Directors and a 33.61% increase in salary, wages and other benefits to others, which was primarily attributable to an increase in the number of our employees from 402 as at March 31, 2015 to 463 as at March 31, 2016 and increases in salaries. The increase in the number of employees is attributable to the merger of FRDCPL and FSSP with our Company and the consequential transfer of their employees to our Company. As percentage of revenue from operations, our employment benefit expense was 7.95% for Fiscal 2016 and 6.97% for Fiscal 2015.

Other Expenses

The table below sets forth details in relation our other expenses for the periods indicated below.

(in ₹ millions, except for percentages)

Particulars	Fiscal 2016 (Proforma Ind AS)	Fiscal 2015 (Proforma Ind AS)	Percentage increase / (decrease) (%)
Other Expenses	651.27	691.11	(5.76)
Of which:			
Power, fuel and water charges	266.33	269.14	(1.04)
Freight and forwarding charges	133.35	131.55	1.37
Repairs	65.05	74.35	(12.51)
Legal and professional fees	42.59	18.46	130.72
Research and development expenses	–	44.76	N.C.[1]
Allowance for expected credit loss on trade receivables	–	29.49	N.C.[1]

Note:

1. *Not Comparable.*

Our other expenses decreased by ₹ 39.84 million, or 5.76%, to ₹ 651.27 million for Fiscal 2016 from ₹ 691.11 million for Fiscal 2015, which was primarily attributable to:

- a ₹ 44.76 million decrease in research and development expenses;
- a ₹ 29.49 million decrease in allowance for expected credit loss on trade receivables;
- a ₹ 24.13, or 130.72%, increase in legal and professional fees; and
- a ₹ 9.30 million, or 12.51%, decrease in repair expenses.

Depreciation/Impairment and Amortisation Expense

Depreciation/impairment and amortisation expenses increased by 30.95% to ₹ 295.64 million for Fiscal 2016 from ₹ 225.77 million for Fiscal 2015, which increased primarily due to the full year's impact on depreciation on the costs of constructing the new plant at the First Ambernath Facility with 14,100 tonnes per annum installed capacity, which work was carried out primarily in Fiscal 2015.

Tax Expense

Our total tax expense increased by 39.37% from ₹ 294.93 million for Fiscal 2015 to ₹ 411.05 million for Fiscal 2016, which increase was primarily due to a 42.22% increase in net profit from ordinary items before tax. For Fiscals 2016 and 2015, our tax expense as a percentage of our profit before tax was 34.96% and 35.67%, respectively. The corporate income tax was 34.61% and 33.99% (including all cesses) for both Fiscal 2016 and 2015, respectively.

Profit for the Year

As a result of the foregoing, our profit for the year increased by 43.80% from ₹ 531.85 million for Fiscal 2015 to ₹ 764.81 million for Fiscal 2016.

Total Other Comprehensive Income

Our total other comprehensive income was ₹ 0.10 million for Fiscal 2015 compared to ₹ 2.52 million for Fiscal 2016.

Total Comprehensive Income

As a result of the foregoing, our total comprehensive income increased by 44.25% from ₹ 531.95 million for Fiscal 2015 to ₹ 767.33 million for Fiscal 2016.

FINANCIAL CONDITION

Total Assets

The table below sets forth the principal components of our total assets as at the dates specified:

(in ₹ millions)

Assets	As at December 31, 2017 (Ind AS)	As at March 31,		
		2017 (Ind AS)	2016 (Proforma Ind AS)	2015 (Proforma Ind AS)
Non-current assets:				

Assets	As at December 31, 2017 (Ind AS)	As at March 31,		
		2017 (Ind AS)	2016 (Proforma Ind AS)	2015 (Proforma Ind AS)
Property, plant and equipment	922.56	967.73	1,024.73	1,024.22
Capital work-in-progress	67.39	27.97	56.50	81.12
Goodwill	–	–	–	–
Intangible assets	2.10	2.10	1.32	–
Financial assets:				
Investment	105.70	110.69	52.65	–
Other financial assets	2.86	1.28	0.42	0.70
Deferred tax assets (net)	39.00	34.53	14.35	–
Other non-current assets	634.70	492.05	531.56	527.41
Total non-current assets	***1,774.32***	***1,636.37***	***1,681.53***	***1,633.45***
Current assets:				
Inventories	866.01	919.83	760.23	644.36
Financial assets:				
Trade receivables	1,172.09	1,114.00	867.85	862.70
Cash and cash equivalents	260.79	139.70	393.50	30.42
Bank balances	1.85	39.46	28.28	3.26
Loans	7.30	7.35	7.61	5.70
Other financial assets	1.35	0.98	1.02	0.14
Current tax assets (net)	23.78	39.74	–	15.19
Other current assets	630.72	559.18	416.00	520.87
Total current assets	***2,963.89***	***2,820.24***	***2,474.48***	***2,082.64***
Total assets	**4,738.21**	**4,456.61**	**4,156.01**	**3,716.09**

Our total assets increased by ₹ 439.92 million, or 11.84%, from ₹ 3,716.09 million as at March 31, 2015 to ₹ 4,156.01 million as at March 31, 2016 and increased by ₹ 300.60 million, or 7.23%, to ₹ 4,456.61 million as at March 31, 2017 and further increased by ₹ 281.60 million, or 6.32%, to ₹ 4,738.21 million.

Other non-current assets, which mainly comprise unsecured capital advances that are considered good and prepaid rent on leasehold land, increased by ₹ 4.15 million, or 0.79%, from ₹ 527.41 million as at March 31, 2015 to ₹ 531.56 million as at March 31, 2016 and decreased by ₹ 39.51 million, or 7.43%, to ₹ 492.05 million as at March 31, 2017 and increased by ₹ 142.65 million, or 28.99%, to ₹ 634.70 million as at December 31, 2017, which increase was primarily due to an increase in advances paid to creditors towards fixed assets.

Our current trade receivables increased from ₹ 862.70 million as at March 31, 2015 to ₹ 867.85 million as at March 31, 2016, and increased to ₹ 1,114.00 million as at March 31, 2017 and to ₹ 1,172.09 million as at December 31, 2017. The increases in current trade receivables as at March 31, 2017 and as at December 31, 2017 were substantially in line with the increases in our revenue from operations from Fiscal 2016 to Fiscal 2017 and our revenue from operations for the nine months ended December 31, 2017 on an annualised basis. Our trade receivables as at March 31, 2015, 2016 and 2017 and December 31, 2017 were equal to 13.57%, 12.65%, 13.67% and 19.85% of our revenue from operations for Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017 on an annualised basis, respectively.

Other current assets, which mainly comprise balance with statutory / government authorities and other unsecured advances that are considered good (including advance to suppliers), decreased by ₹ 104.87 million, or 20.13%, from ₹ 520.87 million as at March 31, 2015 to ₹ 416.00 million as at March 31, 2016, which decrease was primarily due to a decrease in advances to suppliers and balance deposited with statutory authorities. Other current assets increased by ₹ 143.18 million, or 34.42%, to ₹ 559.18 million as at March 31, 2017 and further increased by ₹ 71.54 million, or 12.79%, to ₹ 630.72 million as at December 31, 2017, which increases were primarily due to increases in advances to suppliers and balance deposited with statutory authorities.

Total Shareholders' Equity and Liabilities

A summary of our shareholder's equity and liabilities as at the specified dates are set out below:

(in ₹ millions)

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,		
		2017 (Ind AS)	2016 (Proforma Ind AS)	2015 (Proforma Ind AS)
Equity:				
Equity share capital	153.30	48.30	48.30	48.30

Particulars	As at December 31, 2017 (Ind AS)	As at March 31,		
		2017 (Ind AS)	2016 (Proforma Ind AS)	2015 (Proforma Ind AS)
Equity share suspense account	–	2.80	2.80	–
Other equity	3,468.73	3,240.30	2,459.88	2,023.87
Total equity	***3,622.03***	***3,291.40***	***2,510.98***	***2,072.17***
Non-current liabilities:				
Financial liabilities				
Borrowings	–	–	212.68	290.55
Deferred tax liabilities (net)	–	–	–	3.44
Total non-current liabilities	–	–	***212.68***	***293.99***
Current liabilities:				
Financial liabilities:				
Borrowings	285.48	402.62	728.68	655.90
Trade payables	771.02	643.24	533.39	532.55
Other financial liabilities	8.15	9.12	86.37	88.17
Other current liabilities	51.52	110.24	75.73	71.65
Provisions	–	–	3.26	1.66
Current tax liabilities (net)	–	–	4.93	-
Total current liabilities	***1,116.18***	***1,165.21***	***1,432.35***	***1,349.94***
Total equity and liabilities	**4,738.21**	**4,456.61**	**4,156.01**	**3,716.09**

Our total equity and liabilities increased by ₹ 439.92 million, or 11.84%, from ₹ 3,716.09 million as at March 31, 2015 to ₹ 4,156.01 million as at March 31, 2016 and increased by ₹ 300.60 million, or 7.23%, to ₹ 4,456.61 million as at March 31, 2017 and further increased by ₹ 281.60 million, or 6.32%, to ₹ 4,738.21 million as at December 31, 2017.

Our equity share capital increased from ₹ 48.30 million as at March 31, 2017 to ₹ 153.30 million as at December 31, 2017. This increase was due to the issuance of 280,000 equity shares of face value ₹ 10 each on July 5, 2017 for consideration other than cash to the shareholders of Fine Research & Development Centre Private Limited and Fine Specialty Surfactants Private Limited on account of our Company's amalgamation with those companies and the issuance of 10,219,992 equity shares of face value ₹ 10 each to all Shareholders as a bonus issue in the ratio of two equity shares for every one equity share on October 16, 2017. Further, there was a subdivision of equity shares of face value of ₹ 10 each into equity shares of face value of ₹ 5 each on November 6, 2017, thereby increasing the total number of shares to 30,659,976. We note that this did not result in any change in share capital.

Other equity, which materially comprises retained earnings and reserves, increased from ₹ 2,023.87 million as at March 31, 2015 to ₹ 2,459.88 million as at March 31, 2016, which increase was primarily due to the addition of the profit for the year for Fiscal 2016 of ₹ 764.81 million, which was partially offset by, among other things, an interim dividend on the equity shares of face value ₹ 10 each of ₹ 223.35 million and income tax on the interim dividend of ₹ 45.47 million. Our other equity increased from ₹ 2,459.88 million as at March 31, 2016 to ₹ 3,240.30 million as at March 31, 2017, which increase was primarily due to the addition of the profit for the year for Fiscal 2017 of ₹ 783.62 million, which was partially offset by a proposed dividend on the equity shares of face value ₹ 10 each of ₹ 229.95 million and income tax on the proposed dividend of ₹ 46.81 million. Our other equity increased from ₹ 3,240.30 million as at March 31, 2017 to ₹ 3,468.73 million as at December 31, 2017, which increase was primarily due to the addition of the profit for the period for the nine months ended December 31, 2017 of ₹ 609.44 million, which was partially offset by, among other things, ₹ 54.81 million to be used for the bonus issue of 10,219,992 equity shares of face value ₹ 10 each.

Our current trade payables increased from ₹ 532.55 million as at March 31, 2015 to ₹ 533.39 million as at March 31, 2016, to ₹ 643.24 million as at March 31, 2017 and to ₹ 771.02 million as at December 31, 2017. The increases as at March 31, 2017 and as at December 31, 2017 were substantially in line with the increase in our cost of materials consumed from Fiscal 2016 to Fiscal 2017 and our cost of materials consumed for the nine months ended December 31, 2017 on an annualised basis. Our current trade payables as at March 31, 2015, 2016 and 2017 and December 31, 2017 were equal to 13.77%, 13.70%, 12.79% and 20.39% of our cost of materials consumed for Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017 on an annualised basis, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Our liquidity requirements arise principally from our operating activities, working capital requirements, capital expenditures for maintenance and expansion activities.

In the last three Fiscal Years and in the nine months ended December 31, 2017, our principal source of funding was cash from operations and short–term borrowings.

We held cash and cash equivalents of ₹ 260.79 million as at December 31, 2017.

Borrowings

As at December 31, 2017, our long-term borrowings were nil, our current maturities of non-current borrowings were nil and our current borrowings were ₹ 285.48 million.

Summary of Cash Flows

As at December 31, 2017, we had cash and cash equivalents (as per our cash flow statement) of ₹ 260.79 million. Cash and cash equivalents primarily consist of balances with banks in current accounts and in fixed deposit accounts.

The table below sets forth selected information from our statements of cash flows in the periods indicated below.

(in ₹ millions)

Particulars	Nine months ended December 31, 2017 (Ind AS)	Fiscal		
		2017 (Ind AS)	2016 (Proforma Ind AS)	2015 (Proforma Ind AS)
Net cash flows generated from operating activities	743.62	462.53	1,091.46	497.69
Net cash flows (used in) investing activities	(284.88)	(164.16)	(278.53)	(425.21)
Net cash flows(used in) financing activities	(345.05)	(553.08)	(529.52)	(104.28)
Net increase/ (decrease) in cash and cash equivalents	**113.69**	**(254.71)**	**283.41**	**(31.81)**
Ind AS adjustments	7.41	0.91	7.61	(29.34)
Assets transferred from Amalgamating Companies	–	–	72.07	–
Cash and cash equivalents at the beginning of the period/ year	139.70	393.50	30.42	91.57
Cash and cash equivalents at the end of the period/ year	**260.79**	**139.70**	**393.50**	**30.42**

Cash Flows From Operating Activities

Our net cash flows generated from operating activities for the nine months ended December 31, 2017, was ₹ 743.62 million, which was primarily due to operating profit before working capital changes of ₹ 1,042.35 million, a ₹ 127.78 million increase in trade payables and a ₹ 53.82 million decrease in inventories, which was partially offset by direct taxes paid of ₹ 328.57 million, a ₹ 71.54 million decrease in other current assets, a ₹ 58.71 million increase in other current liabilities and a ₹ 58.09 million increase in trade receivables.

Our net cash flows generated from operating activities for Fiscal 2017 was ₹ 462.53 million, which was primarily due to operating profit before working capital changes of ₹ 1,453.17 million and a ₹ 109.85 million increase in trade payables, which was partially offset by direct taxes paid of ₹ 494.67 million, a ₹ 246.15 million increase in trade receivables, a ₹ 159.61 million increase in inventories, a ₹ 143.18 million increase in other current assets and a ₹ 77.26 million decrease in current financial liabilities.

Our net cash flows generated from operating activities for Fiscal 2016 was ₹ 1,091.46 million, which was primarily due to operating profit before working capital changes of ₹ 1,456.10 million and a ₹ 104.87 million decrease in other current assets, which was partially offset by direct taxes paid of ₹ 398.19 million, a ₹ 115.86 million increase in inventories and a ₹ 72.78 million increase in current financial assets (loans).

Our net cash flows generated from operating activities for Fiscal 2015 was ₹ 497.69 million, which was primarily due to operating profit before working capital changes of ₹ 1,148.22 million, which was partially offset by direct taxes paid of ₹ 350.26 million, a ₹ 101.25 million increase in inventories, a ₹ 97.62 million increase in trade receivables and a ₹ 91.37 million decrease in current financial liabilities.

Cash Used in Investing Activities

Our net cash used in investing activities for the nine months ended December 31, 2017, was ₹ 284.88 million, which was primarily due to payment of ₹ 147.82 million for capital advances and ₹ 141.20 million used for the purchase of fixed assets.

Our net cash used in investing activities for Fiscal 2017 was ₹ 164.16 million, which was primarily due to ₹ 152.60 million used for the purchase of fixed assets and ₹ 60.00 million used for investment in Fine Zeelandia.

Our net cash used in investing activities for Fiscal 2016 was ₹ 278.53 million, which was primarily due to ₹ 243.35 million used for the purchase of fixed assets and ₹ 52.84 million used for investment in Fine Zeelandia.

Our net cash used in investing activities for Fiscal 2015 was ₹ 425.21 million, which was primarily due to ₹ 461.11 million used for the purchase of fixed assets and ₹ 193.69 million used to prepay leasehold land rentals while ₹ 226.83 million was generated by capital advances previously paid by us.

Cash Used In Financing Activities

Our net cash used in financing activities for the nine months ended December 31, 2017, was ₹ 345.05 million, which was primarily due to payment of dividends of ₹ 229.95 million, dividend distribution tax of ₹ 46.81 million and ₹ 117.14 million used in the repayment of current financial liabilities.

Our net cash used in financing activities for Fiscal 2017 was ₹ 553.08 million, which was primarily due to ₹ 326.06 million used in the repayment of current financial liabilities, ₹ 212.68 million used in the repayment of long-term borrowings and ₹ 38.20 million used to pay finance costs.

Our net cash used in financing activities for Fiscal 2016 was ₹ 529.52 million, which was primarily due to ₹ 368.25 million used in the payment of dividends, dividend distribution tax of ₹ 74.97 million, ₹ 77.87 million used in the repayment of long-term borrowings and ₹ 66.45 million used to pay finance costs, which was partially offset by a ₹ 73.74 million gain on foreign exchange conversion.

Our net cash used in financing activities for Fiscal 2015 was ₹ 104.28 million, which was primarily due to ₹ 76.66 million used for the repayment of long-term borrowings and ₹ 33.75 million used to repay long-term borrowings.

OFF–BALANCE SHEET ARRANGEMENTS AND FINANCIAL INSTRUMENTS

We do not have any off–balance sheet arrangements, derivative instruments, swap transactions or relationships with unconsolidated entities or financial partnerships established or contemplated for the purpose of facilitating off–balance sheet transactions.

CONTRACTUAL COMMITMENTS

The following table sets forth information relating to future payments due under known contractual commitments as at December 31, 2017, aggregated by type of contractual obligation:

(in ₹ millions)

Particulars	Within One Year	After One Year But Within Three Years	After Three Years But Within Five Years	More Than Five Years	Total
Capital commitments	47.91	231.56	-	-	279.47

CONTINGENT LIABILITIES AND GUARANTEES GIVEN BY BANKS

The total of our contingent liabilities and counter guarantees given by banks as at December 31, 2017 was ₹ 67.47 million, details of which are as follows:

(in ₹ millions)

Particulars	As at December 31, 2017
Income tax matters	34.15
Guarantees given by banks	33.32

RELATED PARTY TRANSACTIONS

For details in relation to related party transactions, see Note 37 in "*Financial Statements–Restated Consolidated Financial Statements–Annexure A.VII*" on page 369.

MARKET RISK

Qualitative Disclosure

Market risk is the potential loss arising from changes in market rates and market prices. Our primary market risks are foreign currency risk and commodity price risk.

Exchange Rate Risk

Most of our sales to our overseas customers are denominated in foreign currencies, predominantly USD. An appreciation of the Rupee decreases the Rupee amount of revenue from sales made in foreign currency. We also import some of our raw material and equipment/machinery utilised in our manufacturing facilities. A depreciation of the Rupee would result in an increase in the prices of imported goods and, conversely, an appreciation of the Rupee would result in a decrease in the prices of imported goods.

We do not have a written foreign currency hedging policy but we generally hedge some but not all of our net foreign currency exposure. Fluctuations in the value of the Rupee against such foreign currencies, to the extent that it is not hedged, would result in gains or losses, which would have a material adverse effect on our business, financial condition and results of operations. On a net basis, an appreciation of the Rupee would be negative for our business, financial condition and results of operations. For more details, see *"Significant Factors Affecting Our Results of Operations and Financial Condition– Fluctuations in the exchange rate of the Rupee"* on page 424.

Commodity Price Risk

We are exposed to the price risk associated with purchasing our key raw materials, which are derived from vegetable oils. As the term of our fixed term supply agreements are generally no more than six months, we are subject to the risk of increases in the prices of raw materials. Therefore, fluctuations in the price of these raw materials may adversely affect our results of operations. For additional information on how our results of operations are affected by fluctuations in the price of our key raw materials, see section titled "*Risk Factors–Increases in the cost of raw materials as a percentage of our revenue from operations could have a material adverse effect on our results of operations and financial condition"* on page 15.

Quantitative Disclosure

Exchange Rate Risk

We prepare our financial statements in Rupees. Most of our sales to overseas customers are denominated in foreign currency, predominantly USD. For Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, our revenue from operations net off excise duty from sales to foreign customers was ₹ 3,588.68 million, ₹ 3,509.64 million, ₹ 4,817.67 million and ₹3,245.12 million, respectively, representing 59.14%, 53.79%, 61.91% and 55.86%, respectively, of our revenue from operations. An appreciation of the Rupee decreases the Rupee amount of revenue from sales made in foreign currency.

We import goods, primarily raw materials. For Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, we imported ₹ 891.33 million, ₹ 877.83 million, ₹ 1,085.07 million and ₹ 935.89 million worth of goods, respectively, representing 14.02%, 12.80%, 13.31% and 15.85% of our revenue from operations, respectively. A depreciation of the Rupee would result in an increase in the prices of imported goods.

For details of our accounting policies with respect to foreign currency transactions, see Note 2.2(d) of "*Annexure A.V– Significant Accounting Policies and Notes Forming Integral Part of the Consolidated Financial Information*".

We generally hedge some of our net foreign currency exposure. For Fiscal 2017 and the nine months ended December 31, 2017, our finance costs included premium/discount on forward contract of ₹ 1.78 million and ₹ 5.56 million, respectively

For Fiscals 2016 and 2017, we had a net gain on foreign currency fluctuations of ₹ 73.74 million and ₹ 25.24 million, respectively. For Fiscal 2015, we had a net gain on foreign currency transaction and translation of ₹ 8.37 million, For Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017 our net foreign exchange gain/(loss) on foreign currency term loan and Exchange Earners Foreign Currency (EEFC) account was ₹ (0.33) million, ₹ (16.00) million, ₹ 0.24 million and ₹ 67.95 million, respectively.

Fluctuations in the value of the Rupee against such foreign currencies, to the extent that it is not hedged, would result in gains or losses, which in the case of losses could have a material adverse effect on our business, financial condition and results of operations. On a net basis, an appreciation of the Rupee would be negative for our business, financial condition and results of operations.

QUALITATIVE FACTORS

Unusual or Infrequent Events or Transactions

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions to the best of our knowledge that may be described as "unusual" or "infrequent", or any unusual changes of income, changes in accounting policies and discretionary reduction of expenses that have taken place in the last three fiscal years and the nine months ended December 31, 2017.

Significant Economic Changes

Except as described in this Draft Red Herring Prospectus, there have been no significant economic changes that have taken place in the last three fiscal years and the nine months ended December 31, 2017 that have materially affected or are likely to affect income from operations.

Known Trends or Uncertainties

Our business has been impacted, and we expect will continue to be impacted, by the trends identified in "*–Significant Factors Affecting Our Results of Operations and Financial Condition*" on page 423 and the risks and uncertainties described in "*Risk Factors*" on page 15.

Future Relationship between Cost and Income

Except as described in this section and in "*Risk Factors*" and "*Our Business*" on pages 15 and 137, respectively, to the best of our knowledge, there is no future relationship between cost and income that will have a material adverse effect on our results of operations and finances.

Dependence on a Few Customers and Suppliers

We are not dependent on a few customers. We are dependent on our top two suppliers. In Fiscals 2015, 2016 and 2017 and in the nine months ended December 31, 2017, our purchases of raw materials from our top two suppliers constituted 46.22%, 47.18%, 51.61% and 39.44% of the total purchases from all of our suppliers by value, respectively.

Total Turnover of Each Major Business Segment

We currently operate in one business segment.

New Products or Business Segments

Since April 1, 2014, we have developed and launched 46 new products. For the nine months ended December 31, 2017 and Fiscals 2017, 2016 and 2015, our revenue net off excise duty from new products launched since April 1, 2014 was ₹ 66.53 million, ₹ 58.98 million, ₹ 8.66 million and ₹ 1.08 million, respectively, representing 1.15%, 0.76%, 0.13% and 0.02% of our revenue from operations net off excise duty, respectively.

Seasonality of Business

Our business is not affected by any seasonal changes.

Competitive Conditions

Our business is subject to competition. See "*Our Business–Competition*" on page 149.

SIGNIFICANT DEVELOPMENTS AFTER DECEMBER 31, 2017 THAT MAY AFFECT OUR FUTURE FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following significant developments after December 31, 2017 may affect our future financial condition and results of operations.

Land for Patalganga Facility

Our Company entered into a long-term lease agreement for the land on which we intend to build the Patalganga Facility with MIDC and Neo Wheels Limited, as the confirming party, dated January 30, 2018. On January 30, 2018, we paid Neo Wheels Limited the final installment of ₹ 37.0 million for the assignment of this lease.

FINANCIAL INDEBTEDNESS

Our Company avails loans in the ordinary course of business for the purposes of capital expenditure, working capital including but not limited to procurement of raw materials, cash flow mismatch, to meet routine finance requirements and for general corporate purposes.

As on March 31, 2018, the aggregate outstanding borrowings of our Company and its Subsidiaries on a consolidated basis are as follows:

Category of borrowing	Sanctioned Amount (in ₹ millions)	Outstanding amount (in ₹ millions) as on March 31, 2018
Secured Loans		
Cash Credit Facilities	650.00	536.24
Working Capital Demand Loans (Secured)	-	-
Unsecured Loans	-	-
Bank Guarantee / Stand by letter of credit	102.50	40.38
NCDs	-	-
Total	**752.50**	**576.62**

Principal terms of the borrowings availed by our Company:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us.

1. ***Interest:*** The interest rate charged typically for cash credit is 9.50%, or marginal cost of lending rate + 1.4%, or one year marginal cost of lending rate + 50 bps, as applicable.

2. ***Tenor:*** The tenor of the cash credit ranges from six months to 12 months.

3. ***Security:*** In terms of our borrowings where security needs to be created, we are typically required to:

   (a) create charge on certain movable assets and immovable of our Company (present and future), including current assets, book debts, future stocks and receivables;

   (b) issue demand promissory notes; and

   (c) provide counter indemnity, discharged fixed deposit receipts and hypothecation of raw materials, counter guarantees and collateral securities.

4. ***Repayment:*** Our facilities are repayable either on demand or on the scheduled repayment date.

5. ***Key covenants:***

   In terms of our facility agreements and sanction letters, we are required to:

   (a) provide quarterly financial statements, and yearly audited financial statements;

   (b) observe compliance with environmental laws;

   (c) monitor compliance with financial covenants;

   (d) monitor end-use of the facility amounts for stated purpose for which the facility is availed;

   (e) intimate the lenders about change in line of business or change in ownership;

   (f) intimate the lenders about change in capital equity;

   (g) observe restrictions on further indebtedness over and above the specified threshold; and

   (h) provide details of the recovery suits pending by or against any bank or financial institution.

6. ***Events of default:***

   In terms of our facility agreements and sanction letters, the following, among others, constitute as events of default:

   (a) failure to pay amounts on the due date;

(b) proceedings of winding up not being disposed of or stayed in a stipulated time frame, or if any creditor or liquidator takes possession of our property, or any similar events of bankruptcy or suspension of payment to creditor;

(c) use of the facility for investments in capital markets, or investment in real estate;

(d) any material adverse effect which would have an effect on our ability to repay the facilities availed;

(e) suspension or cessation of business; and

(f) any circumstance of expropriation or unlawfulness for continuance of facility.

Additionally, our Company is required to ensure that the aforementioned events of default and other events of default, as specified under the various loan documentation entered into by our Company for the purpose of availing of loans is not triggered.

7. ***Consequences of occurrence of events of default:***

In terms of our facility agreements and sanction letters, the following, upon occurrence of events of default, our lenders may, *inter alia*:

(a) withdraw or cancel the sanctioned facilities;

(b) enforce their security over the hypothecated assets;

(c) seek immediate repayment of all or part of the outstanding amounts under the respective facilities; and

(d) initiate legal proceedings for recovery of their dues.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

The details of outstanding litigation or proceedings relating to our Company, our Subsidiaries, our Joint Venture, our Group Companies, our Directors and our Promoters are described in this section in the manner as detailed below.

Disclosure of litigation involving our Company, our Subsidiaries and our Joint Venture:

Except as disclosed below there are no (i) outstanding criminal proceedings involving our Company, our Subsidiaries and our Joint Venture, (ii) actions taken by regulatory or statutory authorities involving our Company, our Subsidiaries and our Joint Venture, (iii) outstanding tax proceedings involving our Company, our Subsidiaries and our Joint Venture, (iv) other outstanding matters involving our Company, our Subsidiaries and our Joint Venture which are identified as material in terms of the materiality policy (as disclosed herein below), (v) outstanding matters involving our Company, our Subsidiaries and our Joint Venture, whose outcome could have material adverse effect on the position of our Company, (vi) outstanding matters initiated against our Company for economic offences, (vii) acts of material fraud committed against our Company in the last five years preceding the date of this Red Herring Prospectus (including action taken by our Company, if so), (viii) default and non-payment of statutory dues by our Company, (ix) inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the last five years preceding the date of this Red Herring Prospectus against our Company, our Subsidiaries and our Joint Venture, prosecutions filed (whether pending or not), fines imposed or compounding of offences done in the last five years preceding the date of this Red Herring Prospectus against our Company, our Subsidiaries and our Joint Venture, (x) outstanding matters involving our Company, our Subsidiaries and our Joint Venture pertaining to violations of securities law, and (xi) outstanding matters filed against our Company, our Subsidiaries and our Joint Venture which are in the nature of winding up petitions.

It is clarified that pre-litigation notices (other than those issued by governmental, statutory or regulatory authorities) received by the Company, its subsidiaries, its joint ventures, directors, promoters or the group companies shall not be considered as litigation until such time that any of Company, its subsidiaries, its joint ventures, directors, promoters or the group companies, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

In relation to (iv) above, given the nature and extent of operations of our Company, our Subsidiaries and our Joint Venture, the outstanding litigation involving our Company, our Subsidiaries and our Joint Venture which exceeds 1% of the profit after tax of our Company, as per the Restated Financial Statements of our Company (as at and for the Fiscal 2017), on a consolidated basis, would be considered material for our Company. The profit after tax of our Company, as per the Restated Financial Statements of our Company (as at and for the Fiscal 2017), on a consolidated basis, were ₹ 781.52 million. Accordingly, we have disclosed all outstanding litigation involving our Company, our Subsidiaries and our Joint Venture where (i) the aggregate amount involved exceeds ₹ 7.82 million (being an amount which is 1% of the profit after tax of our Company, as per the Restated Financial Statements of our Company (as at and for the Fiscal 2017), on a consolidated basis), individually, (ii) the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed ₹ 7.82 million, and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.

Our Board has also approved that dues owed by our Company on a standalone basis to the small scale undertakings and other creditors exceeding 5% of the total dues owed to the small scale undertakings and other creditors would be considered as material dues for our Company and accordingly, we have disclosed consolidated information of outstanding dues owed to small scale undertakings and other creditors, separately giving details of number of cases and amount for all dues where each of the dues exceed ₹ 38.55 million (being an amount which is approximately 5% of total dues owed by our Company to the small scale undertakings and other creditors as of December 31, 2017).

For details of the manner of disclosure of litigation relating to our Promoters, Directors and Group Companies, see "Outstanding Litigation and Material Developments – Litigation involving our Promoters", "Outstanding Litigation and Material Developments – Litigation involving our Directors" and "Outstanding Litigation and Material Developments – Litigation involving our Group Companies" on pages 445, 446 *and* 446.

For details of outstanding litigation in relation to direct and indirect taxes involving our Company, Subsidiaries, Joint Venture, Promoters, Directors and Group Companies, see "Outstanding Litigation and Material Developments – Tax Proceedings" on page 447.

I. Litigation involving our Company, Subsidiaries and Joint Venture

A. Litigation filed against our Company

Nil

B. **Litigation filed by our Company**

Criminal matters

Our Company ("**Complainant**") filed a complaint ("**Complaint**") dated August 16, 2017 before the Senior Inspector of Police, Pant Nagar Police Station, against *inter-alia* Ravindra Limaye, a former employee of our Company ("**RL**") under *inter-alia* Sections 381, 403, 408, 411, 34 and 120B of the IPC and Sections 43 and 66 of the IT Act for criminal breach of trust, dishonest misappropriation of property and criminal conspiracy. The matter relates to *inter alia (a)* certain defamatory and malicious letters addressed by RL to the chairman, employees, customers, distributors and the general public tarnishing the reputation of the Complainant, and (b) misusing of contacts and confidential information of the Complainant, thereby breaching the non-disclosure and non-compete agreement executed with the Complainant. The matter is currently pending. Further, the Complainant has also filed a civil suit before the High Court of Bombay against RL. For details, see *"Outstanding Litigation and Material Developments – Litigation involving our Company, Subsidiaries and Joint Venture – Litigation filed by our Company – Other matters involving an amount exceeding ₹ 7.82 million"* on page 445.

Other matters involving an amount exceeding ₹ 7.82 million

Our Company ("**Plaintiff**") filed a suit ("**Suit**") dated May 3, 2017 before the High Court of Bombay, against *inter-alia* Ravindra Limaye, a former employee of our Company (the "**Defendant"**), alleging breach of non-disclosure and non-compete agreement executed with the Plaintiff by the Defendant. The matter relates to *inter alia (a)* certain defamatory and malicious letters addressed by RL to the chairman, employees, customers, distributors and the general public tarnishing the reputation of the Plaintiff, and (b) misusing of contacts and confidential information of the Plaintiff, thereby breaching the non-disclosure and non-compete agreement executed with the Plaintiff. Accordingly, the Plaintiff filed the Suit praying for (i) damages amounting to ₹ 150 million for the loss of reputation and profits by the Plaintiff; and (ii) permanent injunction against the Defendant from publishing any defamatory materials and from revealing any trade secrets received by the Defendant during the course of his employment with the Plaintiff. Thereafter, the High Court of Bombay passed an ad-interim order in favour of the Plaintiff granting temporary injunction against the Defendant. Subsequently, the Plaintiff has received an adhoc compensation of ₹ 7 million during the nine months period ended December 31, 2017. The amount involved in the matter is ₹ 150 million. The matter is currently pending. Further, the Plaintiff has also filed a criminal complaint before the Pant Nagar Police Station against the Defendant. For details, see *"Outstanding Litigation and Material Developments – Litigation involving our Company, Subsidiaries and Joint Venture – Litigation filed by our Company – Criminal matters"* on page 445.

C. **Litigation filed against our Subsidiaries**

Nil

Litigation filed by our Subsidiaries

Nil

D. **Litigation filed against our Joint Venture**

Nil

E. **Litigation filed by our Joint Venture**

Nil

II. **Litigation involving our Promoters**

Disclosure of litigation involving our Promoters: *Except as disclosed below there are no (i) outstanding criminal litigation involving our Promoters, (ii) actions taken by regulatory or statutory authorities against our Promoters, (iii) outstanding tax proceedings involving our Promoters; (iv) litigation or legal action pending or taken, or any direction issued upon conclusion of such litigation or legal action, by any Ministry or Department of the Government or a statutory authority during the five years preceding the year of issue of this Red Herring Prospectus, (v) outstanding matters involving our Promoters pertaining to violation of securities laws, and (vi) outstanding litigation above the materiality threshold or any other outstanding litigation involving our Promoters whose outcome could have a material and adverse effect on our Company's results of operations or financial position.*

Our Board has determined that all outstanding litigation against our Promoters where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company or where the amount involved exceeds 1% of the profit after tax as per the Restated Consolidated Financial Statements of the Company as of and for the fiscal 2017 (i.e. ₹ 7.82 million), would be considered as material for our Company and *accordingly, each of the individual promoters shall identify and provide information relating to such outstanding litigation involving themselves.*

A. Litigation filed against our Promoters

Nil

B. Litigation filed by our Promoters

Nil

III. Litigation involving our Directors

Disclosure of litigation involving our Directors: *Except as disclosed below there are no (i) outstanding criminal litigation involving our Directors, (ii) actions taken by regulatory or statutory authorities against our Directors, (iii) outstanding tax proceedings involving our Directors, (iv) outstanding matters involving our Directors pertaining to violation of securities laws, and (v) outstanding litigation above the materiality threshold or any other outstanding litigation involving our Directors whose outcome could have a material and adverse effect on our Company's results of operations or financial position.*

Our Board has determined that all outstanding litigation against our Directors where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company or where the amount involved exceeds 1% of the profit after tax as per the Restated Consolidated Financial Statements of the Company as of and for the fiscal 2017 (i.e. ₹ 7.82 million), would be considered as material for our Company and accordingly, each of the individual directors shall identify and provide information relating to such outstanding litigation involving themselves.

A. Litigation filed against Prakash Krishnaji Apte

Criminal matters

1. S.G. Redkar, Inspector of Factories, Government of Goa ("**Complainant**") filed a complaint ("**Complaint**") dated June 14, 2001 before the judicial magistrate first class, Panaji against one of our Directors Prakash Krishnaji Apte, who is also a director of Syngenta India Limited under Sections 7, 39 and 40 of the Factories Act, 1948 regarding non-compliance and failure on behalf of the management- to repair metallic columns within stipulated time and failure to produce stability certificate of structure supporting service pipeline. The Complainant has prayed for punishment under Section 92 of the Factories Act, 1948. The matter is currently pending.

2. Inspector of Legal Metrology, Nagpur ("**Complainant**") filed a complaint ("**Complaint**") dated November 28, 2017 before the First Class Judicial Magistrate, Nagpur, ("**Judicial Magistrate**") against one of our Directors Prakash Krishnaji Apte, who is also a director of Syngenta India Limited under Sections 18(1) and 36(1) of the Legal Metrology Act, 2009, Rule 6(1) of the Legal Metrology (Packaged Commodities) Rules, 2011 and Rule 12(1) and 2(h)(1) of the Maharashtra Legal Metrology (Enforcement) Rules, 2011 regarding alleged improper labelling of products and exclusion of declaration as required under the Legal Metrology Act, 2009. The matter is currently pending.

B. Litigation filed by our Directors

Nil

IV. Litigation involving our Group Companies

Disclosure of litigation involving our Group Companies: *Our Board has approved that the outstanding litigation involving our Group Companies which exceed 1% of the profit after tax of our Company, as per the Restated Financial Statements of our Company (as at and for the Fiscal 2017), on a consolidated basis, would be considered material for our Group Companies. Accordingly, we have disclosed all material outstanding litigation involving our Group Companies where (i) the aggregate amount involved exceeds ₹ 7.82 million (being an amount which is 1% of the profit after tax of our Company, as per the Restated Financial Statements of our Company (as at and for the Fiscal 2017), on a consolidated basis), individually, (ii) the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed ₹ 7.82 million; and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.*

On basis of the above, except as disclosed below for our Group Companies there are no (i) outstanding criminal litigation involving our Group Companies, (ii) actions taken by regulatory or statutory authorities against our Group Companies, (iii) outstanding tax proceedings involving our Group Companies, (iv) outstanding matters involving our Group Companies pertaining to violation of securities laws, and (v) outstanding litigation above the materiality threshold or any other outstanding litigation involving our Group Companies whose outcome could have a material and adverse effect on our Company's results of operations or financial position.

A. Litigation filed against our Group Companies

Nil

B. Litigation filed by our Group Companies

Nil

V. Tax Proceedings:

We have disclosed claims relating to direct and indirect taxes involving our Company, Subsidiaries, Joint Venture, Promoters, Directors and Group Companies, in a consolidated manner giving details of the number of cases and total amount involved in such claims:

Nature of Case	Number of Cases	Amounts Involved (in ₹ million)
Company		
Direct Tax*	3	34.15**
Indirect Tax	9	8.18
Subsidiaries		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Promoters		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Directors		
Direct Tax	1	3.55
Indirect Tax	Nil	Nil
Joint Venture		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Group Companies		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil

* *As regards fringe benefit tax and securities transaction tax, although the number of cases is not accounted in the table but as the time for filing appeal by the income tax department has not been expired, the contingent tax claim has been considered.*

** *In respect of one of the tax litigation between our Company and the Pr. Commissioner of Income Tax, the High Court of Bombay has passed an order dated January 17, 2018 ("**Order**") against our Company in respect of the assessment year 2009-10. Our Company is in the process of evaluating the Order and filing an appeal / petition against the Order before the appropriate authority in due course.*

VI. Small scale undertakings or any other creditors

Our Company, in its ordinary course of business, has outstanding dues aggregating to ₹ 771.02 million as of December 31, 2017. Company owes the following amounts, whereby material dues to creditors are identified as each creditor exceeding ₹ 38.55 million *(being an amount which is 5% of total dues owed by our Company to the small scale undertakings and creditors as of December 31, 2017)*.

Particulars	Number of Cases	(in ₹ million)
Dues to small scale undertakings*	*47*	*44.24*
Material dues to creditors**	*1*	*439.72*
Other dues to creditors	*380*	*287.06*
Total	***428***	***771.02***

**As per the status of creditors under the Micro, Small and Medium Enterprises Development Act, 2006*
*** As per the materiality policy*

The details pertaining to material dues to creditors are available on the website of our Company at http://www.fineorganics.com/images/stories/download/Investors/List_of_Creditors/Consolidated_Creditor_MSME_31_12_17_Final.pdf. It is clarified that such details available on our website do not form a part of this Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at their own risk.

VII. Material Developments

For details of material developments since the last balance sheet date, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 422.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, licenses, registrations and permits issued by relevant Central and State regulatory authorities under various rules and regulations. We have set out below an indicative list of such approvals obtained by our Company, our Subsidiaries and our Joint Venture, as applicable, for the purposes of undertaking their respective business. In view of this, our Company can undertake the Offer and its current business activities. Additionally, unless otherwise stated, these approvals are valid as on the date of this Red Herring Prospectus. Some of the approvals may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures.

We have also disclosed below (i) approvals applied for but not received; (ii) approvals expired and renewal to be applied for; and (iii) approvals which are required but not obtained or applied for. For further details in connection with the applicable regulatory and legal framework, see "Regulations and Policies" on page 152.

I. Approvals in relation to the Offer

For the approvals and authorisations obtained by our Company in relation to the Offer, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 455.

II. Incorporation details of our Company

1. Certificate of incorporation dated May 24, 2002 issued by the RoC, to our Company.

2. Fresh certificate of incorporation dated February 16, 2009 issued by the RoC, upon change in name of our Company from Fine Organic Industries (Mumbai) Private Limited to Fine Organic Industries Private Limited.

3. Fresh certificate of incorporation dated November 2, 2017 issued by the RoC, upon conversion of our Company from a private limited company to a public limited company.

III. Approvals in relation to the establishments and business operations of our Company issued by authorities of the respective jurisdictions in which our factories are located

A. Fine House

1. Certificate of registration no. N005817/COMMERCIAL II issued by the inspector under the Maharashtra Shops and Establishments Act, 1948.

B. Manufacturing facilities

First Ambernath Facility

1. License no. 098395 dated May 8, 2012 issued by director of Industrial Security and Health, Maharashtra under the Factories Act to operate the facility as a factory.

2. Certificate no. BO/CAC-Cell/UAN No 0000018722/1st CAC-1706000719 dated June 16, 2017 issued by the MPCB under the Water Act, Air Act and Hazardous Wastes Rules granting consent for the manufacture of various products, discharge of effluents, air emissions and treatment and disposal of hazardous wastes subject to compliance with various terms and conditions.

3. Certificate no. BO/CAC-Cell/EIC No KN-6507-13/22thCAC-1775 dated February 25, 2014 issued by the MPCB under the Water Act, Air Act and Hazardous Wastes Rules granting consent to establish.

4. No objection certificate dated March 25, 2015 under the Maharashtra Fire Prevention and Life Safety Measures Act, 2006 issued by the Divisional Fire Officer, MIDC granting its no objection for occupancy of premises and form-B dated January 2, 2018 submitted for compliance with fire safety and life prevention measures.

5. Certificate of registration no. MBCD0100110 dated May 30, 2016 issued by the Zonal Director, Narcotics Control Bureau, Mumbai for manufacture, distribution, sale, purchase, storage and consumption of controlled substances.

6. Certificate of registration no. 1710200710008548 dated June 29, 2007 issued by the Registering Officer under the Contract Labour Act for engaging labourers in various businesses and activities, including civil construction, fabrication work, cleaning, painting, thermal insulations and housekeeping.

7. Membership no. MWML-HzW-AMB-2080 issued by Mumbai Waste Management Ltd. for hazardous waste management and handling services.

8. License no. P/HQ/MH/15/5629 dated March 29, 2016 issued by the PESO for storage of petroleum under the Petroleum Rules.

9. License no. 10013022002291 dated January 1, 2016 issued by the FSSAI for manufacture of solutions including esters of monoglyceride and diglyceride of fatty acids and mono and diglyceride of fatty acids of edible oil under the FSS Act.

10. License no. SE/O&M/KC-II/Tech/No. 2127 dated May 27, 2014 issued by Maharashtra State Electricity Distribution Company Limited for sanction for additional power supply.

11. Certificates of acknowledgment no. 5601/SIA/IMO2005 dated December 2, 2005 and April 17, 2009 of IEM issued by the MCI for manufacture of *inter alia* fatty acids complex and fatty amide esters.

12. Certificate of registration no. 2-0363-12-000-00 dated October 9, 2014 issued by the RSPO certifying compliance with the criteria for processing certified sustainable palm oil through one or more of supply chain models.

13. Certificate of registration no. 0314 dated April 5, 2018 issued by Jamiat Ulama Halal Foundation for production of *inter alia* oleic acid and erucamide.

14. Agreement dated January 28, 2013 among Amberbath MIDC CETP Company Pvt Ltd, MIDC and our Company for use of common effluent treatment plant for discharging its effluents for treatment.

15. Certificate of registration no. 27AAACF7911Q1Z6 dated September 22, 2017 issued by the Central Government for enrolment as existing tax payer for GST.

Dombivli Facility

1. Certificate no. MPCB/14/00508/348 dated January 17, 2014 issued by the MPCB under the Water Act, Air Act and Hazardous Wastes Rules granting consent for manufacture of various products, discharge of effluents and disposal of hazardous wastes and emissions in the atmosphere subject to compliance with various terms and conditions.

2. Certificate of registration no. MBCD0100105 dated September 20,2 013 issued by the Zonal Director, Narcotics Control Bureau, Mumbai for purchase, storage, possession and consumption of acetic anhydride.

3. Certificate of registration no. 1710200710008547 dated July 29, 2009 issued by the Registering Officer and updated by the Commissioner of Labour under the Contract Labour Act for engaging labourers in various businesses and activities, including civil construction works, fabrication work, cleaning, painting, thermal insulations and housekeeping.

4. Sanction letter dated August 10, 2006 issued by Maharashtra State Electricity Distribution Company Limited for sanction for additional power supply

5. License no. A/P/WC/MH/15/49 (P184956) dated September 7, 2006 issued by the PESO for storage of petroleum under the Petroleum Rules.

6. License no. 10013022002290 dated December 1, 2015 issued by the FSSAI for manufacture of solutions including esters of monoglyceride and diglyceride of fatty acids and mono and diglyceride of fatty acids of edible oil under the FSS Act.

7. Membership no. MWML-HzW-DOM-613 dated April 1, 2017 issued by Mumbai Waste Management Ltd. for hazardous waste management and handling services.

8. Certificate dated January 30, 2018 issued by the Kalyan Ambernath Manufacturers Association for membership.

9. Certificate of registration no. 0313 dated April 5, 2018 issued by Jamiat Ulama Halal Foundation for production of calcium propionate and sodium propionate.

10. License no. 1362544 dated January 2, 2018 issued by the Bureau of Indian Standards in relation to the product calcium propionate.

11. Certificate of registration no. 27AAACF7911Q1Z6 dated September 22, 2017 issued by the Central Government for enrolment as existing tax payer for GST.

12. Certificate of registration no. U051 dated December 1, 2017 issued by manager of Dombivli Common Effluent Treatment Plant for use of common effluent treatment plant for discharging effluents for treatment.

Badlapur Facility

G1 Badlapur

1. License no. 098512 dated July 25, 2012 issued by the director of Industrial Security and Health, Maharashtra under the Factories Act to operate the facility to be used as a factory.

2. Certificate no. AST/RO/KN/EIC No. KN-6741-15/E/CC-6742 dated June 9, 2015 issued by the MPCB under the Water Act, Air Act and Hazardous Wastes Rules granting consent to establish.

3. Certificate no. BO / JD – PAMS / RO – KN / EIC No KN – 6517 – 13 / R CC - 04349 dated May 7, 2014 issued by the MPCB under the Water Act, Air Act and Hazardous Wastes Rules granting consent for the manufacture of various products, discharge of effluents, air emissions and treatment and disposal of hazardous wastes subject to compliance with various terms and conditions.

4. No objection certificate dated March 31, 2015 under the Maharashtra Fire Prevention Act issued by the Divisional Fire Officer, MIDC granting its no objection for occupancy of premises and form-B dated January 2, 2018 submitted for compliance with fire safety and life prevention measures.

5. Certificate of membership dated November 30, 2017 issued by the Badlapur Industries Welfare Association.

6. Certificate of acknowledgment no. 1960/SIA/IMO/2002 dated August 19, 2002 of IEM issued by the MCI for manufacture of *inter alia* fatty acids complex and fatty amide esters.

7. Certificate of registration no. 1710200710008549 dated October 28, 2009 issued by the Registering Officer and the labour commissioners under the Contract Labour Act, 1970 for engaging labourers in various businesses and activities, including civil construction, fabrication work, cleaning, painting, thermal insulations and housekeeping.

8. Sanction letter dated November 13, 1998 issued by Maharashtra State Electricity Board for sanction of fresh power supply.

9. License no. A/P/WC/MH/15/297 (P280981) dated October 20, 2011 issued by the Controller of Explosives, PESO for storage of petroleum under the Petroleum Rules.

10. License no. 10014022003217 dated August 4, 2014 issued by the FSSAI for manufacture of solutions including esters of monoglyceride and diglyceride of fatty acids and mono and diglyceride of fatty acids of edible oil under the FSS Act.

11. Sanction letter dated October 14, 2015 issued by the Badlapur Common Effluent Treatment Plant Association granting membership for discharging chemical pollutants for treatment.

12. Water supply agreement dated March 25, 2015 issued by the MIDC under the MIDC Water Supply Regulation, 1973 for the permission to supply water for the purposes of construction of factory buildings and for the regular requirement of water.

13. Certificate of registration no. 27AAACF7911Q1Z6 dated September 22, 2017 issued by the Central Government for enrolment as existing tax payer for GST.

14. Membership no. MWML-HzW-AMB-1383 dated May 22, 2018 issued by Mumbai Waste Management Ltd. for hazardous waste management and handling services.

W124 Badlapur

1. License no. 084253 dated January 18, 2008 issued by Industrial Security and Health, Maharashtra under the Factories Act to operate the facility to be used as a factory.

2. Sanction letter dated April 26, 1988 issued by Maharashtra State Electricity Board for sanction of fresh power supply.

3. Certificate of registration no. MBCD0100110 dated May 30, 2016 issued by the Zonal Director, Narcotics Control Bureau, Mumbai for manufacture, distribution, sale, purchase, storage and consumption of controlled substances.

4. License no. 10013022001716 dated March 6, 2018 issued by the FSSAI for import of products allowed under the FSS Act.

5. License no. 11514022001075 dated July 16, 2014 issued by the FSSAI for manufacture of food additives allowed under the FSS Act.

6. Certificate of membership dated December 7, 2017 issued by the Badlapur Industries Welfare Association.

7. Certificate of membership dated June 8, 2015 issued by the Badlapur Common Effluent Treatment Plant Association granting membership for discharging chemical pollutants for treatment.

8. Entrepreneur memorandum bearing no. 27-021-12-04124-Part II dated April 25, 2012 issued by the District Industries Centre, MIDC.

9. Certificate of registration no. 27AAACF7911Q1Z6 dated September 22, 2017 issued by the Central Government for enrolment as existing tax payer for GST.

C. Research and development facility

Mahape

1. License no. 098715 dated November 23, 2017 issued by Industrial Security and Health, Maharashtra under the Factories Act to operate the facility to be used as a factory.

2. Certificate no. RONM/NNB/TTC/CC/E/C-77 dated June 18, 2004 issued by the MPCB under the Water Act, Air Act and Hazardous Wastes Rules granting consent to establish.

3. Certificate no. RONM / NNB / TTC / ORANGE / O / CC / C – MPCB / 14 / 10558 dated November 17, 2014 issued by the MPCB under the Water Act, Air Act and Hazardous Wastes Rules granting consent for manufacture of various products, discharge of effluents and disposal of hazardous wastes and emissions in the atmosphere subject to compliance with various terms and conditions.

4. No objection certificate dated January 15, 2015 under the Maharashtra Fire Prevention and Life Safety Measures Act, 2006 issued by the Divisional Fire Officer, MIDC granting its no objection for occupancy of premises and form-B dated January 2, 2018 submitted for compliance with fire safety and life prevention measures.

5. Certificate of registration no. MBCD0100100 dated May 30, 2016 issued by the Zonal Director, Narcotics Control Bureau, Mumbai for manufacture, distribution, sale, purchase, storage and consumption of controlled substances.

6. Certificate no. SE / VC / HTB / TECH / W – 1170 / 2834 issued by the Executive Engineer, Maharashtra State Electricity Board dated May 9, 2005 for sanction of power supply to the factory.

7. Certificate of registration no. 27AAACF7911Q1Z6 dated September 22, 2017 issued by the Central Government for enrolment as existing tax payer for GST.

Dombivli W-260, 261

1. License no. 096543 in the name of 'Fine Speciality Surfactants Private Limited', which was subsequently amalgamated with our Company dated December 7, 2015 issued by Industrial Security and Health, Maharashtra under the Factories Act to operate the facility to be used as a factory. Our Company is in the process of filing an application with respect to change in the name of the approval from 'Fine Speciality Surfactants Private Limited' to our Company.

2. Certificate no. MPCB/18/53/1801000861 dated January 22, 2018 issued by the MPCB under the Water Act, Air Act and Hazardous Wastes Rules granting consent to operate as a research and development facility.

3. Certificate no. MPCB/13/10408/335 dated December 19, 2013 issued by the MPCB under the Water Act, Air Act and Hazardous Wastes Rules granting consent for manufacture of various products, discharge of effluents and disposal of hazardous wastes and emissions in the atmosphere subject to compliance with various terms and conditions.

4. Membership no. MWML-HzW-DOM-659 dated May 7, 2004 issued by Mumbai Waste Management Ltd. for hazardous waste management and handling services.

5. Certificate of membership dated December 20, 2017 issued by the Dombivli Common Effluent Treatment Plant granting membership for discharging chemical pollutants for treatment.

6. Sanction letter dated April 2, 2002 issued by Maharashtra State Electricity Board for sanction of additional power supply.

7. Certificate dated January 30, 2018 issued by the Kalyan Ambernath Manufacturers Association for membership.

D. Third Ambernath Facility

1. Certificate no. BO/CAC-Cell/UAN No 0000013333/2nd CAC-1709000935 dated September 26, 2017 issued by the MPCB under the Water Act, Air Act and Hazardous Wastes Rules granting consent to establish.

2. Provisional no objection certificate no. MIDC/Fire/E-04416 dated November 13, 2017 under the Maharashtra Fire Prevention Act issued by the Divisional Fire Officer, MIDC granting its no objection for occupancy of premises.

3. License no. EE/ULH-II/Tech/2017-18/03504 dated October 27, 2017 issued by Maharashtra State Electricity Distribution Company Limited for sanction for additional power supply.

4. Certificate of registration no. 1710200710011659 dated December 13, 2017 issued by the Registering Officer and updated by Commissioner of Labour under the Contract Labour Act for engaging labourers in various businesses and activities, including civil construction works and fabrication work.

5. Environment clearance dated April 26, 2018 issued by the State Level Impact Assessment Authority for establishment of oleo-chemical manufacturing facility.

Approvals in relation to our Subsidiaries and Joint Venture

Approvals in addition to those listed above, specific to each of our Subsidiaries and Joint Venture are set out below:

Approvals obtained by Fine Organics US

1. Certificate of formation no. 801823644 dated July 29, 2013 issued by the Secretary of State of Texas evidencing filing of the certificate of formation.

2. Employer identification number 46-3289800 dated January 8, 2013 issued by the Department of the Treasury, Internal Revenue Service, Cincinnati for identification of the company, bank accounts, tax returns and documents.

3. Business no. 81430 9985 dated March 2, 2015 issued by the Commissioner of Revenue, Canada Revenue Agency.

4. Confirmation of registration for goods and service tax / harmonised sales tax dated March 3, 2015 issued by the commissioner of revenue, Canada Revenue Agency.

Approvals obtained by Fine Organics Europe

1. Deed of incorporation no. 31596 dated February 10, 2016.

2. Registration no. 0648.592.775 for value added tax dated February 11, 2016 issued by the Belgian Official Gazette.

Approvals obtained by Fine Zeelandia

1. Certificate no. MPCB-CONSENT-0000013684 dated December 13, 2016 issued by the MPCB under the Water Act, Air Act and Hazardous Wastes Rules granting consent to establish.

2. Certificate dated May 24, 2017 under the Maharashtra Fire Prevention and Life Safety Measures Act, 2006 issued by the Divisional Fire Officer, MIDC granting its provisional no objection to the Joint Venture for construction of plant building.

3. Sanction letter dated September 5, 2017 issued by Maharashtra State Electricity Distribution Company Limited for sanction for additional power supply.

4. Certificate of registration no. 1710300710009183 dated January 3, 2018 issued by the Registering Officer and updated by Commissioner of Labour under the Contract Labour Act for engaging labourers in various businesses and activities, including civil construction works and fabrication work.

5. License no. 10015022004225 dated July 14, 2017 issued by the FSSAI for import of products to the Joint Venture.

6. Certificates of acknowledgment no. 304/SIA/IMO2018 dated March 1, 2018 of IEM issued by the MCI for manufacture of *inter alia* flour mixes and prepared blended flour.

Approvals applied for but not received by our Company

A. Badlapur Facility

G1 Badlapur

1. Application dated February 26, 2016 for environmental clearance pending before the Ministry of Environment and Forests.

B. **Dombivli Facility**

1. Application dated May 22, 2018 with respect to change of name from 'Fine Organic Industries' (a partnership firm) to 'Fine Organic Industries Limited' in relation to consent to operate the facility to be used as a factory pending before the Industrial Security and Health, Maharashtra under the Factories Act.

2. Application for manufacture of inter alia sodium propionate, calcium propionate and glycerol monostearate under the FSS Act pending before the FSSAI.

3. Application dated July 18, 2016 for renewal of license to acquire, store and consume solvent pending before the controller of rationing and director of civil supplies.

Approvals applied for but not received by our Joint Venture

1. Application for consent to operate under the Water Act, Air Act and Hazardous Wastes Rules pending before the MPCB.

2. Application dated November 1, 2017 made to the FSSAI for manufacture of vegetable oil and fats, fat emulsions, mixes for bread and bakery wares under the FSS Act.

Approvals applied for but not received by our Subsidiaries

Nil

Approvals expired but not applied for by our Company, Subsidiaries and Joint Ventures

Nil

Approvals required but not obtained or applied for by our Company, Subsidiaries and Joint Ventures

A. Third Ambernath Facility

1. Certificate of acknowledgment of IEM issued by the MCI.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised by a resolution of our Board passed at their meeting held on November 3, 2017 and by Shareholders passed at their meeting held on November 6, 2017.

The Offer has been authorised by the Promoter Group Selling Shareholders as follows:

Sr. No.	Promoter Group Selling Shareholders	Offer	Date of consent
1.	Prakash Damodar Kamat	Up to 1,530,005 Offered Shares aggregating up to ₹ [●] million	February 7, 2018
2.	Mukesh Maganlal Shah jointly with Jayshree Mukesh Shah	Up to 824,397 Offered Shares aggregating up to ₹ [●] million	February 7, 2018
3.	Jyotsna Ramesh Shah	Up to 1,544,976 Offered Shares aggregating up to ₹ [●] million	February 7, 2018
4.	Jayen Ramesh Shah jointly with Neeta Jayen Shah	Up to 1,530,003 Offered Shares aggregating up to ₹ [●] million	February 7, 2018
5.	Tushar Ramesh Shah jointly with Bina Tushar Shah	Up to 1,530,004 Offered Shares aggregating up to ₹ [●] million	February 7, 2018
6.	Bimal Mukesh Shah jointly with Mukesh Maganlal Shah	Up to 705,609 Offered Shares aggregating up to ₹ [●] million	February 7, 2018
	Total	**7,664,994 Offered Shares**	

The Promoter Group Selling Shareholders specifically confirm that the portion of the Offered Shares offered by them are eligible for being offered in the Offer in terms of the SEBI ICDR Regulations and have been held for a period of at least one year prior to the date of this Red Herring Prospectus or were issued under a bonus issue on securities held for a period of at least one year prior to the filing of this Red Herring Prospectus through capitalisation of free reserves and share premium of our Company existing at the end of the previous Fiscal Year preceding the date of this Red Herring Prospectus. Each of the Promoter Group Selling Shareholders has also confirmed that he / she is the legal and beneficial owner of the Offered Shares being offered by him / her under the Offer.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated March 8, 2018 and March 9, 2018, respectively.

Prohibition by SEBI or other Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group, the Group Companies, the persons in control of our Company and the Promoter Group Selling Shareholders have not been prohibited or debarred from accessing the capital markets under any order or direction passed by SEBI or any other authority.

The companies with which our Promoters or our Directors or persons in control of our Company are or were associated as promoters, directors or persons in control have not been prohibited or debarred from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of our Directors or entities our Directors are associated with, are associated with the securities market in any manner including securities market related business.

There has been no action initiated by SEBI against our Directors or any entity in which our Directors are involved in as promoters or directors.

The listing of any securities of our Company, our Subsidiaries and our Joint Venture has never been refused at any time by any of the Stock Exchanges in India or abroad.

The Offered Shares are free from any lieu, encumbrance, transfer restrictions or third party rights.

Prohibition with respect to wilful defaulters

Our Company, our Promoters, relatives (as defined under Companies Act, 2013) of our Promoters, our Directors, our Group Companies and the Promoter Group Selling Shareholders have not been identified as Wilful Defaulters under the SEBI ICDR Regulations.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 26(1) of the SEBI ICDR Regulations as set out below:

- Our Company has net tangible assets of at least ₹ 30 million in each of the preceding three full years (of 12 months each). As the Offer is being made entirely through an offer for sale, the limit of not more than 50% of net tangible assets being monetary assets, is not applicable;

- Our Company has a minimum average pre-tax operating profit of ₹ 150 million calculated on a restated standalone and consolidated basis, during the three most profitable years out of the immediately preceding five years;

- Our Company has a net worth of at least ₹ 10 million in each of the three preceding full years (of 12 months each);

- The aggregate size of the proposed Offer and all previous issues made in the same Fiscal, in terms of Offer size, is not expected to exceed five times the pre-Offer net worth as per the restated standalone balance sheet of our Company for the year ended March 31, 2017; and

- Our Company was converted into a public limited company, and consequently, a fresh certificate of incorporation dated November 2, 2017 was issued by the RoC recording the change of our Company's name to our present name. However, there has not been any corresponding change in the business activities of our Company.

Our Company's pre-tax operating profit, as restated, net worth, and net tangible assets derived from the Restated Financial Statements included in this Red Herring Prospectus as at, and for the Fiscals 2013, 2014, 2015, 2016 and 2017 are set forth below:

(₹ in Million)

Particulars	As at and for the year ended March 31, 2017		As at and for the year ended March 31, 2016		As at and for the year ended March 31, 2015		As at and for the year ended March 31, 2014		As at and for the year ended March 31, 2013	
	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone
Net tangible assets	3,142.78	3,134.66	2,442.24	2,454.36	2,074.90	2,079.15	1,601.57	1,610.16	989.44	989.44
Pre-tax Operating Profit	739.49	1,189.76	662.74	1,084.57	511.60	826.47	875.89	884.55	298.97	298.97
Net Worth	3,291.40	3,359.01	2,510.98	2,555.30	2,072.17	2,103.06	1,593.13	1,601.78	975.67	975.67

Source: Restated Financial Statements

(i) Net Tangible Assets = Net block of fixed assets + Capital work in progress for fixed assets (including capital advances) + Current assets, loans and advances - Loan funds (Secured loans + Unsecured loans) - Current liabilities and provisions;

(ii) 'Pre-tax operating profit', has been calculated as restated net profit before tax excluding other income, each on a restated basis;

(iii) Net Worth = Paid-up share capital + Reserves and surplus (excluding revaluation reserve) – Miscellaneous Expenditure – Debit balance of the profit and loss account;

(iv) Financial years 2017, 2016 and 2014 are the three most profitable years out of the immediately preceding five financial years in terms of our Restated Consolidated Financial Statements.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company and the Promoter Group Selling Shareholders shall ensure that the number of prospective Allottees to whom the Offered Shares will be Allotted will be not less than 1,000 failing which the entire application monies shall be refunded / unblocked in the respective ASBA Accounts of the ASBA Bidders, as applicable, forthwith.

Our Company is in compliance with the conditions specified in Regulation 4(2) and Regulation 4(5)(a) of the SEBI ICDR Regulations, to the extent applicable.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL

SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING JM FINANCIAL LIMITED AND EDELWEISS FINANCIAL SERVICES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, AND EACH SELLING SHAREHOLDER IS SEVERALLY AND NOT JOINTLY RESPONSIBLE FOR THE CORRECTNESS FOR THE STATEMENTS AND UNDERTAKINGS SPECIFICALLY MADE BY THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF AS A SELLING SHAREHOLDER AND THE EQUITY SHARES BEING OFFERED BY THEM IN THE OFFER, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPECTIVE RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 7, 2018 WHICH READS AS FOLLOWS:

WE, JM FINANCIAL LIMITED AND EDELWEISS FINANCIAL SERVICES LIMITED, THE BOOK RUNNING LEAD MANAGERS ("BRLMs") TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL DOCUMENTS IN CONNECTION WITH THE FINALISATION OF THIS DRAFT RED HERRING PROSPECTUS DATED FEBRUARY 7, 2018 ("DRHP") PERTAINING TO THE OFFER;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY CONFIRM THAT:**

   (A) **THE DRHP FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;**

   (B) **ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED / ISSUED BY THE SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

   (C) **THE DISCLOSURES MADE IN THE DRHP ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956 (AS AMENDED AND REPLACED BY THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE), THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI ICDR REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRHP ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID. <u>COMPLIED WITH AND NOTED FOR COMPLIANCE</u>**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. <u>NOTED FOR COMPLIANCE</u>**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTERS' CONTRIBUTION**

SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE DRHP WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRHP. COMPLIED WITH AND NOTED FOR COMPLIANCE

6. WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRHP. COMPLIED WITH AND NOTED FOR COMPLIANCE

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSES (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION WILL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. NOT APPLICABLE

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY – NOT APPLICABLE SINCE THE ENTIRE OFFER IS AN OFFER FOR SALE; AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. COMPLIED WITH

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THIS OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO AMONG THE BANKERS TO THE OFFER, THE COMPANY, AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION. NOTED FOR COMPLIANCE. ALL MONIES RECEIVED FROM THE OFFER SHALL BE CREDITED / TRANSFERRED TO A SEPARATE BANK ACCOUNT AS PER SECTION 40(3) OF THE COMPANIES ACT, 2013, AS AMENDED.

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRHP THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES TO BE TRANSFERRED IN THE OFFER ARE AND WILL BE TRANSFERRED IN DEMATERIALISED FORM ONLY.

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI ICDR REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRHP:

    (A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND

    (B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS WHILE MAKING THE OFFER. NOTED FOR COMPLIANCE

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC. COMPLIED WITH

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRHP WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. COMPLIED WITH**

16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGERS (WHO ARE RESPONSIBLE FOR PRICING THIS OFFER)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR. COMPLIED WITH**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH THE ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRHP AS CERTIFIED BY M/S. B.Y. AND ASSOCIATES, CHARTERED ACCOUNTANTS, BY WAY OF A CERTIFICATE DATED FEBRUARY 2, 2018**

18. **WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS (IF APPLICABLE). NOT APPLICABLE**

The filing of this Red Herring Prospectus does not, however, absolve our Company and any person who has authorised the issue of this Red Herring Prospectus from any liabilities under Section 34 or Section 36 of Companies Act, 2013, or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the Offer. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Managers, any irregularities or lapses in the Draft Red Herring Prospectus or this Red Herring Prospectus.

The filing of this Red Herring Prospectus does not absolve the Promoter Group Selling Shareholders from any liabilities to the extent of the statements specifically made by them in respect of themselves and the Offered Shares under Section 34 or Section 36 of the Companies Act, 2013.

All legal requirements pertaining to the Offer are complied with at the time of filing of this Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act, 2013.

Disclaimer Clause of BSE

BSE Limited ("the Exchange") has given vide its letter dated March 8, 2018 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or

b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or

c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of NSE

As required, a copy of this offer document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/66 dated March 9, 2018 permission to the Issuer to use the Exchange's name in this offer document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Caution - Disclaimer from our Company, the Promoter Group Selling Shareholders, our Directors and the Book Running Lead Managers

Our Company, the Promoter Group Selling Shareholders, our Directors and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.fineorganics.com or the respective websites of our Subsidiaries or our Group Companies would be doing so at his or her own risk.

The Book Running Lead Managers accept no responsibility for statements made in this Red Herring Prospectus, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company, the Promoter Group Selling Shareholders and the Book Running Lead Managers to the public and investors at large and no selective or additional information would be made available by our Company or the Book Running Lead Managers for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

None among our Company, the Promoter Group Selling Shareholders or any member of the Syndicate shall be liable for any failure in uploading the Bids due to faults in any software / hardware system or otherwise.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, each of the Promoter Group Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Offered Shares and will not issue, sell, pledge, or transfer the Offered Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Offered Shares. Our Company, each of the Promoter Group Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Offered Shares.

Each of the BRLMs and their respective associates and affiliates, in its capacity as principal or agent, is and may in the future be involved in a wide range of commercial banking and investment banking activities globally (including investment advisory, asset management, research, securities issuance, trading (customer and proprietary) and brokerage). Certain of the BRLMs and / or their respective associates and affiliates has engaged, and may in the future engage, in transactions with, and has performed, and may in the future perform, services for, our Company, the Promoter Group Selling Shareholders and their respective group companies, affiliates or associates or any third parties in the ordinary course of their commercial banking and investment banking activities, for which they have received, and may in the future receive, compensation. In addition, in the ordinary course of their commercial banking and investment banking activities, the BRLMs, and their respective associates and affiliates may at any time hold long or short positions, enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares, and may trade or otherwise effect transactions, for their own account or the accounts of their customers, in debt or equity securities (or related derivative instruments) or senior loans of our Company, the Promoter Group Selling Shareholders and/or any of their respective group companies, affiliates or associates or any third parties.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India), public financial institutions as specified in Section 2(72) of the Companies Act, 2013, systemically important non-banking financial company as defined under Regulation 2(1)(zla) of the SEBI ICDR Regulations, other QIBs permitted under applicable law and permitted Non-Residents including Eligible NRIs and FPIs. This Red Herring Prospectus does not, however, constitute an invitation to subscribe to or purchase Offered Shares in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person in whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

The Offered Shares have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Offered Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Offered Shares are being offered and sold only outside the United States pursuant to Rule 903 of Regulation S under the Securities Act ("**Regulation S**").

NO PERSON OUTSIDE INDIA IS ELIGIBLE TO BID FOR OFFERED SHARES UNLESS THAT PERSON HAS RECEIVED A PRELIMINARY OFFERING MEMORANDUM FOR THE OFFER, WHICH COMPRISES THIS RED HERRING PROSPECTUS AND A PRELIMINARY INTERNATIONAL WRAP THAT CONTAINS, AMONG OTHER THINGS, THE SELLING RESTRICTIONS APPLICABLE TO THE OFFER OUTSIDE INDIA.

Each purchaser of any Offered Shares in India shall be deemed to:

- Represent and warrant to our Company, the Promoter Group Selling Shareholders, the BRLMs and the Syndicate Members that it was outside the United States (as defined in Regulation S) at the time the offer of the Offered Shares was made to it and it was outside the United States when its buy order for the Offered Shares was originated.

- Represent and warrant to our Company, the Promoter Group Selling Shareholders, the BRLMs and the Syndicate Members that it did not purchase the Offered Shares as result of any "directed selling efforts" (as defined in Regulation S).

- Represent and warrant to our Company, the Promoter Group Selling Shareholders, the BRLMs and the Syndicate Members that it bought the Offered Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Offered Shares, it agrees that it will not offer, sell or otherwise transfer the Offered Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the Securities Act.

- Represent and warrant to our Company, the Promoter Group Selling Shareholders, the BRLMs and the Syndicate Members that if it acquired any of the Offered Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

- Represent and warrant to our Company, the Promoter Group Selling Shareholders, the BRLMs and the Syndicate Members that if it acquired any of the Offered Shares for one or more managed accounts, that it was authorized in writing by each such managed account to subscribe to the Offered Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- Acknowledge that our Company, the Promoter Group Selling Shareholders, the BRLMs, the Syndicate Members and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

- Agree to indemnify and hold the Company, the Promoter Group Selling Shareholders, the BRLMs and the Syndicate Members harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Offered Shares.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Filing

A copy of the Draft Red Herring Prospectus has been filed with SEBI at Corporate Finance Department, Plot No. C4-A, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051. Further, the BRLMs have also made an online filing of this Red Herring Prospectus through SEBI intermediary portal at https://siportal.sebi.gov.in in terms of the SEBI circular number (SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018.

A copy of this Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 has been delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at the Office of the Registrar of Companies at 100, Everest, Marine Drive, Mumbai 400 002.

Listing

Applications will be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company and the Promoter Group Selling Shareholders will forthwith repay, without interest, all monies received from the applicants in pursuance of this Red Herring Prospectus as required under applicable law. If such money is not repaid within the prescribed time, then our Company, the Promoter Group Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within six Working Days from the Bid / Offer Closing Date or within such other period as may be prescribed. Further, the Promoter Group Selling Shareholders specifically confirm that they shall extend all reasonable co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at all the Stock Exchanges within six Working Days of the Bid Closing Date or such other timeline prescribed by law.

If our Company does not Allot Offered Shares pursuant to the Offer within six Working Days from the Bid / Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay, without interest, all monies received from the Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

Price information of past issues handled by the Book Running Lead Managers

A. ***JM Financial***

- Price information of past issues handled by JM Financial:

Table 1: Price information of past issues handled

Sr. No.	Issue Name	Issue Size (₹ Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	IndoStar Capital Finance Limited	18,440.00	572.00	May 21, 2018	600.00	NA	NA	NA
2.	Bandhan Bank Limited	44,730.19	375.00	March 27, 2018	499.00	+31.81% [+3.79%]	NA	NA
3.	Aster DM Healthcare Limited	9,801.00	190.00	February 26, 2018	183.00	-13.66% [-3.77%]	-4.97%[+0.21%]	NA
4.	Galaxy Surfactants Limited	9,370.88	1,480.00	February 8, 2018	1,525.00	+1.14% [-3.31%]	-0.85% [+1.33%]	NA
5.	Reliance Nippon Life Asset Management	15,422.40	252.00	November 6, 2017	295.90	+3.61% [-3.19%]	+5.91% [+2.95%]	-4.21% [+1.59%]
6.	Prataap Snacks Limited	4,815.98	938.00(1)	October 5, 2017	1,270.00	+25.12% [+5.70%]	+31.82% [+5.60%)	+40.99% [+3.27%)
7.	SBI Life Insurance Company Limited	83,887.29	700.00(2)	October 3, 2017	735.00	-7.56% [+5.89%]	-0.66% [+6.81%]	-3.11% [+2.58%]
8.	ICICI Lombard General Insurance Company	57,009.40	661.00	September 27, 2017	651.10	+3.62% [+6.25%]	+17.60% [+7.78%]	+12.13% [+2.69%]
9.	Cochin Shipyard Limited	14,429.30	432.00(3)	August 11, 2017	440.15	+27.06% [+2.31%]	+30.96% [+6.10%]	+20.01% [+8.11%]
10.	GTPL Hathway Limited	4,848.00	170.00	July 4, 2017	170.00	-10.71% [+4.87%]	-19.09% [+1.82%]	-2.94% [+9.54%]

Source: www.nseindia.com; for price information and prospectus/ basis of allotment for issue details

Notes:

1. *A discount of ` 90 per equity share had been offered to eligible employees.*
2. *A discount of ` 68 per equity share had been offered to eligible employees.*
3. *A discount of ` 21 per equity share had been offered to eligible employees and retail individual bidders.*
4. *Opening price information as disclosed on the website of NSE.*

5. *Change in closing price over the issue/offer price as disclosed on NSE.*
6. *Change in closing price over the closing price as on the listing date for benchmark index viz. NIFTY 50.*
7. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
8. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken a listing date plus 179 calendar days.*
9. *Restricted to last 10 issues.*

Table 2: Summary statement of disclosure

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2018-2019*	1	18,440.00	-	-	-	-	-	-	-	-	-	-	-	-
2017-2018	10	251,600.44	-	-	4	-	3	3	-	1	3		1	2
2016-2017	7	137,049.21	-	-	2	1	1	3	-	-	1	2	2	2

* *The information is as on the date of the document*

B. ***Edelweiss***

1. Price information of past issues handled by Edelweiss

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	ICICI Securities Limited	34,801.16	520.00	April 4, 2018	435.00	-27.93% [5.44%]	Not Applicable	Not Applicable
2.	Galaxy Surfactants Limited	9,370.88	1480.00	February 8, 2018	1,525.00	1.14% [-3.31%]	-0.85% [1.33%]	Not Applicable
3.	Amber Enterprises India Limited	6,000.00	859.00^^^	January 30, 2018	1,175.00	27.15% [-5.04%]	32.56% [-2.81%]	Not Applicable

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
4.	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	3.50% [3.00%]	6.27% [-2.83%]	Not Applicable
5.	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	-3.57% [3.95%]	-11.51% [0.75%]	Not Applicable
6.	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	30.16% [1.02%]	48.93% [2.11%]	74.66% [5.04%]
7.	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 6, 2017	295.90	3.61% [-3.19%]	8.12% [2.05%]	-4.21% [1.59%]
8.	Prataap Snacks Limited	4,815.98	938.00^^	October 5, 2017	1,270.00	25.12% [5.70%]	31.82% [5.60%]	40.99% [3.27%]
9.	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	September 27, 2017	651.10	3.62% [6.25%]	18.97% [8.17%]	15.36% [4.06%]
10.	Cochin Shipyard Limited	14,429.30	432.00^	August 11, 2017	440.15	30.14% [3.04%]	30.96% [6.10%]	20.01% [8.11%]

Source: www.nseindia.com

^^^ Amber Enterprises India Limited - Employee Discount of ₹ 85 per Equity Share to the Offer Price was offered to the Eligible Employees Bidding in the Employee Reservation Portion. All calculations are based on the Offer Price of Rs. 859 per equity share

^^Prataap Snacks Limited - Employee Discount of ₹ 90 per Equity Share to the Issue Price was offered to the Eligible Employees Bidding in the Employee Reservation Portion. All calculations are based on the issue price of Rs. 938 per equity share

^ Cochin Shipyard Limited - Discount of Rs.21 per equity share was offered to retail bidders & eligible employees. All calculations are based on the offer price of Rs. 432 per equity share

Notes

1. *Based on date of listing.*
2. *% of change in closing price on 30^{th} / 90^{th} / 180^{th} calendar day from listing day is calculated vs Issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30^{th}/ 90^{th} / 180^{th} calendar day from listing day.*
3. *Wherever 30^{th}/ 90^{th} / 180^{th} calendar day from listing day is a holiday, the closing data of the next trading day has been considered.*
4. *The Nifty 50 index is considered as the Benchmark Index*
5. *Not Applicable. – Period not completed*
6. *Disclosure in Table-1 restricted to 10 issues.*

2. Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Edelweiss:

Financial Year	Total no. of IPOs	Total funds Raised (in ₹ million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2018-19*	1	34,801.16	-	1	-	-	-	-	-	-	-	-	-	-
2017-18	11	218,549.76	-	-	1	1	5	4	-	-	1	3	1	2
2016 - 17	6	123,361.22	-	-	1	1	3	1	-	-	-	3	2	1

**The information is as on the date of the document*

1. *Based on date of listing.*
2. *Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.*
3. *The Nifty 50 index is considered as the Benchmark Index.*

For the financial year 2018-19 – 1 issue has been completed.
For the financial year 2017-18 – 11 issues have been completed. All the 11 issues have completed 90 days and only 7 issues have completed 180 days yet.

For details regarding the track record of the Book Running Lead Managers, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, see the websites of the Book Running Lead Managers, as set forth in the table below:

Name of the Book Running Lead Managers	Website
JM Financial	www.jmfl.com
Edelweiss	www.edelweissfin.com

Consents

Consents in writing of our Promoter Group Selling Shareholders, Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, legal counsel to our Company as to Indian law, legal counsel to the Book Running Lead Managers as to Indian law, and international legal counsel to the Book Running Lead Managers, bankers to our Company, the Book Running Lead Managers, Statutory Auditor, CRISIL and Registrar to the Offer have been obtained and consent in writing of the Syndicate Members and the Bankers to the Offer to act in their respective capacities, have been obtained and filed along with a copy of this Red Herring Prospectus with the RoC as required under the Companies Act, 2013. Such consents received prior to the filing of this Red Herring Prospectus have not been withdrawn up to the time of delivery of this Red Herring Prospectus with SEBI.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditor namely, B.Y. & Associates, Chartered Accountants to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as "expert" as defined under section 2(38) of the Companies Act, 2013 in respect of the reports of the Statutory Auditor on the Restated Financial Statements, dated May 18, 2018 included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent from the independent chartered accountant, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 in respect of the statement of tax benefits dated May 21, 2018 included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated May 21, 2018 from Dilip R. Panchamia, chartered engineer, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as "expert" as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Offer Expenses

The expenses of the Offer include, among others, underwriting and management fees, brokerage and selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses, advertising and marketing expenses, registrar and depository fees. For further details of Offer expenses, see "*Objects of the Offer*" on page 102.

The Offer related expenses (except listing fee) shall be borne by the Promoter Group Selling Shareholders, on a pro-rata basis, in proportion to the respective Offered Shares sold by each Promoter Group Selling Shareholder pursuant to the Offer, in accordance with applicable law.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the Syndicate Agreement, a copy of which will be available for inspection at our Registered Office / Corporate Office from 10.00 am to 4.00 pm on Working Days from the date of this Red Herring Prospectus until the Bid / Offer Closing Date. For further details of Offer expenses, see "*Objects of the Offer*" beginning on page 102.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCSBs, Registered Brokers, RTAs and CDPs, see "*Objects of the Offer*" beginning on page 102.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer including for processing of applications, data entry, printing of Allotment Advice / CAN / refund order, preparation of refund data on magnetic tape and printing of bulk mailing register will be as per the

Registrar Agreement, a copy of which will be available for inspection at our Registered Office from 10.00 am to 4.00 pm on Working Days from the date of this Red Herring Prospectus until the Bid / Offer Closing Date.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues during the five years preceding the date of this Red Herring Prospectus.

Previous issues of securities otherwise than for cash

Except as disclosed in the "*Capital Structure*" beginning on page 84, our Company has not issued any securities for consideration otherwise than for cash.

Commission or Brokerage paid on previous issues of the Equity Shares

Since this is an initial public offer of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for the Equity Shares since the incorporation of our Company.

Performance vis-à-vis objects – Public / rights issue of our Company and / or listed Group Companies, Subsidiaries and Joint Venture

Our Company, Group Companies, Subsidiaries and Joint Venture have not undertaken any public or rights issue since incorporation. Accordingly, the requirement to disclose shortfall in terms of performance *vis-a-vis* objects for any of the previous issues does not apply to our Company.

Previous capital issue during the previous three years by listed Group Companies, Subsidiaries and Joint Venture

Our Subsidiaries, Group Companies and Joint Venture are not listed on any stock exchange in India or overseas. None of our Group Companies, Subsidiaries or Joint Venture have undertaken a capital issue in the last three years preceding the date of this Red Herring Prospectus. Further, none of our Group Companies, Subsidiaries or Joint Venture have undertaken any public or rights issue in the last ten years preceding the date of the Draft Red Herring Prospectus. Accordingly, the requirement to disclose performance vis-à-vis objects in respect of earlier offerings does not apply to our Subsidiaries or Group Companies or our Joint Venture.

Outstanding Debentures or Bonds

Our Company does not have any outstanding debentures or bonds as of the date of filing this Red Herring Prospectus.

Outstanding Preference Shares or convertible instruments issued by our Company

Our Company does not have any outstanding preference shares or other convertible instruments, as on date of this Red Herring Prospectus.

Partly Paid-up Shares

Our Company does not have any partly paid-up Equity Shares as on the date of this Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange and accordingly no stock market data is available for the Equity shares.

Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least three years from the date of commencement of trading of the Equity Shares on the Stock Exchanges to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Offered Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and the ASBA Account number in which the amount equivalent to the Bid Amount is blocked (in case of ASBA Bidder) and the name and address of the relevant BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor (in case of Anchor Investor). Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

In terms of the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of Equity Shares. SCSBs are required to resolve these complaints within fifteen days, failing which the concerned SCSB would have to pay interest at the rate of fifteen percent per annum for any delay beyond this period of fifteen days.

The Promoter Group Selling Shareholders will assist our Company in redressal of investor grievances, if any, in relation to the transfer of Offered Shares offered by it in the Offer (including providing all necessary documents and information sought from the Promoter Group Selling Shareholders by our Company and the Book Running Lead Managers and facilitating any due diligence process that may be required to be undertaken in this regard).

Our Company has not received investor complaints during the period of three years preceding the date of this Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed a Stakeholders' Relationship Committee comprising (i) Pratima Umarji (Chairman); (ii) Prakash Krishnaji Apte; (iii) Kaushik Dwarkadas Shah; (iv) Mukesh Maganlal Shah; (v) Tushar Ramesh Shah; and (vi) Jayen Ramesh Shah, which is responsible for *inter alia* redressal of grievances of the security holders of our Company. For details, see "*Our Management*" beginning on page 161.

Our Company has also appointed Pooja Gaonkar, Company Secretary of our Company, as the Compliance Officer for the Offer and may be contacted in case of any pre-Offer or post- Offer related problems at the following address:

Pooja Gaonkar
Fine Organics
Fine House, Off M.G. Road
Ghatkopar East
Mumbai 400 077
Tel: (91 22) 2102 5000
Fax: (91 22) 2102 8899
E-mail: investors@fineorganics.com

Investor grievance mechanism and investor complaints for the listed companies (whose equity shares are listed on stock exchanges) under the same management

There are no listed companies under the same management within the meaning of section 370 (1B) of the Companies Act, 1956.

Changes in Auditors

Except for the appointment of B.Y. & Associates, Chartered Accountants, on May 13, 2017, prior to which our auditors were D.B. Shah & Associates, there has been no change in the Auditors during the last three years.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years, preceding the date of this Red Herring Prospectus, except as stated in "*Capital Structure*" beginning on page 84.

Revaluation of Assets

There has been no revaluation of assets by our Company during the last five years, preceding the date of this Red Herring Prospectus.

SECTION VIII: OFFER INFORMATION

TERMS OF THE OFFER

The Offered Shares shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association, the terms of this Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents / certificates that may be executed in respect of the Offer. The Offered Shares shall also be subject to applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and / or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges and such governmental, regulatory and /or statutory authority any other authorities while granting its approval for the Offer.

This being an Offer for Sale, all expenses with respect to the Offer (other than listing fees which shall be payable by our Company) will be borne by the Promoter Group Selling Shareholders in proportion to the Offered Shares offered by each of them in the Offer.

The Offered Shares shall be subject to the provisions of the Companies Act, the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividend. The Allottees upon Allotment of Offered Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act and Articles of Association. For further details, see "*Main Provisions of Articles of Association*" beginning on page 518.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum of Association, Articles of Association and provisions of the SEBI Listing Regulations and any guidelines or directives that may be issued by the Government of India in this respect. In relation to the offer for sale, the dividend for the entire year shall be payable to the transferees. For further details in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" beginning on pages 188 and 518, respectively.

Face Value and Offer Price

The face value of each Equity Share is ₹ 5 and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share and the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Managers and will be advertised in all editions of the English national newspaper the Financial Express, all editions of the Hindi national newspaper Jansatta and Mumbai edition of the Marathi newspaper Navshakti (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid / Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges.

At any given point of time, there shall be only one denomination of Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of our Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;

- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a Shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and / or consolidation / splitting, see "*Main Provisions of Articles of Association*" beginning on page 518.

Market Lot and Trading Lot

Pursuant to Section 29 of the Companies Act, 2013, the Offered Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations. Trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated November 16, 2017 between NSDL, our Company and Registrar to the Offer; and
- Tripartite agreement dated November 3, 2017 between CDSL, our Company and Registrar to the Offer.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [•] Equity Shares.

For details of Allocation and Allotment, please see "*Offer Procedure*" on page 477.

Joint Holders

Subject to the Articles of Association, where two or more persons are registered as the holders of any of the Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts / authorities in Mumbai, India.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Offered Shares Allotted, if any, shall vest. A nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale / transfer of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made nomination by giving a notice of such cancellation. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by our Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Offered Shares in the Offer will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective depository participant.

Withdrawal of the Offer

Our Company and the Promoter Group Selling Shareholders, severally and not jointly, in consultation with the Book Running Lead Managers, reserve the right not to proceed with the Offer after the Bid / Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid / Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Registrar to the Offer shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders (other than Anchor Investors) within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company and the Promoter Group Selling Shareholders, in consultation with the BRLMs withdraws the Offer after the Bid / Offer Closing Date and thereafter determines that it will proceed with an issue / offer for sale of the Offered Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Bid / Offer Programme

BID / OFFER OPENS ON	June 20, 2018[1)]
BID / OFFER CLOSES ON	June 22, 2018

(1) *Our Company and the Promoter Group Selling Shareholders may, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid / Offer Period shall be one Working Day prior to the Bid / Offer Opening Date.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid / Offer Closing Date	June 22, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about June 27, 2018
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account	On or about June 28, 2018
Credit of Offered Shares to demat accounts of Allottees	On or about June 28, 2018
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about July 2, 2018

The above timetable, other than the Bid / Offer Closing Date, is indicative and does not constitute any obligation on our Company or the Promoter Group Selling Shareholders or the Book Running Lead Managers.

While our Company and the Promoter Group Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid / Offer Closing Date or such other period as may be prescribed by SEBI with such reasonable support and cooperation of Promoter Group Selling Shareholders, as may be required in respect of their respective Offered Shares, the timetable may be extended due to various factors, such as extension of the Bid / Offer Period by our Company and the Promoter Group Selling Shareholders, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

Each Promoter Group Selling Shareholder specifically confirms that it shall extend complete cooperation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by SEBI.

Submission of Bids (other than Bids from Anchor Investors):

Bid / Offer Period (except the Bid / Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“**IST**”)
Bid / Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid / Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On the Bid / Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the Book Running Lead Managers to the Stock Exchanges.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.

Due to limitation of time available for uploading the Bids on the Bid / Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid / Offer Closing Date and, in any case, no later than 3.00 p.m. IST on the Bid / Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid / Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company, the Promoter Group Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software / hardware system or otherwise.

Our Company and the Promoter Group Selling Shareholders, in consultation with the Book Running Lead Managers, reserves the right to revise the Price Band during the Bid / Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of Equity Shares.

In case of revision in the Price Band, the Bid / Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid / Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid / Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the Syndicate Members.

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

The requirement of minimum subscription is not applicable to the Offer in accordance with the SEBI ICDR Regulations since it is entirely through an offer for sale. However, if our Company does not make the minimum Allotment specified under terms of Rule 19(2)(b)(ii) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the date of Bid / Offer Closing Date, our Company and the Promoter Group Selling Shareholders shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company and the Promoter Group Selling Shareholders shall pay interest prescribed under the applicable law.

Further, our Company and the Promoter Group Selling Shareholders shall ensure that the number of prospective Allottees to whom the Offered Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 26(4) of the SEBI ICDR Regulations.

Arrangement for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialised form only and the marketable lot for our Equity Shares will be one Equity Share, there are no arrangements for disposal of odd lots.

Restrictions on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer equity share capital of our Company, Promoters' minimum contribution and the Anchor Investor lock-in in the Offer as detailed in "*Capital Structure*" beginning on page 84, and except as provided in the Articles of Association, there are no restrictions on transfer, transmission and consolidation/ splitting of Equity Shares. For details, see "*Main Provisions of the Articles of Association*" beginning on page 518.

OFFER STRUCTURE

The Offer comprises up to 7,664,994 Equity Shares for cash at price of ₹ [●] per Offered Share (including a share premium of ₹ [●] per Offered Share) aggregating up to ₹ [●] million by way of offer for sale by the Promoter Group Selling Shareholders. The Offer shall constitute 25.00% of the post-Offer paid-up equity share capital of our Company.

The Offer is being made through the Book Building Process.

Particulars	QIB Bidders(1)	Non Institutional Bidders	Retail Individual Bidders
Number of Offered Shares available for Allotment / allocation *(2)	3,832,496 Offered Shares	Not less than 1,149,750 Offered Shares available for allocation or offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than 2,682,748 Offered Shares available for allocation or offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment / allocation	50% of the Offer size shall be available for allocation to QIBs. However, 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. Unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion.	Not less than 15% of the Offer or Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 35% of the Offer or Offer less allocation to QIB Bidders, Non Institutional Bidders shall be available for allocation
Basis of Allotment / allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to 76,650 Offered Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to 1,456,349 Offered Shares shall be allotted on a proportionate basis to all QIB Bidders, including Mutual Funds receiving allocation as per (a) above	Proportionate	The Allotment to each Retail Individual Bidder shall not be less than the Minimum Bid Lot, subject to availability of Equity Shares in Retail Portion and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. For details, see "*Offer Procedure– Part B – Allotment Procedure and Basis of Allotment – Allotment to RIBs*" on page 506
Minimum Bid	Such number of Offered Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Offered Shares thereafter	Such number of Offered Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Offered Shares thereafter	[●] Offered Shares and in multiples of [●] Offered Shares thereafter
Maximum Bid	Such number of Offered Shares in multiples of [●] Equity Shares not exceeding the Offer Size, subject to applicable limits	Such number of Offered Shares in multiples of [●] Equity Shares not exceeding the Offer Size, subject to applicable limits	Such number of Offered Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Bid Lot	[●] Offered Shares and in multiples of [●] Offered Shares thereafter		

Particulars	QIB Bidders[(1)]	Non Institutional Bidders	Retail Individual Bidders
Mode of Allotment	Compulsorily in dematerialised form		
Allotment Lot	A minimum of [●] Offered Shares and thereafter in multiples of one Offered Share		
Trading Lot	One Equity Share		
Mode of Bidding	ASBA[(6)]	ASBA	ASBA
Who can apply[(3)(4)]	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds registered with SEBI, FPIs other than Category III Foreign Portfolio Investors, VCFs, AIFs, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority of India, provident fund with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law and National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance fund set up and managed by the Department of Posts, India and systemically important non-banking financial companies.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III Foreign Portfolio Investors.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)
Terms of Payment[(5)(6)]	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form.		

* *Assuming full subscription in the Offer.*

(1) *Our Company and the Promoter Group Selling Shareholders may, in consultation with the Book Running Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. For details, see "Offer Procedure" beginning on page 477.*

(2) *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in accordance with Rule 19(2)(b)(ii) of the SCRR and under Regulation 26(1) of the SEBI ICDR Regulations. The Offer shall be made through the Book Building Process wherein 50% of the Offer has been made available for allocation on a proportionate basis to QIBs, provided that our Company and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Managers may allocate 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which at least one-third shall be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Offer Price. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.*

(3) *In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*

(4) *With respect to restrictions on participation in the Offer, see "Offer Procedure" and "Restrictions on Foreign Ownership of Indian Securities" beginning on pages 477 and 517.*

(5) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms. For details of terms of payment applicable to Anchor Investors, see "Offer Procedure - Part B - Section 7: Allotment Procedure and Basis of Allotment" from page 506.

(6) Anchor Investors are not permitted to use ASBA Bids.

Under subscription, if any, in any category except in the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company and the Promoter Group Selling Shareholders, in consultation with the Book Running Lead Managers and the Designated Stock Exchange.

OFFER PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("**General Information Document**") and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/ 2015 dated November 10, 2015, SEBI circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under section "Part B – General Information Document", of this section which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, and certain notified provisions of the Companies Act, 2013, and amendments to the SEBI ICDR Regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the Book Running Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.*

Our Company, the Promoter Group Selling Shareholders and the Book Running Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process in accordance with Regulation 26(1) of the SEBI ICDR Regulations, wherein 50% of the Offer shall be Allotted to QIBs on a proportionate basis, provided that our Company and the Promoter Group Selling Shareholders, in consultation with the Book Running Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Offer Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Offered Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in QIP Portion, would be allowed to be met with spill-over from any other category or combination of categories, at the discretion of our Company and the Promoter Group Selling Shareholders in consultation with the BRLMs and Designated Stock Exchange.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Offered Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Offered Shares in physical form.

Bid cum Application Form

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid / Offer Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA. Forms not bearing such specified stamp are liable to be rejected. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the Book Running Lead Managers.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FPIs, FVCIs, registered multinational and bilateral development financial institutions applying on a repatriation basis For restrictions on participation in the Offer, see "*Offer Procedure*" and "*Restrictions on Foreign Ownership of Indian Securities*" beginning on pages 477 and 517, respectively	Blue
Anchor Investors**	White

* *Excluding electronic Bid cum Application Form*

** *Bid cum Application Form for Anchor Investors will also be made available at the office of the BRLMs.*

Electronic Bid cum Application Forms will also be available for download on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com).

Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Participation by Promoters, Promoter Group, the Book Running Lead Managers the Syndicate Members and persons related to the Promoters / Promoter Group / Book Running Lead Managers

The Book Running Lead Managers and the Syndicate Members shall not be allowed to purchase the Offered Shares in the Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Managers and the Syndicate Members may Bid for Offered Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of Book Running Lead Managers and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the Book Running Lead Managers nor any persons related to the Book Running Lead Managers (other than Mutual Funds sponsored by entities related to the Book Running Lead Managers), Promoters and Promoter Group and any persons related to our Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion.

Who can Bid?

In addition to the category of Bidders set forth in the sub-section titled "*– Part B – General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue*" on page 488, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- FPIs, other than Category III FPIs;
- Category III FPIs who are foreign corporates or foreign individuals only under the Non-Institutional Portion;
- Scientific and/or industrial research organisations in India, which are authorised to invest in equity shares; and
- Any other person eligible to Bid in this Offer, under the laws, rules, regulations, guidelines and polices applicable to them.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company and the Promoter Group Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a non-repatriation basis using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary accounts for the full Bid Amount, at the time of submission of the Bid cum Application Form.

Eligible NRIs Bidding on repatriation basis are advised to use the Bid cum Application Form for non-residents (blue in colour). Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 517.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Offer equity share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of our Company. The aggregate limit of 24% has been increased to 100% by way of a resolution passed by our Board dated November 3, 2017 followed by a special resolution passed by the Shareholders dated November 6, 2017 and subject to prior intimation to RBI. Our Company is in the process of filing this application. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III Foreign Portfolio Investors and unregulated broad based funds, which are classified as Category II Foreign Portfolio Investors by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only if (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms, and (iii) such offshore derivative instruments shall not be issued to or transferred to persons who are resident Indians or NRIs and to entities beneficially owned by resident Indians or NRIs . An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by, or on behalf of, it to any persons that are not regulated by an appropriate foreign regulatory authority.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

(a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "**SEBI VCF Regulations**") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, *inter alia* prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the "**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, Promoter Group Selling Shareholders and the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Group Selling Shareholders reserves the right to reject any Bid by a limited liability partnership without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which, our Company and the Promoter Group Selling Shareholders reserves the right to reject any Bid by a banking company without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act. A banking company would require a prior approval of RBI to make investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and / or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company and the Promoter Group Selling Shareholders reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

The Company and the Promoter Group Selling Shareholders, in consultation with the BRLMs, in its absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney with the Bid cum Application Form, subject to such terms and conditions that the Company and the BRLMs deem fit, without assigning any reasons therefore.

In accordance with existing regulations, OCBs cannot participate in the Offer.

Bids by insurance companies

In case of Bids made by insurance companies registered with Insurance Regulatory and Development Authority of India, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority of India must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Group Selling Shareholders reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended, are broadly set forth below:

(a) equity shares of a company: the lower of 10*% of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer or health insurer;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer or 15% of the investment asset, as the case may be.

The maximum exposure limit, in case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or a general insurer and the amounts calculated under points (a), (b) and (c) above, as the case may be.

* *The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

Insurance Companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by Insurance Regulatory and Development Authority of India from time to time.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by provident funds / pension funds

In case of Bids made by provident funds / pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Group Selling Shareholders reserves the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Group Selling Shareholders reserve the right to reject any Bid, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Offer shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

General Instructions

In addition to the general instructions provided in the sub-section titled "*Part B – General Information Document for Investing in Public Issues*" on page 486, Bidders are requested to note the additional instructions provided below.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Group Selling Shareholders and the BRLMs are not liable for any amendment, modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigation and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus and the Prospectus.

***Do's*:**

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;

7. If the first applicant is not the ASBA bank account holder, ensure that the Bid cum Application Form is also signed by the ASBA account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

9. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act, 1961. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

13. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

14. Ensure that the category and the investor status is indicated;

15. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

16. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

17. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;

18. Ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

19. Ensure that you have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid; and

20. Ensure that the Demographic Details are updated, true and correct in all respects.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders);

3. Do not bid on another the Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

4. Do not Bid/ revise the Bid amount to less than the floor price or higher than the cap price;

5. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

6. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

8. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

9. Do not submit the Bid for an amount more than funds available in your ASBA account.

10. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

11. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

12. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Red Herring Prospectus;

14. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;

15. Do not submit more than five Bid cum Application Forms per ASBA Account;

16. Anchor Investors should not bid through the ASBA process;

17. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

18. Do not submit the GIR number instead of the PAN;

19. Anchor Investors should submit Anchor Investor Application Form only to the BRLMs;

20. Do not Bid on a physical ASBA Form that does not have the stamp of a Designated Intermediary;

21. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;

22. If you are a Non-Institutional Bidder or Retail Individual Bidder, do not submit your Bid after 3.00 p.m. on the Bid/Offer Closing Date;

23. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder; and

24. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Escrow Account for Anchor Investors

Our Company and the Promoter Group Selling Shareholders, in consultation with the Book Running Lead Managers, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: “Anchor Escrow Account – Fine Organic IPO – Anchor Investor – R”

(b) In case of Non-Resident Anchor Investors: “Anchor Escrow Account – Fine Organic IPO – Anchor Investor - NR”

Pre- Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering this Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of the English national newspaper the Financial Express, all editions of the Hindi national newspaper Jansatta and Mumbai edition of the Marathi newspaper Navshakti (Marathi being the regional language of Maharashtra, where the Registered Office of our Company is situated), each with wide circulation. In the pre-Offer advertisement, we shall state the Bid / Offer Opening Date, Bid / Closing Date and the QIB Bid Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI ICDR Regulations.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Promoter Group Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Offer Price.

(b) After signing the Underwriting Agreement, Prospectus will be filed with the RoC in accordance with applicable law. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

***(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Undertakings by our Company

Our Company undertakes the following:

- if our Company and the Promoter Group Selling Shareholders do not proceed with the Offer after the Bid / Offer Closing Date but prior to Allotment, reasons thereof shall be given as a public notice within two days of Bid / Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly.

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors.

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid / Offer Closing Date or such other period as may be prescribed;

- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- intimation of the credit of the securities / refund orders to Eligible NRIs shall be despatched within specified time; and

- No further issue of the Equity Shares shall be made till the Equity Shares offered through this Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account / refunded on account of non-listing, under-subscription, etc.

Undertakings by the Promoter Group Selling Shareholders

The Promoter Group Selling Shareholders undertake and specifically confirm that:

- they are the legal and beneficial owners of the Offered Shares and have valid and full title to the Equity Shares;

- that the Offered Shares are fully paid up;

- that the Offered Shares are eligible for the Offer pursuant to Regulation 26(6) of the SEBI ICDR Regulations;

- they shall deposit their Equity Shares in an escrow account opened with the Registrar to the Offer at least one Working Day prior to the Bid / Offer Opening Date;

- they shall not offer, lend, pledge, create lien, charge, encumber, sell, contract to sell or otherwise transfer or dispose off, directly or indirectly, any of the Equity Shares offered in the Offer for sale;

- they shall not have any recourse to the proceeds of the Offer for sale until final listing and trading approvals have been received from the Stock Exchanges;

- they shall take all steps and provide all assistance to the Company, the Book Running Lead Managers, as may be required and necessary by the Promoter Group Selling Shareholders, for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within six Working Days from the Bid / Offer Closing Date of the Offer or such other period as may be prescribed, failing which they shall forthwith repay without interest all monies received from Bidders to the extent of the Offered Shares. In case of delay, interest as per applicable law shall be paid by them to the extent of the Offered Shares;

- all monies received out of the Offer shall be credited / transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

- they shall take all steps and provide all assistance to the Company, Registrar, or the Book Running Lead Managers, in relation to the complaints received in respect of the Offer;

- they shall give appropriate instructions for dispatch of the refund orders or Allotment Advice to successful Bidders within the time specified under applicable law.

Utilisation of Offer Proceeds

The Promoter Group Selling Shareholders along with our Company declare that all monies received out of the Offer shall be credited / transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

PART B

General Information Document for Investing in Public Offers

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. Bidders / Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders / Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read this Red Herring Prospectus / Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price issue. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders / Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations**").

Bidders / Applicants should note that investment in equity and equity related securities involves risk and Bidder / Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and / or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in this Red Herring Prospectus ("**RHP**") / Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders / Applicants should carefully read the entire RHP / Prospectus and the Bid cum Application Form / Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and / or overlap between the disclosure included in this document and the RHP / Prospectus, the disclosures in the RHP / Prospectus shall prevail. The RHP / Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders / Applicants may see "*Glossary and Abbreviations*".

SECTION 2: BRIEF INTRODUCTION TO IPOs / FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an offer for sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, the Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer, Bidders / Applicants may refer to the RHP / Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include offer for sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26 / Regulation 27 of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer, Bidders / Applicants may refer to the RHP / Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders / Applicants may refer to the RHP / Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, an Issuer can either determine the Issue Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Issue ("**Fixed Price Issue**"). An

Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in this Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid / Issue Opening Date, in case of an IPO and at least one Working Day before the Bid / Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders / Applicants should refer to the RHP / Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders / Applicants) and not more than ten Working Days. Bidders / Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP / Prospectus for details of the Bid / Issue Period. Details of Bid / Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid / Issue Period for QIBs one Working Day prior to the Bid / Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid / Issue Period may be extended by at least three Working Days, subject to the total Bid / Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders / Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges, and the advertisement in the newspaper(s) issued in this regard.

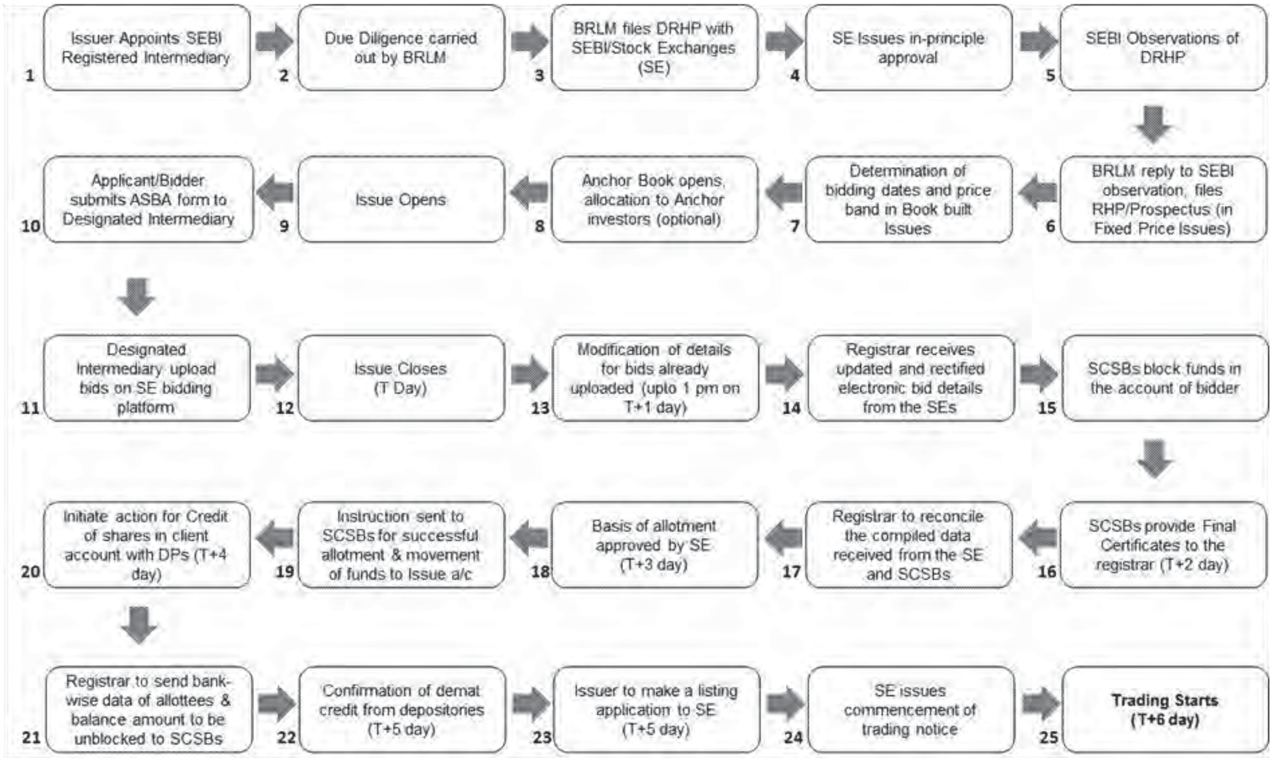
2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders / Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Issue other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

  i. Step 7 : Determination of Issue Date and Price

  ii. Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder / Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders / Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid / Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders / Applicants are requested to refer to the RHP / Prospectus for more details.

Subject to the above, an illustrative list of Bidders / Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids / Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder / Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form / Application Form as follows: "Name of sole or first Bidder / Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids / Applications by HUFs may be considered at par with Bids / Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIBs category;
- Scientific and / or industrial research organisations authorised in India to invest in the Equity Shares;
- Trusts / societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts / societies and who are authorised under their respective constitutions to hold and invest in equity shares;

- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid / Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) bearing the stamp of a Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the book running lead managers, the Designated Intermediaries at the Bidding centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid / Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP / Prospectus.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the relevant Designated Intermediaries, as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders / Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders / Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders Bidding / applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders / Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM / APPLICATION FORM

Bidders / Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form / Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

APPLICATION FORM FOR RESIDENTS

TEAR HERE

COMMON BID CUM APPLICATION FORM | **XYZ LIMITED - INITIAL PUBLIC ISSUE - R** Address : .... Contact Details: .... CIN No .... | **FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS**

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) — Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✔ tick)
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians -NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternative Investment Funds - AIF
☐ Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with individual)

7. PAYMENT DETAILS — PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date :	3)	

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

ASBA Bank A/c No.
Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

APPLICATION FORM FOR NON-RESIDENTS

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Address : .... Contact Details: .... CIN No	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder

☐ Non-Institutional Bidder

☐ QIB

6. INVESTOR STATUS

- NRI Non-Resident Indian(s) (Repatriation basis)
- FII FII or Sub-account not a Corporate/Foreign Individual
- FIISA FII Sub-account Corporate/Individual
- FVCI Foreign Venture Capital Investor
- FPI Foreign Portfolio Investors
- OTH Others (Please Specify) ______

7. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date ________	3)	

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

LOGO

XYZ LIMITED INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

ASBA Bank A/c No.

Bank & Branch

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

4.1.1 **FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE / FIRST BIDDER / APPLICANT**

(a) Bidders / Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields**: Bidders / Applicants should note that the name and address fields are compulsory and e-mail and / or telephone number / mobile number fields are optional. Bidders / Applicants should note that the contact details mentioned in the Bid cum Application Form / Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(c) **Joint Bids / Applications**: In the case of Joint Bids / Applications, the Bids / Applications should be made in the name of the Bidder / Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder / Applicant would be required in the Bid cum Application Form / Application Form and such first Bidder / Applicant would be deemed to have signed on behalf of the joint holders.

(d) **Impersonation**: Attention of the Bidders / Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who:*

(d) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(e) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(f) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

***shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Bidder / Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders / Applicants should inform their respective DP.

4.1.2 **FIELD NUMBER 2: PAN OF SOLE / FIRST BIDDER / APPLICANT**

(a) PAN (of the sole / first Bidder / Applicant) provided in the Bid cum Application Form / Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids / Applications on behalf of the Central or State Government, Bids / Applications by officials appointed by the courts and Bids / Applications by Bidders / Applicants residing in Sikkim ("PAN Exempted Bidders / Applicants"). Consequently, all Bidders / Applicants, other than the PAN Exempted Bidders / Applicants, are required to disclose their PAN in the Bid cum Application Form / Application Form, irrespective of the Bid / Application Amount. Bids / Applications by the Bidders / Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected. A Bid-cum-Application Form without PAN, except in a case of Exempted Bidders / Applicants, is liable to be rejected.

(c) The exemption for the PAN Exempted Bidders / Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.

(e) Bids / Applications by Bidders / Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

4.1.3 **FIELD NUMBER 3: BIDDERS / APPLICANTS DEPOSITORY ACCOUNT DETAILS**

(a) Bidders / Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form / Application Form. The DP ID and Client ID provided in the Bid cum Application Form / Application Form should match with the DP ID and Client ID available in the Depository database, **<u>otherwise, the Bid cum Application Form is liable to be rejected.</u>**

(b) Bidders / Applicants should ensure that the beneficiary account provided in the Bid cum Application Form / Application Form is active.

(c) Bidders / Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form / Application Form, the Bidder / Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder / Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for other correspondence(s) related to an Issue.

(d) Bidders / Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders / Applicants' sole risk.

4.1.4 **FIELD NUMBER 4: BID OPTIONS**

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus / RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid / Issue Opening Date in case of an IPO, and at least one Working Day before Bid / Issue Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs / FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (for further details Bidders may refer to Section 5.6 (e)).

(c) **Cut-Off Price:** Retail Individual Bidders or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIBs and such Bids from QIBs and NIBs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Managers may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment:** The Allotment of specified securities to each RIB shall not be less than the minimum Bid Lot, subject to availability of shares in the RIB category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP / Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Bidders, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹200,000.

(b) In case the Bid Amount exceeds ₹200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Portion, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(c) For NRIs, a Bid Amount of up to ₹200,000 may be considered under the Retail Portion for the purposes of allocation and a Bid Amount exceeding ₹200,000 may be considered under the Non-Institutional Portion for the purposes of allocation.

(d) Bids by QIBs and NIBs must be for such minimum number of shares such that the Bid Amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP / Prospectus, or as advertised by the Issuer, as the case may be. NIBs and QIBs are not allowed to Bid at Cut-off Price.

(e) RIBs may revise or withdraw their Bids till closure of the bidding period. QIBs and NIBs cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.

(f) In case the Bid Amount reduces to ₹200,000 or less due to a revision of the Price Band, Bids by the NIBs who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion.

(g) For Anchor Investors, if applicable, the Bid Amount shall be least ₹10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Portion under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid / Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Allocation Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

(h) A Bid cannot be submitted for more than the Issue size.

(i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(j) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the highest number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))

4.1.4.2 **Multiple Bids**

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

ii. For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion.

4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS

(a) The categories of Bidders identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and Allotment in the Issue are RIBs, NIBs and QIBs.

(b) Up to 60% of the QIB Portion can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP / Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders / Applicants as permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, Bidders / Applicants may refer to the RHP / Prospectus.

(d) The SEBI ICDR Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder / Applicant may refer to the RHP / Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

(a) Each Bidder / Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders / Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid / Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders / Applicants are requested to refer to the RHP / Prospectus for more details.

(c) Bidders / Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders / Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the ASBA Form. If Discount is applicable in the Issue, RIBs should indicate the full Bid Amount in the Bid cum Application Form and funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP / Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount Offered, if any.

(b) RIBs who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price.

(c) All Bidders (except Anchor Investors) have to participate in the Issue only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 **Instructions for Anchor Investors:**

(a) Anchor Investors may submit their Bids with a Book Running Lead Manager.

(b) Payments should be made either by direct credit, RTGS or NEFT.

(c) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2 **Payment instructions for ASBA Bidders**

(a) Bidders may submit the ASBA Form either

i. in electronic mode through the internet banking facility Issued by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

ii. in physical mode to any Designated Intermediary.

(b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.

(d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) Bidders should submit the Bid cum Application Form only at the Bidding Centres, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

(g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

(h) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.

(l) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid / Issue Closing Date.

4.1.7.3 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RIB category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP / Prospectus.

(c) The Bidders entitled to the applicable Discount in the Issue may block the Bid Amount less Discount.

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Portion. These applications are neither eligible for Discount nor fall under RIB category.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Bidder / Applicant is required to sign the Bid cum Application Form / Application Form. Bidders / Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder / Applicant, then the Signature of the ASBA Account holder(s) is also required.

(c) The signature has to be correctly affixed in the authorisation / undertaking box in the Bid cum Application Form / Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form / Application Form.

(d) Bidders / Applicants must note that Bid cum Application Form / Application Form without signature of Bidder / Applicant and / or ASBA Account holder is liable to be rejected.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

(a) Bidders should ensure that they receive the Acknowledgment Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.

(b) All communications in connection with Bids made in the Issue may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder / Applicant, Bid cum Application Form number, Bidders' / Applicants' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the information mentioned hereinabove.

For further details, Bidder / Applicant may refer to the RHP / Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

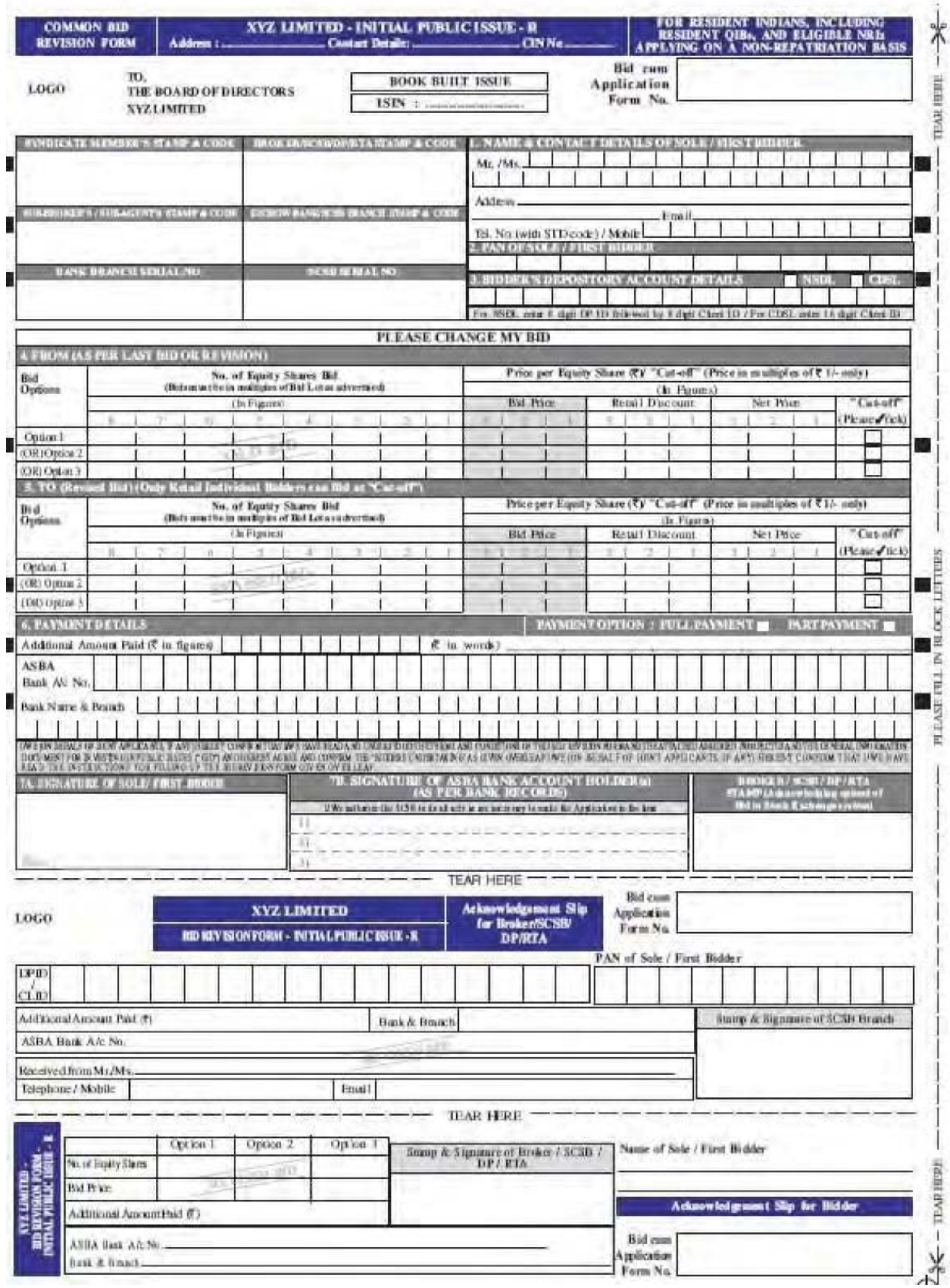
(a) During the Bid / Issue Period, any Bidder / Applicant (other than QIBs and NIBs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RIB may revise their bids or withdraw their Bids till the Bid / Issue Closing Date.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder / Applicant can make this revision any number of times during the Bid / Issue Period. However, for any revision(s) in the Bid, the Bidders / Applicants will have to use the services of the same Designated Intermediary through which such Bidder / Applicant had placed the original Bid. Bidders / Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:


COMMON BID REVISION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : .... Contact Details: .... CIN No. ....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO. | SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					
(OR) Option 2					
(OR) Option 3					

Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					
(OR) Option 2					
(OR) Option 3					

Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)

6. PAYMENT DETAILS — PAYMENT OPTION : FULL PAYMENT PART PAYMENT

Additional Amount Paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

7A. SIGNATURE OF SOLE/ FIRST BIDDER

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

1)
2)
3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED

BID REVISION FORM - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Additional Amount Paid (₹) | Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Paid (₹)			

ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE / FIRST BIDDER / APPLICANTS, PAN OF SOLE / FIRST BIDDER / APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER / APPLICANT

Bidders / Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised options in the Revision Form, the Bidder / Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder / Applicant has Bid for three options in the Bid cum Application Form and such Bidder / Applicant is changing only one of the options in the Revision Form, the Bidder / Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders / Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIBs, Employees and Retail Individual Shareholders, such Bidders / Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹200,000. In case the Bid Amount exceeds ₹200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Portion, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIBs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP / Prospectus. If, however, the RIB does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid, where possible. shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RIB and the RIB is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIBs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the allotment is finalised.

4.2.3 **FIELD 6: PAYMENT DETAILS**

(a) All Bidders / Applicants are required to authorise that the full Bid Amount (less Discount (if applicable) is blocked in the ASBA Account. In case of Bidders / Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(b) Bidder / Applicants may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder / Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹200,000, the Bid may be considered for allocation under the Non-Institutional Portion in terms of the RHP / Prospectus. If, however, the Bidder / Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for, where possible, may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder / Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIBs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of Bidding may be unblocked after the finalisation of basis of allotment.

4.2.4 **FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders / Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE / FIRST BIDDER / APPLICANT, PAN OF SOLE / FIRST BIDDER / APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER / APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

(a) The Issuer may mention Issue Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer and the Promoter Group Selling Shareholders in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIBs and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹200,000 and applications by Employees must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 500,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Issue size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

ii. For applications from Mutual Funds, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

iii. Applications by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 **FIELD NUMBER 5 : CATEGORY OF APPLICANTS**

(a) The categories of applicants identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and Allotment in the Issue are RIBs, individual applicants other than RIB's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

(a) All Applicants (other than Anchor Investors) are required to make use of ASBA for applying in the Issue

(b) Application Amount cannot be paid in cash, through money order, cheque, demand draft or through postal order or through stock invest.

4.3.5.1 **Payment instructions for Applicants**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

4.3.5.2 **Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

4.3.5.3 **Discount** (if applicable)

Applicants should refer to instructions contained in paragraphs 4.1.7.3.

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM / APPLICATION FORM / REVISION FORM

4.4.1 **Bidders / Applicants may submit completed Bid cum application form / Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	1) To the Book Running Lead Managers at the locations mentioned in the Anchor Investors Application Form
ASBA Form	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location (b) To the Designated Branches of the SCSBs

(a) Bidders / Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder / Applicant had placed the original Bid.

(b) Upon submission of the Bid cum Application Form, the Bidder / Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder / Applicant.

(c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations. The Issue Price is finalised after the Bid / Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid / Issue Period, Bidders / Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.

(b) In case of Bidders / Applicants (excluding NIBs and QIBs) Bidding at Cut-off Price, the Bidders / Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(c) For details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders / Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid / Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation / Allotment. The Designated Intermediaries are given till 1 p.m. on the next Working Day following the Bid / Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid / Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders / Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the Book Running Lead Managers at the end of the Bid / Issue Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding Centres during the Bid / Issue Period.

5.4 WITHDRAWAL OF BIDS

(a) RIBs can withdraw their Bids until Bid / Issue Closing Date. In case a RIB wishes to withdraw the Bid during the Bid / Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalisation of basis of allotment. QIBs and NIBs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:

i. the Bids accepted by the Designated Intermediary,

ii. the Bids uploaded by the Designated Intermediary, and

iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediary.

Any RIB whose Bid has not been considered for Allotment, due to failures on the part of the SCSB may seek redressal from the concerned SCSB within three months of the listing date in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018.

(b) The Book Running Lead Managers and their affiliate Syndicate Members, as the case may be, may reject Bids if all information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) Book Running Lead Managers and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIBs & RIBs Bidders can be rejected on technical grounds listed herein.

5.5.1 **GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms / Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders / Applicants are advised to note that the Bids / Applications are liable to be rejected, which have been detailed at various places in this GID:-

(a) Bids / Applications accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Accounts maintained with an SCSB;

(b) Bid / Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(c) Bids / Applications by OCBs;

(d) In case of partnership firms, Bid / Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(e) DP ID and Client ID not mentioned in the Bid cum Application Form / Application Form;

(f) In case of Bids / Applications under power of attorney or by limited companies, corporate, trust, etc., relevant documents are not being submitted along with the Bid cum application form;

(g) Bids / Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(h) Bids / Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(i) PAN not mentioned in the Bid cum Application Form / Application Forms except for Bids / Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(j) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(k) Bids / Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(l) Bids / Applications at a price less than the Floor Price & Bids / Applications at a price more than the Cap Price;

(m) Bids / Applications at Cut-off Price by NIBs and QIBs;

(n) The amounts mentioned in the Bid cum Application Form / Application Forms do not tally with the amount payable for the value of the Equity Shares Bid / Applied for;

(o) Bids / Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(p) Submission of more than five ASBA Forms / Application Forms per ASBA Account;

(q) Bids / Applications for number of Equity Shares which are not in multiples Equity Shares as specified in the RHP;

(r) Multiple Bids / Applications as defined in this GID and the RHP / Prospectus;

(s) Bids not uploaded in the Stock Exchanges bidding system.

(t) Bid cum Application Form / Application Forms are not delivered by the Bidders / Applicants within the time prescribed as per the Bid cum Application Form / Application Form, Bid / Issue Closing Date Advertisement;

(u) Inadequate funds in the bank account to block the Bid / Application Amount specified in the ASBA Form / Application Form at the time of blocking such Bid / Application Amount in the bank account;

(v) Where no confirmation is received from SCSB for blocking of funds;

(w) Bids / Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;

(x) Bids / Applications not uploaded on the terminals of the Stock Exchanges;

(y) Bids / Applications submitted to Designated Intermediaries at locations other than the Bidding Centres or to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the Issuer or the Registrar to the Issue;

(z) Bids / Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form / Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders / Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder / Applicant may refer to the RHP / Prospectus.

(b) Under-subscription in any category (except QIB Portion) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Managers and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Portion is not available for subscription to other categories.

(c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders / Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue*; it also excludes Bidding by Anchor Investors.*

Bidders can bid at any price within the price band. For instance, assume a price band of ₹20 to ₹24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Price (₹)	Cumulative Quantity	Subscription
500	24	500	16.70%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.70%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, *i.e.*, ₹22.00 in the above example. The issuer and the Promoter Group Selling Shareholders, in consultation with the book running lead managers, will finalise the issue price at or below such cut-off price, *i.e.*, at or below ₹22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding ("**Alternate Book Building Process**").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid / Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIBs, NIBs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and / or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid / Issue Opening Date.

In a fixed price issue, allocation in the net Issue to the public category is made as follows: minimum fifty per cent to Retail Individual Bidders; and remaining to (i) individual investors other than Retail Individual Bidders; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders / Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders / Applicants other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders / Applicants may refer to RHP / Prospectus. No Retail Individual Bidder will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Bidder Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Net Issue (excluding any Offer for sale of specified securities). However, in case the Issue is in the nature of Offer for sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIBs

Bids received from the RIBs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Portion at or above the Issue Price, full Allotment may be made to the RIBs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Portion at or above the Issue Price, then the maximum number of RIBs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot ("**Maximum RIB Allottees**"). The Allotment to the RIBs will then be made in the following manner:

(a) In the event the number of RIBs who have submitted valid Bids in the Issue is equal to or less than Maximum RIB Allottees, (i) all such RIBs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Portion shall be Allotted on a proportionate basis to the RIBs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIBs who have submitted valid Bids in the Issue is more than Maximum RIB Allottees, the RIBs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIBS

Bids received from NIBs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIBs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Portion at or above the Issue Price, full Allotment may be made to NIBs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Portion at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Portion.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders / Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Portion (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Portion may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Portion may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Portion; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Portion, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, may be included for allocation to the remaining QIB Bidders on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Managers, subject to compliance with the following requirements:

   i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;

   ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

   iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

      - a maximum number of two Anchor Investors for allocation up to ₹100 million;

      - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹100 million and up to ₹2,500 million subject to minimum Allotment of ₹50 million per such Anchor Investor; and

      - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof, subject to minimum Allotment of ₹50 million per such Anchor Investor.

(b) An Anchor Investor shall make an application of a value of at least ₹100 million in the Issue.

(c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Managers, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(d) **In the event that the Issue Price is higher than the Anchor Investor Allocation Price**: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor

Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(e) **In the event the Issue Price is lower than the Anchor Investor Allocation Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIBs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer and the Promoter Group Selling Shareholders may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders / Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders / Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders / Applicants Depository Account will be completed within six Working Days of the Bid / Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid / Issue Closing Date. The Registrar to the Issue may initiate corporate action for credit to Equity Shares the beneficiary account with Depositories, within six Working Days of the Bid / Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in / list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP / Prospectus. The Designated Stock Exchange may be as disclosed in the RHP / Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹5 lakhs but which may extend to ₹50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹50,000 but which may extend to ₹3 lakhs, or with both.

If the permissions to deal in and an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders / Applicants in pursuance of RHP / Prospectus.

If such money is not refunded to the Bidders / Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP / Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid / Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Offer for sale only, then minimum subscription may not be applicable.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days or such other period as may be prescribed, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum or such other interest as may be prescribed in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

(a) **In case of ASBA Bids:** Within six Working Days of the Bid / Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.

(b) **In case of Anchor Investors:** Within six Working Days of the Bid / Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.

(c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

(a) **NACH –** National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

(b) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(c) **RTGS**—Anchor Investors having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS.

(d) **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted by the Anchor Investor to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors may refer to RHP / Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum or such other rate as may be prescribed if Allotment is not made and the refund instructions have not been given to the clearing system in the disclosed manner / instructions for unblocking of funds in the ASBA Account are not dispatched within six working days of the Bid / Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid / Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time. In case of any inconsistency between the definitions given in "Definitions and Abbreviations" beginning at page 1, and the definitions contained below, the definitions given in "Definitions and Abbreviations" shall prevail.

Term	Description
Allotment / Allot / Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders / Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders / Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder / Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations and this Red Herring Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by the Issuer and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Managers, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by ASBA Bidders / Applicants, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
Application Supported by Blocked Amount Form / ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders / Applicants, which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder
ASBA Bidder	All Bidders / Applicants except Anchor Investors
Banker(s) to the Issue / Escrow Collection Bank(s) / Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account for Anchor Investors may be opened, and as disclosed in the RHP / Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders / Applicants under the Issue
Bid	An indication to make an Issue during the Bid / Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid / Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires

Term	Description
Bid / Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders / Applicants may refer to the RHP / Prospectus for the Bid / Issue Closing Date
Bid / Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders / Applicants may refer to the RHP / Prospectus for the Bid / Issue Opening Date
Bid / Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid / Issue Opening Date and the Bid / Issue Closing Date inclusive of both days and during which prospective ASBA Bidders / Applicants can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid / Issue Period for QIBs one working day prior to the Bid / Issue Closing Date in accordance with the SEBI ICDR Regulations. Bidders / Applicants may refer to the RHP / Prospectus for the Bid / Issue Period
Bidder / Applicant	Any prospective investor who makes a Bid / Application pursuant to the terms of the RHP / Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder / Applicants should be construed to mean an Applicant
Book Built Process / Book Building Process / Book Building Method	The book building process as provided under SEBI ICDR Regulations, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders / Applicants can submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s) / Book Running Lead Manager(s) / Lead Manager / LM	The Book Running Lead Manager to the Issue as disclosed in the RHP / Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays)
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid / Issue Period
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Cut-off Price	Issue Price, finalised by the Issuer and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIBs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders / Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant

Term	Description
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders / Applicants including the Bidder / Applicant's address, name of the Applicant's father / husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders / Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders / Applicants in the Fresh issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for sale
Designated Intermediaries	Syndicate, sub-syndicate / agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Issue
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP / Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders / Applicants in accordance with the SEBI ICDR Regulations.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder / Applicant may refer to the RHP / Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account

Term	Description
First Bidder / Applicant	The Bidder / Applicant whose name appears first in the Bid cum Application Form or Revision Form
Fixed Price Issue / Fixed Price Process / Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public issue of Equity Shares of the Issuer including the Offer for sale if applicable
Issuer / Company	The Issuer proposing the initial public offering / further public offering as applicable
Maximum RIB Allottees	The maximum number of RIBs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Portion (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP / Prospectus and Bid cum Application Form
NACH	National Automated Clearing House
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP / Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Non Institutional Bidders or NIBs	All Bidders / Applicants registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being such number of Equity Shares available for allocation to NIBs on a proportionate basis and as disclosed in the RHP / Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA Regulations and includes Eligible NRIs, FPIs and FVCIs registered with SEBI

Term	Description
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Other Investors	Investors other than Retail Individual Bidders in a Fixed Price Issue. These include individual applicants other than Retail Individual Bidders and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price The Issue Price may be decided by the Issuer and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Manager(s)
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue will be decided by our Company and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Managers and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid / Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer and the Promoter Group Selling Shareholders in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	A Bank account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Portion	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations
RTGS	Real Time Gross Settlement
Red Herring Prospectus / RHP	This Red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are issued and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid / Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account	The account opened with Refund Bank, from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank	Refund bank as disclosed in the RHP / Prospectus and Bid cum Application Form of the Issuer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI

Term	Description
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue / RTO	The Registrar to the Issue as disclosed in the RHP / Prospectus and Bid cum Application Form
Reserved Category / Categories	Categories of persons eligible for making application / Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible Bidders / Applicants as provided under the SEBI ICDR Regulations
Retail Individual Bidders / RIBs	Investors who applies or bids for a value of not more than ₹200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹200,000.
Retail Portion	The portion of the Issue being such number of Equity Shares available for allocation to RIBs which shall not be less than the minimum Bid Lot, subject to availability in RIB category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building Process to modify the quantity of Equity Shares and / or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centres
Stock Exchanges / SE	The stock exchanges as disclosed in the RHP / Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of ASBA Forms by Syndicate Members
Syndicate Member(s) / SM	The Syndicate Member(s) as disclosed in the RHP / Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement among the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	“Working Day” means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid / Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid / Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FDI Policy and FEMA. The government bodies responsible for granting foreign investment approvals are the concerned ministries / departments of the Government of India and the RBI. The Union Cabinet has recently approved phasing out the erstwhile Foreign Investment Promotion Board, as provided in the press release dated May 24, 2017. Accordingly, pursuant to the Office Memorandum dated June 5, 2017 issued by the Department of Economic Affairs, Ministry of Finance, approval for foreign investment under the FDI Policy and FEMA has been entrusted to the concerned ministries / departments.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DIPP, issued the consolidated FDI Policy by way of circular no. D/o IPP F. No. 5(1)/2017-FC-1 dated August 28, 2017 which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, FDI Policy will be valid until the DIPP issues an updated FDI Policy.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the existing policy of the Government, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and pursuant to the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION IX: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.

Share Capital

Article 5 provides that "The authorised share capital of the Company shall be such amount, divided into such class(es) denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum of Association, with power to increase or reduce such capital from time to time and power to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the Articles of the Company or the provisions of applicable law for the time being in force."

Article 6 provides that "Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise."

Article 9 provides that "The Board of Directors may issue and allot shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or the acquisition and/or in the conduct of its business; and any shares which may be so allotted may be issued as fully/partly paid up shares and if so issued shall be deemed as fully/partly paid up shares."

Sub-Division, Consolidation and Cancellation of Share Certificate

Article 10 provides that "Subject to the provisions of the Act, the Company in its General Meetings may, by an Ordinary Resolution, from time to time:

(a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;

(b) divide, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others;

(c) cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled;

(d) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of Members shall require applicable approvals under the Act; and

(e) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination."

Commission for placing shares, debentures, etc.

Article 25 provides that:

(a) "Subject to the provisions of the Act and other applicable laws, the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) to any shares or debentures of the Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares or debentures of the Company and provisions of the Act shall apply.

(b) The Company may also, in any issue, pay such brokerage as may be lawful.

(c) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other."

Calls

Article 34 provides that "The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. A call may be revoked or postponed at the discretion of the Board."

Article 35 provides that "Each Member shall, subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more Members as the Board may deem appropriate in any circumstances."

Article 36 provides that "The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in instalments."

Forfeiture of shares

Article 43 provides that "If a Member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment."

Article 44 provides that "The notice aforesaid shall:

(a) name a further day (not being earlier than the expiry of fourteen days from the date of services of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect."

Article 45 provides that "Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable law."

Transfer and transmission of shares

Article 58 provides that "The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares."

Article 59 provides that "In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or Officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate, in lieu of and in cancellation of the existing certificate in the name of the transferee."

Article 60 provides that:

(a) "The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.

(b) The Board may decline to recognize any instrument of transfer unless-

   (i) the instrument of transfer is in the form prescribed under the Act;

   (ii) the instrument of transfer is accompanied by the certificate of shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

   (iii) the instrument of transfer is in respect of only one class of shares.

(c) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document."

Article 67 provides that "Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Members, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of his title, elect to either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder or to make such transfer of the share as the deceased or insolvent member could have made. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. Provided, nevertheless, if such person shall elect to have his nominee registered, he shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares. Further, all limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member."

Article 68 provides that "A person becoming entitled to a share by transmission shall, reason of the death or insolvency of the holder shall, subject to the Directors' right to retain such dividends or money, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may at any time give a notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety (90) days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of such share, until the requirements of notice have been complied with."

Article 71 provides that "The provisions of these Articles, shall, *mutatis mutandis*, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the Company."

Alteration of capital

Article 72 provides that "The Company may issue share warrants subject to, and in accordance with provisions of the Act. The Board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant."

Article 75 provides that "The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act—

(a) its share capital; and/or

(b) any capital redemption reserve account; and/or

(c) any share premium account

and in particular without prejudice to the generality of the foregoing power may be: (i) extinguishing or reducing the liability on any of its shares in respect of share capital not paid up; (ii) either with or without extinguishing or reducing liability on any of its shares, cancel paid up share capital which is lost or is unrepresented by available assets; or (ii) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly."

Article 77 provides that "Notwithstanding anything contained in these Articles, but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities."

BORROWING POWERS

Article 129 provides that:

(a) "Subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the moneys to be borrowed, together with the money already borrowed by the Company apart from temporary loans obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a Special Resolution at a General Meeting, exceed the aggregate of the paid up capital of the Company and its free reserves. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

(b) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.

(c) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and he same shall be in the interests of the Company.

(d) Any bonds, debentures, debenture-stock or other securities may if permissible in applicable law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into equity shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, attending (but not voting) in the General Meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into equity shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution."

GENERAL MEETINGS

Article 78 provides that:

(a) "The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year.

(b) An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act."

Article 79 provides that: "All General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meeting". Provided that, the Board may, whenever it thinks fit, call an extraordinary general meeting."

Article 80 provides that: "The Board shall on, the requisition of Members convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act."

VOTE OF MEMBERS

Article 94 provides that:

"Subject to any rights or restrictions for the time being attached to any class or classes of shares:

(a) On a show of hands every Member holding equity shares and present in person shall have one vote.

(b) On a poll, every Member holding equity shares therein shall have voting rights in proportion to his share in the paid up equity share capital.

(c) A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once."

Article 95 provides that "In case of joint holders the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders."

Proxies

Article 98 provides that "Any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting."

Directors

Article 102 provides that "Unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not more than fifteen (15), and atleast one (1) Director shall be resident of India in the previous year.

Provided that the Company may appoint more than fifteen (15) directors after passing a Special Resolution.

The following shall be first Directors of the Company

(a) Ramesh Maganlal Shah;

(b) Prakash Damodar Kamat;

(c) Mukesh Maganlal Shah;

(d) Jayen Ramesh Shah; and

(e) Tushar Ramesh Shah.

Article 111 provides that "At the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the managing Director appointed or the Directors appointed as a debenture director under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article."

Article 112 provides that "A retiring Director shall be eligible for re-election and the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing a person thereto."

Proceedings of Board of Directors

Article 117 provides that:

(a) "The Board of Directors shall meet at least once in every three (3) months with a maximum gap of four (4) months between two (2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Place of meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the chairman of the Board.

(b) The chairman may, at any time, and the secretary or such other Officer of the Company as may be authorised in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate Director at his usual address whether in India or abroad, provided always that a meeting may be convened by a shorter notice in accordance with the provisions of the Act.

(c) The notice of each meeting of the Board shall include (i) the time for the proposed meeting; (ii) the venue for the proposed meeting; and (iii) an agenda setting out the business proposed to be transacted at the meeting.

(d) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is, by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum."

Article 122 provides that:

(a) "The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable law, or by the Memorandum or by the Articles required to be exercised by the Company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting; but no regulation made by the Company in a General meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

(b) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case maybe, by such person and in such manner as the Board shall from time to time by resolution determine."

CAPITALISATION OF PROFITS

Article 150 provides that:

(a) "The Company in General Meeting, may, on recommendation of the Board resolve:

    (i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution; and

    (ii) that such sum be accordingly set free for distribution in the manner specified in the sub-clause (b) amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportion.

(b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in sub-clause (c) below, either in or towards:

    (i) paying up any amounts for the time being unpaid on shares held by such Members respectively;

    (ii) paying up in full, unissued share of the Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid; or

    (iii) partly in the way specified in sub-clause (i) and partly that specified in sub -clause (ii).

    (iv) A share premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.

    (v) The Board shall give effect to the resolution passed by the Company in pursuance of these Articles."

Winding up

Article 161 provides that "Subject to the applicable provisions of the Act–

(a) If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

(c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

(d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Act."

Indemnity

Article 161 provides that "Subject to the provisions of the Act, every Director and Officer of the Company shall be indemnified by the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the tribunal. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, wilful misconduct or bad faith acts or omissions of such Director."

SECTION X: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of this Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the above mentioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Red Herring Prospectus until the Bid / Offer Closing Date.

A. Material Contracts for the Offer

1. Offer Agreement dated February 7, 2018 among our Company, the Promoter Group Selling Shareholders and the Book Running Lead Managers.

2. Registrar Agreement dated February 7, 2018 among our Company, the Promoter Group Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow Agreement dated June 8, 2018 among our Company, the Promoter Group Selling Shareholders, Syndicate Members, the Registrar to the Offer, the Book Running Lead Managers and the Banker(s) to the Offer.

4. Share Escrow Agreement dated June 8, 2018 among the Promoter Group Selling Shareholders, our Company and the Escrow Agent.

5. Syndicate Agreement dated June 8, 2018 among our Company, the Promoter Group Selling Shareholders, the Book Running Lead Managers and the Syndicate Members.

6. Underwriting Agreement dated [●] among our Company, the Promoter Group Selling Shareholders and the Underwriters.

B. **Material Documents**

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.

2. Certificate of incorporation dated May 24, 2002.

3. Fresh certificate of incorporation dated February 16, 2009 issued by the RoC, upon change in name of our Company from Fine Organic Industries (Mumbai) Private Limited to Fine Organic Industries Private Limited.

4. Fresh certificate of incorporation dated November 2, 2017 issued by the RoC, upon conversion of our Company from private limited company to public limited company.

5. Resolutions dated November 3, 2017 and November 6, 2017 passed by our Board and our Shareholders, respectively, in relation to the Offer.

6. Consent each dated February 7, 2018 of our Promoter Group Selling Shareholders approving the Offer.

7. Scheme of amalgamation between our Company and Oleofine Organics (India) Private Limited.

8. Scheme of amalgamation among our Company, Fine Research and Development Centre Private Limited and Fine Speciality Surfactants Private Limited.

9. Shareholders' agreement dated May 21, 2014 between our Company and Zeelandia International.

10. The annual reports of our Company for the Fiscals 2017, 2016, 2015, 2014 and 2013.

11. The examination report of the Auditors dated May 18, 2018 in relation to our Company's Restated Financial Statements, included in this Red Herring Prospectus.

12. The statement of tax benefits dated May 21, 2018 from the independent chartered accountant.

13. Consent of our Directors, the Book Running Lead Managers, Legal Counsel to our Company as to Indian Law, International Legal Counsel to Book Running Lead Managers, Legal Counsel to the Book Running Lead Managers as to Indian Law, Registrar to the Offer, Bankers to our Company, Banker(s) to the Offer,

Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.

14. Consent letter dated February 2, 2018 from the Auditors, for inclusion of their names as experts herein.

15. Consent letter dated May 21, 2018 and February 2, 2018 from Dilip R. Panchamia, the chartered engineer, and D.B. Shah & Associates, independent chartered accountant, respectively, for inclusion of their names as experts herein.

16. Report titled "Report on Indian and global food emulsifiers and plastic additives industry" dated November 2017 by CRISIL Research.

17. Due diligence certificate dated February 7, 2018 addressed to SEBI from the Book Running Lead Managers.

18. In principle listing approvals dated March 8, 2018 and March 9, 2018 issued by BSE and NSE, respectively.

19. Tripartite agreement dated November 16, 2017 executed among our Company, NSDL and the Registrar to the Offer.

20. Tripartite agreement dated November 3, 2017 executed among our Company, CDSL and the Registrar to the Offer.

21. Letter of indemnity dated April 24, 2018 from our Promoters in favour of the Company with respect to the absence of the transfer forms in relation to the promoter build-up.

22. SEBI interim observations by way of e-mail dated March 8, 2018, April 19, 2018, May 2, 2018, May 7, 2018 and SEBI final observations no. SEBI/HO/CFD/DIL-1/OW/P/14036/1/2018 dated May 11, 2018, and findings from the Action Taken Reports database by way of e-mail dated March 27, 2018.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, subject to compliance with the provisions contained in the Companies Act and other relevant statutes and regulations.

DECLARATION

Each undersigned Promoter Group Selling Shareholder hereby certifies that all statements, disclosures and undertakings made by such Promoter Group Selling Shareholder in this Red Herring Prospectus about or in relation to herself/ himself in connection with the Offer and the Offered Shares, are true and correct.

SIGNED BY THE PROMOTER GROUP SELLING SHAREHOLDERS

____________________________	**Prakash Damodar Kamat**
____________________________	**Mukesh Maganlal Shah**
____________________________	**Jyotsna Ramesh Shah**
____________________________	**Jayen Ramesh Shah**
____________________________	**Tushar Ramesh Shah**
____________________________	**Bimal Mukesh Shah**
____________________________	**Jayshree Mukesh Shah**
____________________________	**Neeta Jayen Shah**
____________________________	**Bina Tushar Shah**

Date: June 11, 2018

Place: Mumbai

DECLARATION

We, the Directors hereby certify and declare that all relevant provisions of the Companies Act, and the rules, regulations and guidelines issued by the Government or the rules, regulations, circulars or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS AND CHIEF FINANCIAL OFFICER OF OUR COMPANY

_________________________	**Prakash Damodar Kamat** *Executive Director and Chairman*
_________________________	**Mukesh Maganlal Shah** *Managing Director*
_________________________	**Jayen Ramesh Shah** *Executive Director and Chief Executive Officer*
_________________________	**Tushar Ramesh Shah** *Executive Director and Chief Financial Officer*
_________________________	**Bimal Mukesh Shah** *Executive Director*
_________________________	**Prakash Krishnaji Apte** *Independent Director*
_________________________	**Kaushik Dwarkadas Shah** *Independent Director*
_________________________	**Mahesh Pansukhlal Sarda** *Independent Director*
_________________________	**Parthasarathi Thiruvengadam** *Independent Director*
_________________________	**Pratima Umarji** *Independent Director*

Date: June 11, 2018

Place: Mumbai